



(Please scan this QR Code to view this Draft Red Herring Prospectus and the Draft Abridged Prospectus)

DRAFT RED HERRING PROSPECTUS

Dated: September 21, 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



JAI PARVATI FORGE LIMITED

CORPORATE IDENTITY NUMBER: U29301PB2004PLC050418

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Village Bhagwanpur, Barwala Road Tehsil Dera Bassi, District SAS Nagar, Mohali - 140507, Punjab, India	Gourav Kapoor (Company Secretary and Compliance Officer)	Tel: +91 1762 206547 Email: cs@jaiparvatiforge.com	www.jaiparvatiforge.com

PROMOTERS OF OUR COMPANY: SAHENDER SINGH CHAUHAN, SUMAN CHAUHAN AND VINEET CHAUHAN

DETAILS OF THE OFFER TO THE PUBLIC

Type	Fresh Issue Size [^]	Offer for Sale Size	Total Offer Size [^]	Eligibility and Share Reservation
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, (“SEBI ICDR Regulations”) and in compliance with Regulation 6(1) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 470. For details in relation to the share reservation among Qualified Institutional Buyers (“QIBs”), Retail Individual Investors (“RIIs”) and Non-Institutional Investors (“NIIs”), see “Offer Structure” on page 491.

DETAILS OF THE PROMOTER SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED (UP TO)/AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹) ⁽¹⁾
Suman Chauhan	Promoter Selling Shareholder	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million.	0.61

⁽¹⁾ As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

RISKS IN RELATION TO THE OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 2 each. The Floor Price, the Cap Price and the Offer Price (as determined by our Company, in consultation with the Book Running Lead Managers (“BRLMs”)), 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 150, 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 nor 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 have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 26.

ISSUER'S AND PROMOTER SELLING SHAREHOLDER'S 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. The Promoter Selling Shareholder accepts responsibility for and confirms the statements specifically made or confirmed by her in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to herself and the portion of Equity Shares offered by her in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements, including, inter alia, any and all of the statements made by or relating to our Company or its business in this Draft Red Herring Prospectus.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus, are proposed to be listed on National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”) and together with NSE, the “Stock Exchanges”). For the purposes of the Offer, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013.

BOOK RUNNING LEAD MANAGERS

NAME OF BRLM AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
 Beeline Capital Advisors Private Limited	Nikhil Shah	E-mail: mb@beelinemb.com Tel.: +91 079 4918 5784
 Monarch Network Capital Limited	Saahil Kinkhabwala / Aayushi Poddar	E-mail: ecm@mnclgroup.com; Tel.: +91 22 6647 6400

REGISTRAR TO THE OFFER

NAME OF THE REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
 MUFG Intime India Private Limited <i>(formerly Link Intime India Private Limited)</i>	Shanti Gopalkrishnan	E-mail: jaiparvati.ipo@in.mpms.mufg.com Tel.: +91 810 811 4949

BID/OFFER PERIOD

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/OFFER OPENS ON	[●]*	BID/OFFER CLOSES ON [#]	[●]**
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*Our Company, in consultation with the Book Running Lead Managers, 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.

** Our Company, in consultation with the Book Running Lead Managers, 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.

[^]Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus.



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DRAFT RED HERRING PROSPECTUS

Dated: September 21, 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



JAI PARVATI FORGE LIMITED

CORPORATE IDENTITY NUMBER: U29301PB2004PLC050418

Our Company was originally incorporated as ‘Jai Parvati Forge Private Limited’ as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated January 23, 2004 issued by the Registrar of Companies, Jalandhar at Punjab, H.P. & Chandigarh. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by our Shareholders at the EGM held on March 22, 2007. Consequently, the name of our Company was changed to ‘Jai Parvati Forge Limited’, and the original certificate of incorporation dated January 23, 2004 was modified by the Registrar of Companies, Jalandhar at Punjab, H.P. & Chandigarh to reflect the deletion of the word ‘Private’ from the name of our Company, with effect from May 01, 2007. Subsequent to the change in our registered office from the Union Territory of Chandigarh to the State of Punjab, pursuant to the approvals accorded by our Board and Shareholders on October 19, 2018 and November 12, 2018 respectively, a fresh certificate of registration dated December 13, 2019 was issued by the Registrar of Companies, Chandigarh. For further details in relation to changes in the name of our Company and in the Registered Office, see “History and Certain Corporate Matters” on page 307.

Corporate Identity Number: U29301PB2004PLC050418

Registered and Corporate Office: Village Bhagwanpur, Barwala Road Tehsil Dera Bassi,
District SAS Nagar, Mohali- 140507, Punjab, India

Contact Person: Gourav Kapoor, Company Secretary and Compliance Officer;

Tel: +91 1762 206547 **E-mail:** cs@jaiparvatiforge.com **Website:** www.jaiparvatiforge.com

OUR PROMOTERS: SAHENDER SINGH CHAUHAN, SUMAN CHAUHAN AND VINEET CHAUHAN

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH (“EQUITY SHARES”) OF JAI PARVATI FORGE LIMITED (“COMPANY” OR “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO [●] MILLION COMPRISING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH AGGREGATING UP TO ₹ 3,000.00 MILLION (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 9,000,000 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH AGGREGATING UP TO ₹ [●] MILLION BY SUMAN CHAUHAN (THE “PROMOTER SELLING SHAREHOLDER”, AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER SELLING SHAREHOLDER, THE “OFFERED SHARES”) (“OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT, 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 BRLMS. 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 SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. THE UTILISATION OF THE PROCEEDS RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE DONE TOWARDS THE OBJECTS IN COMPLIANCE WITH APPLICABLE LAW. PRIOR TO THE COMPLETION OF THE OFFER AND THE ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS 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. 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 THE PROSPECTUS. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT, WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, AND ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●], A PUNJABI DAILY NEWSPAPER (PUNJABI BEING THE REGIONAL LANGUAGE OF PUNJAB, WHERE THE REGISTERED AND CORPORATE OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE AND NSE (“BSE” AND TOGETHER WITH NSE, “THE STOCK EXCHANGES”) FOR THE PURPOSE OF UPLOADING ON THEIR

RESPECTIVE WEBSITES IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding ten Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid /Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding ten Working Days. Any revision in 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 websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“**SCRR**”) read with Regulation 31 and Regulation 32(1) of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers (“**QIBs**” and such portion, the “**QIB Portion**”), provided that our Company may, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“**Anchor Investor Portion**”), 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. 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 only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders (“**Non-Institutional Portion**”) and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors (“**RIIs**”) in accordance with the SEBI ICDR Regulations (“**Retail Portion**”), subject to valid Bids being received at or above the Offer Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹ 1.00 million provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional 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. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount (“**ASBA**”) process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders, as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks (“**SCSBs**”) or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see “*Offer Procedure*” on page 496.

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 of our Company. The face value of the Equity Shares is ₹ 2. The Floor Price, Cap Price and Offer Price as determined and justified by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, as stated under “*Basis for Offer Price*” on page 150 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 nor 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 in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” beginning on page 26.

ISSUER’S AND PROMOTER SELLING SHAREHOLDER’S 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. The Promoter Selling Shareholder accepts responsibility for and confirms the statements specifically made or confirmed by her in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to herself and the portion of the Equity Shares offered by her in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. The Promoter Selling Shareholder assumes no responsibility for any other statements, including, inter alia, any and all of the statements made by or relating to our Company or its business in this Draft Red Herring Prospectus.

LISTING

The Equity Shares to be Allotted 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 the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For 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 541.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER		
 Capital Advisors Pvt. Ltd. Beeline Capital Advisors Private Limited		 Monarch Network Capital Limited		 MUFG Intime India Private Limited <i>(formerly Link Intime India Private Limited)</i>	
Beeline Capital Advisors Private Limited B 1311-1314, 13th Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej Ahmedabad- 380054 Gujarat, India. Tel: +91 079 4918 5784 E-mail: mb@beelinemb.com Investor Grievance E-mail: ig@beelinemb.com Website: www.beelinemb.com Contact person: Nikhil Shah SEBI Registration No.: INM000012917		Monarch Network Capital Limited 4th Floor, B Wing, Laxmi Towers, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India Tel: +91 22 6647 6400 E-mail: ecm@mnclgroup.com Investor Grievance E-mail: mbd@mnclgroup.com Website: www.mnclgroup.com Contact person: Saahil Kinkhabwala / Aayushi Poddar SEBI Registration No.: INM000011013		MUFG Intime India Private Limited <i>(formerly Link Intime India Private Limited)</i> C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India Tel: +91 81081 14949 E-mail: jaiparvati.ipo@in.mpms.mufg.com Website: https://in.mpms.mufg.com/ Investor grievance e-mail: jaiparvati.ipo@in.mpms.mufg.com Contact Person: Shanti Gopalkrishnan Registration Number: INR000004058	
BID/ OFFER PERIOD					
ANCHOR INVESTOR BIDDING DATE	[●]*	BID/ OFFER OPENS ON	[●]*	BID/ OFFER CLOSES ON#	[●]**

*Our Company, in consultation with the Book Running Lead Managers, 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.

** Our Company, in consultation with the Book Running Lead Managers, 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 the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SEBI Act, the Depositories Act or the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined hereinafter). In case of any inconsistency between the definitions used in this Draft Red Herring Prospectus and the definitions included in the General Information Document, the definitions used in this Draft Red Herring Prospectus shall prevail.

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Our Business”, “History and Certain Corporate Matters”, “Key Regulations and Policies in India”, “Objects of the Offer”, “Pro Forma Financial Information”, “Basis for the Offer Price” “Restriction on Foreign Ownership of Indian Securities”, “Restated Financial Information”, and “Outstanding Litigations and Material Developments” on pages 521, 165, 170, 253, 307, 300, 126, 406, 150, 519, 344 and 458 respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
Our Company/ the Company/ the Issuer/ Jai Parvati Forge Limited	Jai Parvati Forge Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Village Bhagwanpur, Barwala Road Tehsil Dera Bassi, District SAS Nagar, Mohali- 140507, Punjab, India
We/ us/ our	Unless the context otherwise indicates or implies, refers to our Company.

Company Related Terms

Term	Description
AoA/Articles of Association or Articles	The articles of association of our Company, as amended.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, the SEBI Listing Regulations and as described in “Our Management – Board committees – Audit Committee” on page 325.
Auditors/ Statutory Auditors	The current statutory auditors of our Company, being M/s. Ashwani K Gupta and Associates, Chartered Accountants.
Board/ Board of Directors	The board of directors of our Company, and where applicable or implied by context, includes a duly constituted committee thereof. For further details, please see “Our Management – Board of Directors” on page 317.
Chief Financial Officer	The chief financial officer of our Company, being Vijay Kumar Sharma. For further details, please see “Our Management – Key Managerial Personnel and Senior Management” on page 334.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Gourav Kapoor. For further details, please see “Our Management – Key Managerial Personnel and Senior Management” on page 334
Corporate Social Responsibility Committee or CSR Committee	The corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and as described in “Our Management – Board Committees – Corporate Social Responsibility committee” on page 332.

Term	Description
Cost Vetting Report	Report titled “Cost Vetting Report” dated September 18, 2026, issued by Indraprastha Corridor Advisory Services Private Limited for assessing and verifying costs towards the capital expenditure requirements of our Company proposed to be funded from the Net Proceeds. The Cost Vetting Report shall be available on the website of our Company at www.jaiparvatiforge.com till the Bid/Offer Closing Date.
CRISIL	Credit Rating Information Services of India Limited
CRISIL Report	Industry report titled “ <i>Gears, Shafts and Precision Components Industry Report</i> ” dated September, 2026, issued by CRISIL pursuant to an engagement letter with CRISIL dated January 31, 2026. The CRISIL Report shall be available on the website of our Company at www.jaiparvatiforge.com . The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer.
Director(s)	The director(s) on our Board as appointed from time to time.
Equity Shares	The equity shares of our Company of face value of ₹ 2 each, unless otherwise stated.
Executive Chairman and Whole-Time Director	The executive chairman and Whole-Time Director of our Company, namely Sahender Singh Chauhan. For details, see “ <i>Our Management – Board of Directors</i> ” on page 317
Group Company	The companies identified as ‘group companies’ in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and the Materiality Policy. For further details, see “ <i>Our Group Company</i> ” on page 342.
Independent Director(s)	Non-executive and independent directors of our Company who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management- Board of Directors</i> ” on page 317.
KMP/ Key Managerial Personnel	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 further described in “ <i>Our Management - Key Managerial Personnel and Senior Management</i> ” on page 334.
Managing Director	The managing director of our Company, namely Vineet Chauhan. For details, see “ <i>Our Management – Board of Directors</i> ” on page 317
Materiality Policy	The policy adopted by our Board on August 12, 2026 for identification of: (a) outstanding material litigation proceedings; (b) Group Company; and (c) material creditors, 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 Prospectus.
MoA/ Memorandum of Association	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, constituted in accordance with the applicable provisions of the Companies Act, the SEBI Listing Regulations and as described in “ <i>Our Management – Board committees– Nomination and Remuneration Committee</i> ” on page 328.
Pro Forma Financial Information	The Pro Forma Financial Information consists of the pro forma condensed combined balance sheet as of March 31, 2026 and the pro forma condensed combined statements of profit and loss (including other comprehensive income) for the Financial Year ended March 31, 2026, together with the related notes thereto. The purpose of the Pro Forma Financial Information is to reflect the impact of the acquisition of the business undertaking of the erstwhile D.S. Engineers by our Company, on a slump sale basis, pursuant to the Slump Sale Agreements, which became effective on April 1, 2026. The Pro Forma Financial Information has been prepared solely to illustrate the effect of the acquisition on the historical financial information of the Company as if the acquisition had occurred on April 01, 2025 for the purposes of the pro forma statements of profit and loss for the Financial Year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026, for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of our Company to reflect the hypothetical impact of the transaction.
Promoters	The promoters of our Company in terms of Regulation 2(1) (oo) of the SEBI ICDR

Term	Description
	Regulations namely, Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan. For further details, please see “ <i>Our Promoters and Promoter Group</i> ” on page 338.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 338.
Registered Office / Registered and Corporate Office	Village Bhagwanpur, Barwala Road Tehsil Dera Bassi, District SAS Nagar, Mohali-140507, Punjab, India
Registrar of Companies/RoC	The Registrar of Companies, Punjab and Chandigarh at Chandigarh
Restated Financial Information / Restated Financial Statements	Restated Financial Information, comprising of the restated statement of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024; the restated statements of profit and loss (including other comprehensive income); the restated statement of changes in equity; and the restated statement of cash flows for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, the material accounting policies and other explanatory information and notes, prepared to comply in all material respects with Ind AS as specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, and restated in terms of the requirements of Section 26 of Part I of Chapter III to the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.
Senior Management/ Senior Management Personnel/ SMP	Senior management of our Company in terms of Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as further described in “ <i>Our Management-Key Managerial Personnel and Senior Management</i> ” on page 334.
Slump Sale Agreements	Slump Sale Agreement dated January 16, 2026, read with addendum dated June 20, 2026 thereto, entered into between the erstwhile D.S. Engineers and our Company.
Shareholders	The holders of the Equity Shares of our Company whose names are entered in (i) the register of members of our Company; or (ii) the records of a depository as beneficial owners of Equity Shares, from time to time.
Stakeholders Relationship Committee	The Stakeholders’ Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in “ <i>Our Management – Board committees – Stakeholders’ Relationship Committee</i> ” on page 331.
Whole-Time Directors	The whole-time directors of our Company being Sahender Singh Chauhan and Smriti Sindhu Chauhan. For further details, please see “ <i>Our Management –Board of Directors</i> ” on page 317.

Offer and Promoter Selling Shareholder related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
AIBI	Association of Investment Bankers of India
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares by the Promoter Selling Shareholder pursuant to the Offer for Sale to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Bidder(s) to whom the Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus who has Bid for an amount of at least ₹ 100.00 million.

Term	Description
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLMs, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bidding Date	The date, 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 BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	Final price at which the 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 BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than one Working Day after the Bid/Offer Closing Date and no later than the time on such day specified in the revised CAN.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLMs, 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. Any under-subscription in the Life Insurance Companies and Pension Funds category specified may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained by an ASBA Bidder with a SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidder Bidding through the UPI Mechanism.
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 the Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank(s) and Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 496.
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form.

Term	Description
	The term “ <i>Bidding</i> ” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Punjabi daily newspaper (Punjabi being the regional language of Punjab, where the Registered and Corporate Office is located). In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank. Our Company, in consultation with the BRLMs, 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. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in 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 the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, being [●], which shall be published in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Punjabi daily newspaper (Punjabi being the regional language of Punjab, where the Registered and Corporate Office is located)
Bid/ Offer Period	Except in relation to Bids by 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 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. In cases of force majeure, banking strike or similar 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 / Investor/ Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Managers/ BRLMs/Managers	The book running lead managers to the Offer namely, Beeline Capital Advisors Private Limited and Monarch Network Capital Limited.

Term	Description
Broker Centers	Broker Centres of the Registered Brokers where ASBA Bidders can submit the ASBA Forms, provided that UPI Bidders may only submit ASBA Forms at such broker Centres if they are Bidding using the UPI Mechanism. The details of such broker Centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Beeline	Beeline Capital Advisors Private Limited
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. 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.
Cash Escrow and Sponsor Bank(s) Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members and Banker(s) to the Offer for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular issued by the SEBI as per the list available on the websites of the Stock Exchanges, as updated from time to time
Collecting Registrar and Share Transfer Agents/ CRTAs/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the SEBI ICDR Master Circular, as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com , as updated from time to time.
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors 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.
Cut-off Time	For all (i) electronic applications (online ASBA through 3-in-1 accounts), up to 5:00 p.m. IST on the Bid/Offer Closing Date; (ii) electronic applications (bank ASBA through online channels like internet banking, mobile banking and syndicate UPI ASBA, etc.) up to 4:00 p.m. IST on the Bid/Offer Closing Date; and (iii) electronic applications (syndicate non-retail, non-individual applications) up to 3:00 p.m. IST.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations 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), as updated from time to time.
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer.
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIIs 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.

Term	Description
	In relation to ASBA Forms submitted by RIIs Bidding in the Retail Portion by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to the RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms, are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com , as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Abridged Prospectus	The memorandum dated September 21, 2026 containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard.
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated September 21, 2026 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 including any addenda or corrigenda thereto.
Eligible FPI(s)	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 the Red Herring Prospectus constitutes an invitation to subscribe or purchase the Equity Shares.
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●].
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fresh Issue	The fresh issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million by our Company. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. If the Pre-IPO Placement is completed,

Term	Description
	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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus. For information, see “<i>The Offer</i>” on page 78.
General Information Document or GID	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, issued by SEBI, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
KPIs	The key performance indicators which have been used historically by our Company to understand and analyse our business performance, which in result, help us in analysing the growth of business in comparison to our peers. For further details please see “<i>Basis for Offer Price</i>” and “<i>Our Business</i>” sections beginning on pages 150 and 253, respectively.
ISIN	International Securities Identification Number of our Company being INE0GQW01025.
Life Insurance Companies	Entities registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938, as life insurance companies.
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism.
Monarch	Monarch Network Capital Limited
Monitoring Agency	[●], being a credit rating agency registered with SEBI.
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency.
Mutual Funds	Mutual funds registered with SEBI under the erstwhile Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the Securities and Exchange Board of India (Mutual Funds) Regulations, 2026.
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] 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 QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Net Proceeds	Proceeds of the Fresh Issue less our Company’s share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer related expenses, see “ <i>Objects of the Offer</i> ” beginning on page 126.
Non-Institutional Bidders/ Non-Institutional Investors/ NIIs	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which i) one third shall be reserved for Bidders with

Term	Description
	Bids exceeding ₹ 0.20 million up to ₹ 1.00 million; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (i) or (ii), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price.
Non-Resident/NR	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹ 2 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] each), aggregating up to ₹ [●] million by our Company comprising a Fresh Issue of up to [●] Equity Shares aggregating up to 3,000.00 million and an Offer for Sale of up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus. For further information, see “<i>The Offer</i>” on page 78.
Offer Agreement	The agreement dated September 21, 2026 amongst our Company, the Promoter Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale component of the Offer of up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder.
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares of face value of ₹ 2 each will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process and determined by our Company, in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 126.
Offered Shares	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million being offered by the Promoter Selling Shareholder.
Pension Fund(s)	Fund(s) registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013.
Pre-IPO Placement	Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement,

Term	Description
	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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (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 BRLMs, and will be advertised in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Punjabi daily newspaper (Punjabi being the regional language of Punjab, where the Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●].
Promoter Selling Shareholder / Selling Shareholder	Suman Chauhan.
QIB Category/ QIB Portion	The portion of the Offer (including the Anchor Investor Portion being not more than 50% of the Offer comprising not more than [●] Equity Shares, which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price (or Anchor Investors).
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. The Bid/Offer Opening Date shall be at least three Working Days after the filing of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.

Term	Description
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Offer which are a clearing member registered with SEBI under the SEBI BTI Regulations with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of SEBI ICDR Master Circular, and other applicable circulars issued by SEBI.
Registrar Agreement	The agreement dated September 21, 2026 between our Company, the Promoter Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar to the Offer/ Registrar	MUFG Intime India Private Limited (<i>formerly Link Intime India Private Limited</i>)
Retail Individual Bidders/ Retail Individual Investors(s)/ RII(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares, which 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.
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
SCORES	Securities and Exchange Board of India Complaints Redress System.
Self-Certified Syndicate Bank(s)/ SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 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 names appear on the SEBI website. A list of SCSBs and mobile applications, which are live for applying in public issues using the UPI mechanism, is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. 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	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●].
Share Escrow Agreement	The agreement to be entered into between our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the portion of Equity Shares being offered by the Promoter Selling Shareholder in the Offer for Sale portion of the Offer and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
Specified Locations	Bidding Centers where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form.

Term	Description
Sponsor Bank(s)	The Bankers to the offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●].
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Sub-syndicate Members	The sub syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement to be entered into amongst our Company, the Promoter Selling Shareholder, the BRLMs, the Syndicate Members and the Registrar, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters, namely, [●].
Syndicate/ members of the Syndicate	Together, the BRLMs and the Syndicate Members.
Systemically Important Non-Banking Financial Company/ NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among the Underwriters, the Promoter Selling Shareholder and our Company on or after the Pricing Date, but prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 0.50 million in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents. Pursuant to SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum- application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an 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 no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025 (to the extent these circulars are not rescinded by the SEBI ICDR Master Circular and SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent that such circular pertains to the UPI Mechanism), SEBI ICDR Master Circular, and any subsequent circulars or notifications issued by SEBI in this regard (to the extent that these circulars pertain to the UPI Mechanism), along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard from time to time.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidders, 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 directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Banks to authorize

Term	Description
	blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment. In accordance with the applicable UPI Circulars, UPI Bidders, Bidding may apply through the SCSBs and mobile applications, whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make Bids in the Offer in accordance with UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day(s)	All days on which commercial banks in Mumbai, Maharashtra, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business for the purpose of and the time period between the Bid/Offer Closing Date and 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 in accordance with circulars issued by SEBI, including UPI Circulars.

Conventional and general terms and abbreviations

Term	Description
A/c	Account.
AGM	Annual General Meeting.
AIF	Alternate Investment Fund.
AY	Assessment Year.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs 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	AIF AIFs 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 registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31.
CDSL	Central Depository Services (India) Limited.
CGST	Central Goods and Services Tax.
CIN	Corporate Identity Number.
Copyright Act	Copyright Act, 1957.
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires.
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder.

Term	Description
Consolidated FDI Policy	The FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020.
CSR	Corporate Social Responsibility.
Demat	Dematerialised.
Depositories Act	Depositories Act, 1996 read with the rules and regulations thereunder.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number.
DP ID	Depository Participant's Identification Number.
DP/ Depository Participant	A depository participant as defined under the Depositories Act.
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India.
EGM	Extra-ordinary General Meeting.
EPCG	Export Promotion Capital Goods
EPS	Earnings Per Share.
Er.	Engineer.
ESOP	Employee Stock Option Plan.
FCNR Account	Foreign Currency Non Resident Account.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FI	Financial institutions.
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
GAAP	Generally Accepted Accounting Principles.
GIR Number	General Index Registry number.
GoI / Central Government	Government of India.
GST	Goods and Services Tax.
GSTIN	Goods and Services Tax Identification Number.
HUF	Hindu Undivided Family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Income Tax Act	The Income Tax Act, 2025.
IND AS	Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015.
India	Republic of India.
Indian GAAP	Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
IGST	Integrated GST.
IPO	Initial Public Offer.
IT	Information Technology.
IRDAI	Insurance Regulatory and Development Authority of India.

Term	Description
IT Act	The Information Technology Act, 2000.
KPI	Key Performance Indicators.
MCA	Ministry of Corporate Affairs, Government of India.
MCLR	Marginal cost of fund-based lending rate.
MSME	Micro, Small and Medium Enterprises.
N.A. or NA	Not applicable.
NACH	National Automated Clearing House.
NAV	Net asset value.
NBFC	Non-Banking Finance Company.
NEFT	National electronic fund transfer.
Non-Resident	A person resident outside India, as defined under FEMA.
NPCI	National Payments Corporation of India.
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955.
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB/ 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 the 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 the FEMA. OCBs are not allowed to invest in the Offer.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the I.T. Act.
PLR	Prime Lending Rate
Provident Fund	Provident Fund for employees managed by the Employee's Provident Fund Organisation in India.
R&D	Research and development.
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RONW	Return on net worth.
Rs. / Rupees/ ₹ / INR	Indian Rupees.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Master Circular	SEBI master circular no. SEBI/HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 issued

Term	Description
	on June 21, 2023 and updated on February 9, 2026
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 2026.
SEBI RTA Master Circular	SEBI master circular bearing number HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations.
SGST	State Goods and Services Tax.
State Government	Government of a state of India.
STT	Securities Transaction Tax.
U. S. Securities Act	United States Securities Act of 1933, as amended.
US GAAP	Generally Accepted Accounting Principles in the United States of America.
USA/ U.S. / US	The United States of America.
USD / U.S.\$	United States Dollars.
TAN	Tax deduction account number
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.
WACA	Weighted Average Cost of Acquisition.

Technical and Industry Related Terms or Abbreviations

Term	Description
ACMA	Automotive Component Manufacturers Association of India
AIFI	Association of Indian Forging Industry
ASTM	American Society for Testing and Materials
AGMA	American Gear Manufacturers Association
BS	British Standards
CAGR	Compound Annual Growth Rate
CEV	Construction Equipment Vehicle
CMM	Coordinate Measuring Machine
CNC	Computer Numerical Control
CNG	Compressed Natural Gas
DG	Diesel Generator
DIN	Deutsches Institut für Normung (German Institute for Standardization)
EMS	Environmental Management Systems
ERP	Enterprise Resource Planning
EV	Electric Vehicle
GCF	Gas Carburising Furnace
HMC	Horizontal Machining Centre
HP	Horsepower
IATF	International Automotive Task Force

ICE	Internal Combustion Engine
ID	Internal Diameter
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards
ISO	International Organization for Standardization
JIS	Japanese Industrial Standards
kWp	Kilowatt-peak
LNG	Liquified Natural Gas
LPG	Liquefied Petroleum Gas
Machined Components	Parts manufactured under our machining operations, including bull gears, gear and shafts, and precision machined parts
Manufacturing Unit I	The manufacturing unit of our Company located at Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India, having an installed capacity of 15,900 MT per annum for forging and approximately 0.93 million components per annum, and admeasuring approximately 108,300 sq. ft. of land area
Manufacturing Unit II	The manufacturing unit of our Company located at Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India, having an installed capacity of approximately 1.27 million components per annum, and admeasuring approximately 126,333 sq. ft. of land area
Manufacturing Unit III	The manufacturing unit of our Company located at Village Behra, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India, having an installed capacity of 16,200 MT per annum for forging, and admeasuring approximately 456,300 sq. ft. of land area
Manufacturing Unit IV	The manufacturing unit of our Company located at Village Dassomajra, Hadbast, Tehsil Baddi, District Solan – 201 001, Himachal Pradesh, India, having an installed capacity of approximately 0.86 million components per annum, and admeasuring approximately 61,419 sq. ft. of land area
Manufacturing Units	Collectively, Manufacturing Unit I, Manufacturing Unit II, Manufacturing Unit III and Manufacturing Unit IV
MPI	Magnetic Particle Inspection
MT	Metric Tonnes
MTPA	Metric Tonnes Per Annum
MW	Megawatt
NQT	Normalise, Quench and Temper
OEM	Original Equipment Manufacturer
OD	Outside Diameter
OHSMS	Occupational Health and Safety Management Systems
OHV	Off-Highway Vehicle
OMM	Optical Measuring Machine
PAT	Profit After Tax
PDI	Pre-Dispatch Inspection
PLC	Programmable Logic Control
RPO	Rust Preventive Oil
SCADA	Supervisory Control and Data Acquisition
SKU	Stock Keeping Unit
SQF	Sealed Quench Furnace
Sq. ft.	Square feet
Tier-I supplier	A supplier that directly supplies components, systems or assemblies to an original equipment manufacturer (OEM)

VMC	Vertical Machining Centre
VTC	Vertical Turning Centre
VTL	Vertical Turning Lathe
4WD	Four-Wheel Drive
Term	Description
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
PAT	Profit After Tax
RoE	Return on Equity
RoCE	Return on Capital Employed
Sale of products	Sale of Products include sale of forged and machined components manufactured by our company i.e. Sale of forged components, bull gears, gears & shafts and precision machined parts. Sale of products includes products manufactured for industrial application and excludes sale of alloy steel, sale of scrap and sale of services.
SKUs	Stock Keeping Units

Key Performance Indicators

KPI	Explanation for the KPI
Financial KPIs	
Revenue from Operations	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance.
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
Gross Profit	Gross Margin represents the profitability on our products before accounting for indirect expenses. It reflects our ability to manage raw material and direct costs and to manage pricing strategy effectively.
Gross Profit Margin	Gross Margin (%) is the ratio of gross margin to revenue from operations. It helps in assessing the profitability on our products relative to revenue generated.
EBITDA	EBITDA provides a comprehensive view of our financial health. It facilitates evaluation of the year-on-year performance of our business and excludes other income.
EBITDA Margin	EBITDA Margin (%) is an indicator of the profitability of our business and assists in tracking the margin profile of our business and our historical performance.
Profit After Tax	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability of our business as well as to compare against the historical performance of our business.
Total Debt to Equity Ratio	It is a measure of the extent to which a Company can cover their debt and represents a Company's debt position in comparison to their equity position. It helps evaluate a Company's financial leverage. Total Debt to Equity Ratio (Gearing Ratio) is calculated as Total Debt (excluding lease liabilities) divided by Total Equity.
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.
Net Fixed Asset Turnover	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Net Working Capital days	Net Working Capital Days describes the duration it takes for us to convert our working capital into revenue.
Operating Cash Flows	Operating cash flows provides how efficiently our company generates cash through its core business activities.
Operational KPIs	
Installed Capacity	Installed capacity measures a company's maximum potential output of respective

KPI	Explanation for the KPI
	products, indicating its manufacturing scale.
Capacity Utilization	It refers to the extent to utilization of installed production capacity. It indicates the efficiency of resource use and is calculated as the actual production as a percentage of the installed capacity.
Number of SKUs	This metric indicates Number of products offered and sold by the Company during that respective period/year.
Employee count	This metric indicates shows employee strength of our Company.

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

Certain Conventions

All references in this Draft Red Herring Prospectus to “India” 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 herein to the “US”, “USA”, the “U.S.” or the “United States” are to the United States of America and its territories and possessions.

In this Draft Red Herring Prospectus, unless otherwise specified:

- any time mentioned is in Indian Standard Time (“IST”);
- unless indicated otherwise, all references to a year are to a calendar year; and
- all references to page numbers are to the page numbers of this Draft Red Herring Prospectus.

Unless indicated 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 and accordingly, all references to a particular financial year or fiscal 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 the context requires otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from the Restated Financial Information and Pro Forma Financial Information. For further information, see “*Restated Financial Information*” and “*Pro Forma Financial Information*” on pages 344 and 406, respectively.

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Financial Information, comprising of the restated statement of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024; the restated statements of profit and loss (including other comprehensive income); the restated statement of changes in equity; and the restated statement of cash flows for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, the material accounting policies and other explanatory information and notes, prepared to comply in all material respects with Ind AS as specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, and restated in terms of the requirements of Section 26 of Part I of Chapter III to the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The Pro Forma Financial Information consists of the pro forma condensed combined balance sheet as of March 31, 2026, and the pro forma condensed combined statements of profit and loss (including other comprehensive income) for the Financial Years ended March 31, 2026, together with the related notes thereto. The purpose of the Pro Forma Financial Information is to reflect the impact of the acquisition of the business undertaking of the erstwhile D.S. Engineers by our Company, on a slump sale basis, pursuant to the Slump Sale Agreements, which became effective on April 01, 2026. The Pro Forma Financial Information has been prepared solely to illustrate the effect of the acquisition on the historical financial information of our Company as if the acquisition had occurred on April 01, 2025 for the purposes of the pro forma statements of profit and loss for the Financial Year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026 for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of the Company to reflect the hypothetical impact of the transaction.

For further information, see “*Summary of Restated Financial Information*”, “*Restated Financial Information*”, “*Pro Forma Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 80, 344, 406 and 421 respectively.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see *"Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus."* on page 66. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar, and the impact on our financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off.

Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"* and *"Management's Discussion and Analysis of Financial Position and Results of Operations"* on pages 26, 253 and 421, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Financial Information or non-GAAP financial measures as described below.

Non-Generally Accepted Accounting Principles Financial Measures ("Non-GAAP Measures")

Certain measures included in this Draft Red Herring Prospectus, for instance Growth in Revenue from Operations, Gross Profit, Gross Profit Margin, EBITDA, EBITDA Margin, PAT Margin, Total Debt to Equity Ratio, Return on Equity ("**RoE**"), Return on Capital Employed ("**ROCE**"), Net Fixed Asset Turnover, and Net Working Capital days (the "**Non-GAAP Measures**"), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. Further, these Non- GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit for the years 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, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. For further information, see *"Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Measures"* on page 451.

Industry and Market Data

Unless otherwise indicated, industry and market data used in this Draft Red Herring Prospectus has been derived from the report titled “*Gears, Shafts and Precision Components Industry Report*” dated September, 2026 (“**CRISIL Report**”) prepared and issued by Credit Rating Information Services of India Limited (“**CRISIL**”), pursuant to an engagement letter dated January 31, 2026 entered into with our Company. The CRISIL Report is commissioned and paid for exclusively for the purposes of the Offer, by our Company. The data included in this Draft Red Herring Prospectus includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our Company at www.jaiparvatiforge.com until the Bid/Offer Closing Date. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Fiscal/ calendar year refers to such information for the relevant Fiscal/ calendar year. CRISIL has confirmed that it is an independent agency and has no relationship with our Company, Directors, Promoters, Promoter Group, Key Managerial Personnel, Senior Management, Promoter Selling Shareholder or the BRLMs.

The CRISIL Report is subject to the following disclaimer:

Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil's other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence's informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. Crisil Intelligence's strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration, makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.

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

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 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 CRISIL 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. Data from these sources may also not be comparable. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, which has been commissioned and paid for by the Company, for the purpose of this Offer.*” on page 65. 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 Offer Price*” on page 150 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein.

Currency and Units of Presentation

All references to:

- “Rupees” or “INR” or “₹” or “Rs.” Are to Indian Rupees, the official currency of the Republic of India; and
- “U.S \$”, “U.S. Dollar”, “USD” are to United States Dollars, the official currency of the United States of America.
- “EUR” or “€” are to Euros, the official currency of the European Union;

“JPY” are to Japanese Yen, the official currency of Japan. All the figures in this Draft Red Herring Prospectus, have been presented in million or in whole numbers where the numbers have been too small to present in million unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million 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.

Time

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

Exchange Rates:

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)

Currency	Exchange rate as at*		
	March 31, 2026	March 31, 2025	March 31, 2024
1 USD	94.65	85.58	83.37
1 EUR	109.01	92.32	90.22
1 JPY	0.59	0.57	0.55

Source: Source: www.rbi.org.in, www.fbil.org.in, xe.com and oanda.com

Note: Exchange rate is rounded off to two decimal points.

*On instances where the given day is a holiday, the exchange rate from the previous working day has been considered.

Please note that the above exchange rates have been provided for indicative purposes only and the amounts reflected in our Restated Financial Information may not have been converted using any of the above-mentioned exchange rates.

FORWARD-LOOKING STATEMENTS

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

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements 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. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, 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, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

1. We are significantly dependent on our top 10 customers. We derived 79.19%, 84.92% and 85.73% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively, from our top 10 customers. Loss of such customers, a substantial reduction in purchases by such customers or our inability to attract new customers in addition to our existing customers will have a material adverse impact on our business, results of operations and financial condition.
2. We are significantly dependent on certain suppliers for purchase of raw materials. Our net purchase of raw materials from our top 10 suppliers during the last three Fiscals constituted 88.01%, 79.29% and 79.61%, respectively of our total net purchases. Further, we typically do not enter into long-term contracts or arrangements with such suppliers. Any loss of such suppliers or any increase in the price of raw materials could have adverse impact on our business and our revenue.
3. A substantial portion of our Company’s manufacturing operations are concentrated in the State of Punjab. Any adverse developments affecting the State of Punjab may adversely affect our business, financial condition and results of operations.
4. Our business is dependent on the continuous and efficient operation of our Manufacturing Units, and any slowdown, disruption, shutdown or prolonged under-utilisation thereof could adversely affect our business, financial condition, results of operations and cash flows.
5. We have not received the Consent to Establish for the Proposed Expansion of our Manufacturing Unit III, which is proposed to be partially financed from the Net Proceeds. Any delay or failure to obtain such approval may adversely affect our ability to implement the Proposed Expansion and, consequently, our business, financial condition, cash flows and results of operations.
6. Our business is dependent on the performance of the tractors and agriculture equipment industry, which contributed 63.17%, 64.63% and 66.57% of our revenue generated from sale of products in Fiscals 2026, 2025 and 2024, respectively, and the other end-use industries in which our customers operate. Any slowdown or adverse developments in these industries could adversely affect our business, results of operations, financial condition and cash flows.

7. Our total sale of products is concentrated in the automotive sector, which contributed to 99.80%, 99.86% and 99.92% of our total sale of products in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Any reduction in demand for these products, changes in customer preferences or technological developments affecting such products could adversely affect our business, results of operations, financial condition and cash flows.
8. Our business is dependent on our ability to consistently maintain stringent quality standards and comply with customer specifications. Any failure to do so could result in rejection of products, customer claims, loss of business or cancellation of orders, which could adversely affect our business, results of operations and financial condition.
9. The sale of our manufactured products in the states of Punjab and Maharashtra cumulatively contributed to 48.82%, 50.87% and 53.82% of our total sale of products during Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. This regional concentration could expose us to economic, cultural, geopolitical and local market risks.
10. We are dependent on third-party logistics service providers for the transportation of raw materials and manufactured products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.

For a further discussion of factors that could cause our actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 26, 253 and 421, 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 future gains or losses could materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate and the forward- looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, the Promoter Selling Shareholder, nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permissions by the Stock Exchanges. In accordance with the requirements of SEBI and as prescribed under the applicable law, the Promoter Selling Shareholder will ensure (through our Company and the BRLMs) that investors are informed of material developments in relation to the statements and undertakings specifically undertaken or confirmed by her 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 the Promoter Selling Shareholder to the extent of information pertaining to herself and/or the portion of Equity Shares being offered by her, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by the Promoter Selling Shareholder.

SECTION II – RISK FACTORS

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You 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 and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have an adverse effect on our business. If any or a combination of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occurs, our business, financial condition, results of operations and cash flows could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The risks set out in this section may not be exhaustive. Furthermore, some events may be material collectively rather than individually.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the effect is not quantifiable and hence have not been disclosed in the applicable risk factors. Prospective investors should read this section together with “Our Business”, “Industry Overview”, “Key Regulations and Policies in India”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” on pages 253, 170, 300, 421 and 344, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors should rely on their own examination of us and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties where actual results could materially differ from those anticipated in these forward-looking statements. For further details, see “Forward - Looking Statements” on page 24.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus our financial statements as of and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024. For further information, see ‘Restated Financial Information on page 344. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Information and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus. Additionally, our Company has acquired D. S. Engineers, an erstwhile sole proprietorship of our Promoter, Suman Chauhan, by way of slump sale agreement dated January 16, 2026 read with the addendum dated June 20, 2026 thereto, with effect from April 1, 2026 (“Acquisition”). For further details of the Acquisition, please see “History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years” on page 313. The Pro Forma Financial Information has been included in this Draft Red Herring Prospectus to indicate the results of operations and financial position that would have resulted had the Acquisition been completed as of April 1, 2025. For further information, see “Pro Forma Financial Information” on page 406.

Unless otherwise indicated, industry and market data used in this section has been derived from the report titled ‘Gears, Shafts and Precision Components Industry Report’ dated September, 2026 prepared by CRISIL Intelligence (“CRISIL Report”). The CRISIL Report has been exclusively commissioned, and paid for, by our Company pursuant to an engagement letter dated January 31, 2026, for the purpose of this Offer. A copy of the CRISIL Report shall be made available at www.jaiparvatiforge.com till the Bid / Offer Closing Date. Our Company, Directors, Promoters and Promoter Group, Promoter Selling Shareholder, Key Managerial Personnel and members of our Senior Management are not

related to CRISIL in any manner whatsoever. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' and 'Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, which has been commissioned and paid for by the Company, for the purpose of this Offer.' on pages 20 and on page 65, respectively.

INTERNAL RISKS

1. ***We are significantly dependent on our top 10 customers. We derived 79.19%, 84.92% and 85.73% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively, from our top 10 customers. Loss of such customers, a substantial reduction in purchases by such customers or our inability to attract new customers in addition to our existing customers will have a material adverse impact on our business, results of operations and financial condition.***

We are an integrated manufacturer of forged and machined components and our manufactured products are sold primarily to OEMs and aggregate manufacturers in tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. A significant portion of our revenue is derived from long-standing customer relationships and repeat business. Set out below is a break-up of the revenue contribution of our top 1, 3, 5 and 10 customers to our revenues from operations in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Top customer	814.31	19.37%	640.62	18.50%	557.89	17.38%
Top 3 customers	1,615.62	38.42%	1,413.49	40.82%	1,371.22	42.71%
Top 5 customers	2,336.87	55.58%	2,111.37	60.97%	2,067.75	64.40%
Top 10 customers	3,329.93	79.19%	2,940.98	84.92%	2,752.65	85.73%

Notes:

1. In Fiscal 2026, our top 10 customers included Mahindra & Mahindra Limited, International Tractors Limited, Ashok Leyland Limited, Carraro India Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
2. In Fiscal 2025, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, International Tractors Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
3. In Fiscal 2024, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, Graziano Transmission India Private Limited, International Tractors Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.

While our customers may vary annually, we are significantly reliant on certain key customers. Set forth below is a breakdown of the total customers served by us in Fiscals 2026, 2025 and 2024:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total customers served	47	38	38
New customers served	11	8	-
Revenue from new customers (in ₹ million)	147.18	14.67	-
Revenue from new customers served as % of total revenue from sale of products	3.91%	0.47%	-
Repeat customers served*	15	12	13
Revenue from repeat customers (in ₹ million)	3,058.96	2,781.83	2,559.08
Revenue from repeat customers served as % of total revenue from sale of products	81.34%	88.41%	89.22%

* Repeat customers have been defined as customers who have been associated with our Company for a period of over five (5) years.

Our business, results from operations, and financial condition are significantly dependent on maintaining relationship with our customers, and failure or inability to maintain relationship with all or any of our top 10 customers, for any reason (including, due to failure to negotiate acceptable terms, adverse change in the financial condition of such customers for various factors such as possible bankruptcy or liquidation or other financial hardship, merger or decline in sales from such customers, reduced or delayed customer requirements, operational shutdowns, labour strikes, and, or, other work stoppages affecting production by such customers) could have a material adverse impact on our business, results of operations, financial condition and cash flows. In addition, geopolitical factors (including disruption to supply chain, regional conflicts, or military conflict) could have an adverse impact on our relationship with our top 10 customers which may result in loss of any or all of our top 10 customers as well. Further, we may not be able to identify sufficient customers or purchasers for any surplus or excess products manufactured by us, which could require us to sell such products at lower realizations or incur losses. Further, our inability to dispose of surplus inventory may result in accumulation of excess inventories, which may become obsolete or unusable over time and may require reprocessing, remanufacturing or disposal, resulting in additional costs and adversely affecting our operating margins. For further details, see “- *Any failure on our part to effectively manage our inventory could adversely affect our business, results of operations, cash flows and financial condition*” on page 36. Consequently, our future growth may also be subject to challenges due to our current reliance on a limited group of customers, including our top 10 customers. While there have been no instances during the last three Fiscals where any of our top 10 customers have ceased procuring products from us or where our failure to maintain customer relationships has had a material adverse effect on our business, results of operations or financial condition, we cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future.

Further, while we have built long-standing supply relationships with customers, we have not entered into long-term agreements or purchase arrangement with our customers for the sale of our manufactured products. Our sales are generally undertaken on the basis of individual purchase orders and invoices issued in the ordinary course of business, without any contractual assurance of future orders or minimum purchase commitments from our customers. For further details, see “*Our Business - Customers*” on page 292. Our relationships with our customers are therefore, dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. Any failure to meet such requirements may result in reduction in orders, loss of customer confidence or cessation of business from the affected customers. Consequently, our customers are generally under no contractual obligation to continue placing orders with us, and our sales and order volumes may fluctuate from period to period depending on their procurement requirements, production schedules and business conditions. Further, in the absence of long-term contractual arrangements with a majority of our customers, any disputes relating to product quality, specifications, pricing, delivery schedules or payment obligations may limit the contractual remedies available to us and could adversely affect our ability to recover outstanding dues or continue our commercial relationship with such customers. Any significant reduction in orders, termination of customer relationships or disputes with our customers could adversely affect our business, results of operations, cash flows and financial condition. While there have been no material disputes with our key customers during the last three Fiscals, we cannot assure you that such disputes will not arise in the future or that they will not adversely affect our business, financial condition, cash flows and results of operations.

Further, if any of our customers are exposed to financial difficulties or insolvency, the loss or delay in payments from a major customer could negatively affect our working capital, cash flow, and overall financial stability. While we have not faced delays in payments from our major customers during the last three Fiscals, we cannot assure you that we will not have any such incidences in future. We typically provide our customers with credit periods of 30 days to 90 days from the date of delivery, as part of our standard payment terms. While we generally limit the credit we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, there is a risk that our estimates may not be accurate. As at the last three Fiscals, our trade receivables were ₹ 926.91 million, ₹ 836.18 million and ₹ 739.06 million, respectively, which accounted for 22.04%, 24.15% and 23.02% of our revenue from operations, respectively. For further details of the ageing schedules of our trade receivables, please see “*Restated Financial Information – Note 10.1 Trade Receivables Ageing*” on page 376.

Any increase in our receivable turnover days or write-offs will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition, cash flows and results of operations.

2. ***We are significantly dependent on certain suppliers for purchase of raw materials. Our net purchase of raw materials from our top 10 suppliers during the last three Fiscals constituted 88.01%, 79.29% and 79.61%, respectively of our total net purchases. Further, we typically do not enter into long-term contracts or arrangements with such suppliers.***

Any loss of such suppliers or any increase in the price of raw materials could have adverse impact on our business and our revenue.

We are significantly dependent on our top 10 suppliers for purchase of raw materials. The primary raw material used in our manufacturing operations is steel, including alloy steel grades as well as secondary material like furnace oil, diesel and LPG, which are used in the manufacturing of forged and machined components, as well as forged parts procured by us for further processing. We procure all our raw materials primarily from domestic suppliers based on purchase orders, and such procurement is undertaken in accordance with our production requirements, technical specifications and customer-specific quality standards.

Set out below is the cost of materials procured from our top supplier, top 3 suppliers, top 5 suppliers and top 10 suppliers for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Raw material purchased (₹ in million) ^	As a % of raw material purchased	Raw material purchased (₹ in million) ^	As a % of raw material purchased	Raw material purchased (₹ in million) ^	As a % of raw material purchased
Top supplier*	1,122.20	45.38%	728.92	35.23%	568.72	29.90%
Top 3 suppliers*	1,688.85	68.30%	1,035.71	50.06%	936.81	49.25%
Top 5 suppliers*	1,937.65	78.36%	1,265.58	61.17%	1,209.42	63.58%
Top 10 suppliers*	2,176.15	88.01%	1,640.38	79.29%	1,514.30	79.61%

^Raw material includes alloy steel and forged parts as well as furnace oil, diesel and LPG.

* The names of our suppliers have not been disclosed to preserve confidentiality.

Since the principal raw materials used in our manufacturing operations include alloy steel and other grades of steel, the prices and availability of such raw materials are influenced by various factors beyond our control, including fluctuations in global and domestic steel prices, changes in demand and supply dynamics, raw material availability, energy costs, import and export policies, inflationary pressures and geopolitical developments. Forging is a highly energy and material-intensive process. Manufacturers are highly exposed to the price volatility of primary inputs, particularly steel, aluminium, and specialized alloys. Furthermore, the forging process requires substantial energy consumption for heating and heavy machinery operation. Geopolitical tensions, trade tariffs, and global supply chain bottlenecks frequently lead to input cost inflation, which manufacturers often struggle to pass on to original equipment manufacturers in a timely manner, resulting in margin compression (*Source: CRISIL Report*). Any significant increase in the prices of our raw materials or disruption in their availability may adversely affect our cost of production and operating margins.

Further, our manufacturing operations require the procurement of raw materials meeting prescribed quality specifications. Any inconsistency in the quality of raw materials supplied, delays in procurement or disruptions in the supply chain due to factors such as transportation constraints, labour disruptions, geopolitical developments, operational shutdowns or financial difficulties of suppliers may adversely affect our manufacturing operations and ability to meet customer delivery schedules. While there have been no instances during the last three Fiscals where inconsistencies in the quality of raw materials, delays in procurement or disruptions in the supply chain have had a material adverse effect on our manufacturing operations, ability to meet customer delivery schedules, business, financial condition or results of operations, we cannot assure you that such events will not occur in the future.

We typically procure raw materials from multiple domestic suppliers and generally do not enter into long-term supply arrangements. While we have not experienced any material disruption in the procurement of raw materials during the last three Fiscals, we cannot assure you that we will be able to continue procuring raw materials on commercially acceptable terms or identify suitable alternative suppliers in a timely manner if required.

Further, our profitability may be adversely affected if increases in raw material prices are not offset through operational efficiencies or cannot be passed on, in whole or in part, to our customers. Accordingly, any significant increase in raw material costs, disruption in the supply of raw materials or inability to procure raw materials of the required quality on commercially acceptable terms could have an adverse effect on our business, results of operations, cash flows and financial condition.

3. ***A substantial portion of our Company's manufacturing operations are concentrated in the State of Punjab. Any adverse developments affecting the State of Punjab may adversely affect our business, financial condition and results of operations.***

Three of our Manufacturing Units are located at Dera Bassi, Punjab, and are spread across approximately 690,000 square feet, with an aggregate covered area of approximately 300,000 square feet. As of Fiscal 2026, these Manufacturing Units had an aggregate installed forging capacity of 32,100 metric tonnes per annum and a machining capacity of over 2.20 million components per annum. While we acquired Manufacturing Unit IV located in Solan, Himachal Pradesh pursuant to the acquisition of the erstwhile D.S. Engineers with effect from April 1, 2026, all of our manufacturing operations prior to such acquisition, and a substantially major portion of our manufacturing operations thereafter, remain concentrated in the State of Punjab. For further details, see "*Our Business – Our Manufacturing Units*" and "*Our Business – Capacity and Capacity Utilisation*" on pages 255 and 290, respectively.

As a substantial portion of our manufacturing operations is concentrated in the State of Punjab, our business is exposed to risks arising from adverse developments affecting the State, including changes in State Government policies, industrial or labour unrest, disruptions in transportation or logistics infrastructure, interruptions in the supply of utilities, natural disasters, public health emergencies and other regional events beyond our control. Any such event may disrupt our manufacturing operations, procurement of raw materials, movement of finished products or availability of manpower, which could adversely affect our ability to meet customer requirements and have a material adverse effect on our business, financial condition, cash flows and results of operations.

While there have been no instances during the last three Fiscals where any such regional events in Punjab have had a material adverse effect on our manufacturing operations, business, financial condition or results of operations, we cannot assure you that such events will not occur in the future.

4. *Our business is dependent on the continuous and efficient operation of our Manufacturing Units, and any slowdown, disruption, shutdown or prolonged under-utilisation thereof could adversely affect our business, financial condition, results of operations and cash flows.*

Three of our Manufacturing Units are located at Dera Bassi, Punjab, and are spread across approximately 690,000 square feet, with an aggregate covered area of approximately 300,000 square feet. As of Fiscal 2026, these Manufacturing Units had an aggregate installed forging capacity of 32,100 metric tonnes per annum and a machining capacity of over 2.20 million components per annum. Further, pursuant to our acquisition of the erstwhile D.S. Engineers, the erstwhile sole proprietorship concern of our Promoter, Suman Chauhan, we acquired Manufacturing Unit IV located in Solan, Himachal Pradesh, spread across approximately 61,419 square feet with an aggregate covered area of approximately 17,640 square feet, increasing our installed machining capacity by approximately 0.86 million components per annum, taking our aggregated machining capacity to approximately 3.26 million components per annum, effective as at April 1, 2026. The efficient operation and optimal utilisation of these Manufacturing Units are critical to our ability to manufacture products in accordance with customer specifications, meet delivery schedules and maintain our operating margins. For further details of our Manufacturing Units, please see "*Our Business – Our Manufacturing Units*" and "*Our Business – Capacity and Capacity Utilisation*" on pages 255 and 290, respectively.

Our manufacturing operations are subject to various operational risks, including equipment failure, machinery breakdown, interruption in power supply, fire or industrial accidents, labour shortages or disputes, natural disasters, delays in the procurement of raw materials, disruptions in logistics and transportation, failures of utility infrastructure, and other unforeseen events. The occurrence of any of these events could result in temporary or prolonged disruptions to our manufacturing operations, lower production levels, delays in customer deliveries, increased operating costs or damage to our manufacturing assets, which could adversely affect our business, results of operations and financial condition.

Our profitability also depends, in part, on maintaining appropriate levels of capacity utilisation across our forging and machining operations. Under-utilisation of our installed capacities over an extended period could result in lower absorption of fixed manufacturing costs and adversely affect our operating margins and financial performance. Although our installed capacities have increased over the years in line with our business growth, there can be no assurance that we will be able to maintain optimal levels of capacity utilisation in future. The table below sets forth the growth in our installed capacities across our Manufacturing Units over the periods indicated:

Period	Total installed forging capacity (in metric tonne)	Total installed machining capacity (in components per annum)			
		For Bull Gears	For Gears & Shafts	For Precision Machined Parts	Total
As of April 01, 2026 (after acquisition of the erstwhile D.S. Engineers and addition of new	32,100	418,080	806,832	2,035,740	3,260,652

Period	Total installed forging capacity (in metric tonne)	Total installed machining capacity (in components per annum)			
		For Bull Gears	For Gears & Shafts	For Precision Machined Parts	Total
<i>machineries)</i>					
As of March 31, 2026	32,100	316,680	708,552	1,172,940	2,198,172
As of March 31, 2025	28,050	273,000	619,632	1,172,940	2,065,572
As of March 31, 2024	20,100	245,700	526,032	1,412,940	2,184,672

We also intend to further expand our manufacturing capabilities, including through the expansion of our Manufacturing Unit III, located in Tehsil Dera Bassi, Punjab to expand our production capabilities in Machined Components, which is proposed to be financed through the Net Proceeds. For further details, see “*Objects of the Offer*” on page 126.

The successful implementation of these expansion plans is subject to various factors beyond our control, including the timely procurement of regulatory approvals, availability of equipment and machinery, execution of civil and engineering works, availability of skilled personnel and the realisation of anticipated customer demand. Any delay in the implementation of such expansion projects, cost overruns or failure to achieve the anticipated utilisation levels or operational efficiencies may adversely affect the expected benefits from such investments and could have an adverse effect on our business, financial condition and results of operations.

While we have not experienced any material disruption to our manufacturing operations or prolonged under-utilisation of our manufacturing capacities during the last three Fiscals, there can be no assurance that such events will not occur in the future. Any material disruption in our manufacturing operations or inability to efficiently utilise our installed capacities could adversely affect our business, results of operations, cash flows and financial condition.

Further, our manufacturing operations are dependent on the continuous and efficient functioning of our Manufacturing Units and specialised equipment housed across our Manufacturing Units for their forging, precision machining, gear manufacturing, heat treatment and finishing processes. Any breakdown or malfunction of such equipment, interruption in the supply of electricity, fuel or other utilities, industrial accidents, fire, labour shortages, transportation or logistics disruptions, cyber incidents, natural disasters, adverse weather conditions, pandemics or other unforeseen events may disrupt our manufacturing operations, reduce production efficiency, increase operating costs or damage our Manufacturing Units and inventory. While we maintain insurance policies for certain risks associated with our manufacturing operations, properties, plant and machinery and other assets, such insurance may not adequately cover all losses or liabilities that we may incur, and certain losses may be uninsured or subject to exclusions, deductibles or limits under the applicable policies. Further, there can be no assurance that any claims made under such insurance policies will be admitted, settled in full or within a reasonable period of time. While we have not made any material insurance claims in relation to our manufacturing operations during the last three Fiscals, we cannot assure you that such events will not occur in the future.

Any significant slowdown or shutdown of our manufacturing operations could impair our ability to meet customer delivery schedules and contractual commitments, resulting in customer claims, deterioration of customer relationships, cancellation of orders or loss of business opportunities. While we have not experienced any material unplanned slowdown or shutdown of our manufacturing operations during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any prolonged disruption to our manufacturing operations could have a material adverse effect on our business, results of operations, cash flows and financial condition.

5. ***We have not received the Consent to Establish for the Proposed Expansion of our Manufacturing Unit III, which is proposed to be partially financed from the Net Proceeds. Any delay or failure to obtain such approval may adversely affect our ability to implement the Proposed Expansion and, consequently, our business, financial condition, cash flows and results of operations.***

Our Company proposes to utilise a portion of the Net Proceeds towards the capital expenditure required for the expansion of Manufacturing Unit III, located at Tehsil Dera Bassi, Punjab (the “**Proposed Expansion**”). For further details, see “*Objects of the Offer*” on page 126. The Consent to Establish (“**CTE**”), as required under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, for the Proposed Expansion has not yet been received. We have made an application for obtaining the CTE from the concerned governmental authority and, as on the date of this Draft Red Herring Prospectus, the application is still pending. For further details, see “*Government and Other Approvals – Material Approvals that have been applied for but not yet received by our Company*” on page 468.

The Proposed Expansion is subject to obtaining the CTE and such other approvals, licences, registrations and permits as may be required under the applicable. We cannot assure you that the CTE or such other approvals will be obtained in a timely manner or at all, or that any approvals granted will not be subject to conditions which may impose any additional costs or operational constraints on us. Any delay in obtaining, or failure to obtain, the CTE or other requisite approvals may delay or adversely affect the implementation of the Proposed Expansion, restrict our ability to increase our manufacturing capacity as planned and adversely affect our growth plans. Further, any delay, rejection or adverse outcome in relation to the application for the CTE, or any conditions attached to the CTE if granted, could require us to incur additional expenditure, modify our schedule of implementation in relation to the Proposed Expansion or result in delays in commencement of expanded operations. Any such event could have a material adverse effect on our business, financial condition, cash flows and results of operations. For further details, see “- Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 37.

The uncertainty surrounding regulatory approvals represents an inherent risk to our growth strategy, as any unfavorable outcomes could materially affect our business objectives and financial projections. Further, as the other requisite approvals for the Proposed Expansion can only be applied for during or after the expansion phase, we have not yet submitted applications for such approvals, and we cannot assure you that such approvals will be applied for and obtained in a timely manner, or at all. For further details, see “- Any failure to obtain approval/licenses or permits to undertake the proposed expansion at our Manufacturing Unit III, may adversely affect our business, financial condition, cash flows and results of operations” on page 63.

6. ***Our business is dependent on the performance of the tractors and agriculture equipment industry, which contributed 63.17%, 64.63% and 66.57% of our revenue generated from sale of products in Fiscals 2026, 2025 and 2024, respectively, and the other end-use industries in which our customers operate. Any slowdown or adverse developments in these industries could adversely affect our business, results of operations, financial condition and cash flows.***

We manufacture forged and machined components for customers operating across various end-use industries, including tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. Additionally, a significant portion of our revenue from operations is derived from customers operating in the tractors and agriculture equipment industry, which contributed 63.17%, 64.63% and 66.57% of our revenue from the sale of our products in Fiscals 2026, 2025 and 2024, respectively. Accordingly, our business is dependent, to a significant extent, on the performance, growth and capital expenditure cycles of these industries, particularly the tractors and agriculture equipment industry.

Demand for our products is influenced by several factors affecting the industries served by our customers, including macroeconomic conditions, industrial production, agricultural output, infrastructure spending, availability of financing, government policies, commodity prices, technological developments, regulatory changes and overall customer demand. Any slowdown or prolonged downturn in one or more of these industries may reduce production volumes of OEMs and aggregate manufacturers, resulting in lower demand for our products, reduced order volumes or delays in customer procurement programmes. Particularly, our product set is heavily oriented towards tractor/farm equipment transmission and driveline systems, with a secondary focus on commercial vehicle chassis and gearbox components, off-highway planetary drive systems, and industrial applications (*Source: CRISIL Report*). The Commercial demand for tractor accounts for 16-23% of overall tractor demand on aggregate. Apart from their primary application in agriculture operations, tractors are also used to haul bricks, sand, and farm produce (*Source: CRISIL Report*). A large part of domestic sales is driven by replacement demand. (*Source: CRISIL Report*)

The markets in which our customers operate are also characterised by evolving technologies, changing customer specifications, increasingly stringent quality and performance requirements and continuous product innovation. Our ability to remain competitive depends on our ability to manufacture products that meet evolving technical specifications and customer requirements. If we are unable to respond effectively to changes in technology, manufacturing processes or customer preferences, our products may become less competitive, which could adversely affect our business and prospects. The table below sets forth the details of the revenue generated from our various end-use industries across the last three Fiscals:

End Use Industry	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Tractors and Agriculture Equipment	2,375.59	63.17%	2,033.55	64.63%	1,909.33	66.57%
Commercial Vehicles	933.57	24.83%	595.28	18.92%	514.10	17.92%

Off-Highway Vehicles	444.00	11.81%	513.35	16.31%	442.58	15.43%
Industrial Application	7.36	0.20%	4.49	0.14%	2.28	0.08%
Total	3,760.52	100.00%	3,146.67	100.00%	2,868.25	100.00%

In addition, competition within the automotive and industrial components industry may result in pricing pressures on OEMs and aggregate manufacturers, who may seek reductions in procurement prices, alter sourcing strategies, increase imports or procure products from competing manufacturers. Any inability to maintain our competitive position with respect to quality, pricing, manufacturing capabilities, delivery performance or customer service may result in reduced order volumes, lower realisations or loss of customers.

Further, our customers may revise production schedules, postpone product launches, reduce procurement volumes or discontinue particular product programmes based on market conditions or changes in business strategy. Any significant reduction in customer demand, delay or cancellation of orders, or loss of key customer programmes could adversely affect our business, results of operations, cash flows and financial condition.

While we have not experienced any material adverse impact on our business arising from a sustained slowdown or disruption in the end-use industries served by us during the last three Fiscals, there can be no assurance that such events will not occur in the future. Any prolonged downturn or adverse developments in one or more of these industries could adversely affect our business, results of operations, cash flows and financial condition.

7. ***Our total sale of products is concentrated in the automotive sector, which contributed to 99.80%, 99.86% and 99.92% of our total sale of products in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Any reduction in demand for these products, changes in customer preferences or technological developments affecting such products could adversely affect our business, results of operations, financial condition and cash flows.***

We manufacture a diversified portfolio of over 800 active products catering to a wide range of applications across tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. Our products are used in critical applications such as transmission systems, final reduction drives, planetary drive systems, axle assemblies, steering systems, hydraulic systems and windmill gearboxes. A substantial majority of our revenue from operations is derived from products supplied to customers operating in the automotive sector, including manufacturers of tractors, agricultural equipment, commercial vehicles and off-highway vehicles. Accordingly, our business is significantly dependent on the continued growth and performance of the automotive sector and our ability to continue supplying products that meet the evolving technical specifications, quality standards and delivery requirements of automotive OEMs and aggregate manufacturers. During Fiscals 2026, 2025 and 2024, revenue from the automotive sector contributed 99.80%, 99.86% and 99.92%, respectively, of our total sale of products.

The table below sets forth the revenue generated from the sale of products to automotive and non-automotive sectors for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ million)	% of sale of products	Amount (₹ million)	% of sale of products	Amount (₹ million)	% of sale of products
Automotive sector ⁽¹⁾	3,753.16	99.80%	3,142.18	99.86%	2,865.97	99.92%
Non-automotive sector ⁽²⁾	7.36	0.20%	4.49	0.14%	2.28	0.08%
Total	3,760.52	100.00%	3,146.67	100.00%	2,868.25	100.00%

⁽¹⁾ Sale of products to manufacturers of tractors, commercial vehicles, off-highway vehicles.

⁽²⁾ Sale of products to manufacturers of industrial equipment and machinery for oil and gas, power generation, and renewable sector.

Demand for these products is influenced by several factors, including the performance of the end-use industries served by our customers, changes in customer procurement strategies, technological developments, product substitution, pricing pressures, evolving quality requirements and the introduction of alternative manufacturing processes or competing products. The Indian automotive forging industry has demonstrated a robust and consistent growth trajectory over the past five fiscal years. The production volumes expanded from 1.05 million metric tons in fiscal 2021 to reach 1.66 million tons by fiscal 2026 at a strong CAGR of 9.6% during this period. (Source: *CRISIL Report*) Any reduction in demand for these principal products, discontinuation of product programmes by our customers, technological obsolescence or inability to adapt our product portfolio to changing market requirements may result in lower sales, reduced capacity utilisation and adversely affect our business, results of operations, financial condition and cash flows.

Further, a significant portion of our manufacturing capacity, technical expertise and capital investment is dedicated to these product categories. Any sustained decline in demand for any of our principal products may adversely affect our ability to efficiently utilise our Manufacturing Units and recover fixed manufacturing costs, thereby adversely affecting our operating margins and profitability.

Additionally, as part of our growth strategy, we intend to expand our presence in the electric vehicle ("EV") segment by developing and supplying components for EV applications. As the EV segment forms part of the broader automotive industry, the successful implementation of this strategy may further increase our dependence on the automotive sector and our exposure to risks affecting such industry. The successful implementation of this strategy is subject to various factors, including our ability to develop products that meet evolving customer specifications, obtain customer approvals, establish commercial relationships with OEMs and aggregate manufacturers, make the requisite capital investments and respond to rapid technological advancements and changing market dynamics. There can be no assurance that our strategy to expand into the EV segment will be successfully implemented or that it will generate the anticipated revenues, customer acceptance or commercial benefits within the expected timelines or at all. Any failure to successfully execute our EV strategy could adversely affect our business, results of operations, financial condition and future growth prospects. For further details, see "Our Business – Our strategies – Expand our presence across high-growth renewal and electric vehicle applications" on page 270.

While we have not experienced any material adverse impact arising from concentration in any particular product category during such period, we cannot assure you that demand for our principal products will remain stable in the future. Any significant decline in demand for one or more of these product categories could materially and adversely affect our business, results of operations, financial condition and cash flows.

8. ***Our business is dependent on our ability to consistently maintain stringent quality standards and comply with customer specifications. Any failure to do so could result in rejection of products, customer claims, loss of business or cancellation of orders, which could adversely affect our business, results of operations and financial condition.***

We manufacture forged and machined components that are used in critical applications across automotive and non-automotive end-use industries. Accordingly, our customers, including OEMs and aggregate manufacturers, prescribe stringent technical specifications, quality standards and inspection requirements for the products supplied by us. Our manufacturing operations are supported by in-house metallurgical and metrology testing infrastructure and quality control systems across various stages of the manufacturing process, including raw material inspection, forging, heat treatment, machining and final inspection. Our testing and inspection infrastructure includes, among others, spectrometers, coordinate measuring machines ("CMM"), optical measuring machines ("OMM"), computer numerical control ("CNC") gear testers, ultrasonic testing systems, contour tracers, tensile testing machines, crack detection systems and other inspection and measurement equipment, which enable us to maintain product quality, dimensional accuracy, process consistency and traceability.

We have also implemented quality management systems in accordance with industry standards and customer requirements and have obtained ISO 9001:2015 and IATF 16949:2016 certifications for the manufacture of forged and machined components. Our customers periodically undertake audits and assessments of our Manufacturing Units, quality management systems and production processes as part of their supplier qualification and performance evaluation procedures. Any failure to comply with customer specifications, maintain the required quality standards or renew or maintain applicable quality certifications may result in rejection of products, warranty or quality claims, suspension or cancellation of orders, removal from approved vendor lists or termination of customer relationships, which could materially and adversely affect our business, results of operations, financial condition and cash flows.

While we have not experienced any material adverse impact on our business due to failure to comply with customer quality requirements, material product quality issues or failure to maintain our quality certifications during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any failure to consistently maintain the quality standards expected by our customers or to comply with applicable certification requirements could have a material adverse effect on our business, results of operations, cash flows and financial condition.

9. ***The sale of our manufactured products in the states of Punjab and Maharashtra cumulatively contributed to 48.82%, 50.87% and 53.82% of our total sale of products during Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. This regional concentration could expose us to economic, cultural, geopolitical and local market risks.***

While we have established presence across various geographies in India and have also expanded our operations to certain countries outside India, the sale of our manufactured products has been significantly concentrated in the states of Punjab and Maharashtra, which has cumulatively contributed to 48.82%, 50.87% and 53.82% of our total sale of products during

Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Therefore, we are significantly dependent on the general economic conditions and activities in Punjab and Maharashtra.

The table below sets forth the revenue generated by our Company from the sale of products within India, for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Punjab	1,181.66	31.42%	936.40	29.76%	852.69	29.73%
Maharashtra	654.34	17.40%	664.12	21.11%	691.02	24.09%
Haryana	532.79	14.17%	302.13	9.60%	245.88	8.57%
Himachal Pradesh	379.19	10.08%	417.19	13.26%	290.09	10.11%
Uttarakhand	376.19	10.00%	379.73	12.07%	359.52	12.53%
Uttar Pradesh	324.92	8.64%	260.09	8.27%	335.48	11.70%
Tamil Nadu	73.39	1.95%	50.29	1.60%	22.21	0.77%
Karnataka	43.79	1.16%	36.35	1.16%	36.39	1.27%
Telangana	39.74	1.06%	23.82	0.76%	10.09	0.35%
Madhya Pradesh	38.72	1.03%	24.70	0.79%	5.50	0.19%
Rajasthan	15.49	0.41%	1.37	0.04%	7.16	0.25%
Delhi	9.01	0.24%	7.88	0.25%	6.74	0.23%
Gujarat	7.98	0.21%	4.42	0.14%	4.74	0.17%
Andhra Pradesh	0.00	-	0.55	0.02%	0.00	-
Total (A)*	3,677.21	97.78%	3,109.05	98.80%	2,867.50	99.97%

*Out of our total domestic sales, sales of products qualifying as deemed exports aggregated to ₹ 746.80 million, representing 19.86% of our sale of products in Fiscal 2026, ₹ 558.37 million, representing 17.74% of our sale of products in Fiscal 2025, and ₹ 522.97 million, representing 18.23% of our sale of products in Fiscal 2024.

Loss of all or a substantial portion of our sales in Punjab and Maharashtra, for any reason, including due to any material adverse economic, social, political or regulatory developments, civil unrest, disruptions in transportation or logistics infrastructure, changes in the policies of the State Government or local authorities, or any deterioration in market conditions in Punjab, could adversely affect our business, results of operations, financial condition, cash flows and future business prospects. In addition, our sales in Punjab and Maharashtra may be adversely affected by the occurrence of natural disasters or other calamities, including floods, earthquakes, fires or other unforeseen events that disrupt the operations of our customers or the regional supply chain.

While there have been no instances during the last three Fiscals where any such adverse developments or geographical disruptions in Punjab and Maharashtra have had a material adverse effect on our business, financial condition or results of operations, we cannot assure you that such events will not occur in the future or that, upon the occurrence of any such event, we will be able to mitigate the impact by expanding our sales in other geographies or through our export operations.

10. ***We are dependent on third-party logistics service providers for the transportation of raw materials and manufactured products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We rely on a combination of our self-owned transportation fleet and third-party logistics service providers for the transportation of raw materials and manufactured products. Raw materials procured from domestic suppliers are transported to our Manufacturing Units through our transportation fleet and/or through independent logistics providers. Similarly, manufactured products are transported from our Manufacturing Units to customer locations through rail and road transportation for domestic sales and through sea freight for export sales. We maintain relationships with multiple logistics service providers to support the timely movement of materials and manufactured products. Accordingly, our business is dependent on our relationships with the service providers and the timely and efficient performance of such

logistics service providers. Set out in the table below are the freight and forwarding charges we incurred during the periods mentioned.

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Freight and forwarding charges (<i>in ₹ million</i>)	42.56	35.50	28.92
As a % of our total expense	1.16%	1.14%	1.00%

Our logistics operations may be adversely affected by factors beyond our control, including transportation bottlenecks, shortages of transport vehicles or containers, port congestion, delays in customs clearance, adverse weather conditions, natural disasters, labour unrest, strikes, disruptions in rail or road networks, fuel price volatility, geopolitical developments and other supply chain disruptions. Any interruption or delay in transportation services may result in delays in the procurement of raw materials, disruption of manufacturing schedules, delays in customer deliveries, increased logistics costs or failure to meet contractual delivery timelines.

Although we engage multiple logistics service providers in the ordinary course of business, we cannot assure you that they will continue to provide services on commercially acceptable terms or at all. In addition, freight and transportation costs may increase due to factors beyond our control, which may adversely affect our operating margins if such increases cannot be recovered from our customers.

While we have not experienced any material disruption to our business due to the failure of third-party logistics service providers or material transportation delays during the last three Fiscals, we cannot assure you that such disruptions will not occur in the future. Any inability to procure raw materials or deliver manufactured products in a timely and cost-effective manner could adversely affect our manufacturing operations, customer relationships, business, results of operations, cash flows and financial condition.

11. *Pro Forma Financial Information included in this Draft Red Herring Prospectus is presented for illustrative purposes only and may not accurately reflect our financial condition and results of operations.*

This Draft Red Herring Prospectus contains our Pro Forma Financial Information, which consists of the pro forma balance sheet as of March 31, 2026, and the pro forma statements of profit and loss (including other comprehensive income) for the Financial Years ended March 31, 2026, together with the related notes thereto. The purpose of the Pro Forma Financial Information is to reflect the impact of the acquisition of the business undertaking of the erstwhile D.S. Engineers by our Company, on a slump sale basis, pursuant to the slump sale agreement dated January 16, 2026 which became effective on April 01, 2026, read with the supplementary agreement dated June 20, 2026. The Pro Forma Financial Information has been prepared solely to illustrate the effect of the acquisition on the historical financial information of our Company as if the acquisition had occurred on April 01, 2025 for the purposes of the pro forma statements of profit and loss for the Financial Year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026 for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of the Company to reflect the hypothetical impact of the transaction.

The Pro Forma Financial Information has been prepared in accordance with the requirements of the SEBI ICDR Regulations. The Pro Forma Financial Information presents a hypothetical illustration of the impact of the acquisition of the business of the erstwhile D.S. Engineers on our results of operations and financial position, assuming that the acquisition had occurred at a date prior to the first period presented in the Pro Forma Financial Information. Accordingly, the Pro Forma Financial Information is presented for illustrative purposes only and may not necessarily be indicative of the financial position or results of operations that would actually have been achieved had the acquisition occurred on the assumed date, nor is it intended to be indicative of our future financial position or future results of operations. The Pro Forma Financial Information does not include all the information required for financial statements prepared in accordance with Ind AS and should be read together with the sections titled “*Management's Discussion and Analysis of Financial Condition and Results of Operations*”, “*Restated Financial Information*” and “*Pro Forma Financial Information*” beginning on pages 421, 344 and 406, respectively. Accordingly, investors should exercise caution in placing reliance on the Pro Forma Financial Information contained in this Draft Red Herring Prospectus.

12. *Any failure on our part to effectively manage our inventory could adversely affect our business, results of operations, cash flows and financial condition.*

As a manufacturer of forged and machined components, we are required to maintain inventories of raw materials, work-in-progress and finished goods to support our manufacturing operations and meet customer delivery schedules. Our

inventory primarily comprises alloy steel and other raw materials, work-in-progress at various stages of the manufacturing process. Maintaining appropriate inventory levels is critical to ensuring uninterrupted manufacturing operations while optimising working capital requirements. Set out below are certain details of our inventories as on March 31, 2026, March 31, 2025 and March 31, 2024:

Particulars	As on March 31, 2026	As on March 31, 2025	As on March 31, 2024
Amount (in ₹ million)	633.66	485.67	407.94
As a % of the total asset	15.48%	13.84%	13.46%
Inventory days*	86 days	84 days	89 days

* Inventory days is computed as average of opening and closing inventory divided by purchases made during the respective Financial Year.

Our inventory levels are determined based on various factors, including customer demand forecasts, production schedules, procurement lead times, availability of raw materials, manufacturing cycle times and anticipated market conditions. Any failure to accurately forecast demand or effectively manage inventory levels may result in excess inventory, inventory obsolescence, increased storage and carrying costs, higher working capital requirements or write-downs in inventory value. Conversely, inadequate inventory levels or delays in the procurement of raw materials may disrupt our manufacturing operations, delay customer deliveries and adversely affect our ability to meet customer requirements.

In addition, inventories of work-in-progress may be exposed to risks including damage, deterioration, theft, fire, natural disasters, improper storage or handling, or delays in dispatch arising from transportation or logistics constraints. Any such events may result in inventory losses, disruption of production schedules or increased operating costs.

Further, fluctuations in the prices of steel, including alloy steel grades, and other raw materials may affect the value of inventories held by us and could adversely impact our profitability and working capital requirements.

While we have not experienced any material adverse impact on our business due to ineffective inventory management, material inventory losses or inventory shortages during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any failure to effectively manage our inventories or maintain appropriate inventory levels could have a material adverse effect on our business, results of operations, cash flows and financial condition.

13. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds for the purposes described in “Objects of the Offer” on page 126 of this Draft Red Herring Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Thus, the use of the Net Proceeds for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Further, in accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. However, we will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. For further details, see “Objects of the Offer – Variation in Objects of the Offer” on page 148.

Additionally, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by applicable SEBI regulations. Additionally, the requirement on the Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at

the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

Thus, we may not be able to utilise the proceeds from the Fresh Issue in this Offer in the manner set out in this Draft Red Herring Prospectus in a timely manner or at all. As a consequence of any increased expenditure, the actual deployment of funds may be higher than estimated. There is no assurance that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. In terms of the provisions of the SEBI ICDR Regulations, our Company will appoint Monitoring Agency prior to the filing of the Red Herring Prospectus, for monitoring the utilization of the Gross Proceeds however, the proposed utilization of Fresh Issue proceeds is based on our current business plan, management estimates, prevailing market conditions and other commercial considerations, which are subject to change and may not be within the control of our management.

14. *Information relating to the installed and actual manufacturing capacities of our manufacturing facilities included in this Draft Red Herring Prospectus is based on certain assumptions and estimates, which may prove to be inaccurate, and our future production levels and capacity utilisation may differ from such information.*

Information relating to the installed and actual manufacturing capacities of our forging and machining facilities included in this Draft Red Herring Prospectus has been prepared based on certain assumptions and estimates, including the absence of any lock-outs, strikes, stoppages or shutdowns at our Manufacturing Units, uninterrupted availability of raw materials and other inputs required for production, availability of uninterrupted power supply, and timely completion of regular maintenance and annual overhauls in accordance with the schedules of our Manufacturing Units. Such estimates also assume that there are no material changes in government policies affecting our cost of production or labour relations. Actual production levels and capacity utilisation may vary from such estimates due to disruptions in operations, interruptions in the availability of raw materials, power or other inputs, maintenance requirements, changes in government policies, labour-related matters and other operational factors.

The installed and actual manufacturing capacities disclosed in this Draft Red Herring Prospectus have been certified by Narender Pal Sethi, an independent chartered engineer *vide* their certificate dated September 16, 2026, based on the assumptions, methodologies and parameters considered appropriate for our manufacturing operations. However, future production levels and capacity utilisation may differ materially from our historical production levels or the installed capacities disclosed herein due to changes in operating conditions, customer demand, manufacturing schedules and other business considerations. For further details, see "*Our Business – Capacity and Capacity Utilisation*" on page 290.

Further, the methodology adopted for determining installed manufacturing capacity and capacity utilisation may differ from the methodologies adopted by other companies operating in the forging and precision-engineered components industry. Accordingly, the capacity information disclosed in this Draft Red Herring Prospectus may not be directly comparable with similar information presented by other companies.

15. *We have applied for certain fiscal incentives under schemes and initiatives of the Government of Punjab in relation to business operations. Any failure to receive or continue to remain eligible for such incentives may adversely affect our business, financial condition and results of operations.*

In connection with our Manufacturing Unit III located at Village Behra, Tehsil Dera Bassi, District SAS Nagar, Punjab, we have applied to the Government of Punjab through Invest Punjab for availing various fiscal incentives under the Industrial and Business Development Policy, 2022 ("**IBDP 2022**"). Commercial production at Manufacturing Unit III commenced on June 8, 2024.

Pursuant to the IBDP 2022, we have received a sanction letter dated September 19, 2025 approving reimbursement of the stamp duty paid towards the purchase of land for the project. However, the reimbursement has not been disbursed as of the date of this Draft Red Herring Prospectus. We have also applied for certain other incentives under the IBDP 2022, including exemption from electricity duty and reimbursement of a portion of the net State Goods and Services Tax ("**SGST**") paid, which remain subject to satisfaction of the applicable eligibility criteria, compliance with prescribed conditions and procedural requirements, and approval by the relevant governmental authorities. Our Company has additionally also availed benefits arising from the waiver of customer duty under the Export Promotion Capital Goods ("**EPCG**") Scheme under India's Foreign Trade Policy (FTP).

Set out below are details of the benefits availed by us under the aforementioned government initiatives in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations	Amount (₹ million)	% of revenue from operations
Government grant [^]	4.68	0.11%	2.06	0.06%	0.04	0.00%

[^]The Company has treated waiver of duty under EPCG Scheme as a revenue grant since the primary condition of availing the grant as per the EPCG Scheme is that of meeting the export obligations.

There can be no assurance that we will receive any or all of the incentives for which applications have been made, or that such incentives will be sanctioned or disbursed within the expected timelines. Further, our continued eligibility for such incentives is subject to ongoing compliance with the applicable provisions of the IBDP 2022 and other applicable laws, rules and conditions. Any modification, withdrawal or discontinuation of the IBDP 2022, any change in the eligibility criteria or incentive framework, or any failure on our part to satisfy the applicable conditions may result in the denial, reduction, suspension or recovery of such incentives. Additionally, any failure on our part to comply with the eligibility criteria or operational and reporting requirements prescribed under the policy frameworks could render us ineligible for these benefits. Consequently, any such development may have a material adverse effect on our business operations, profitability, and future growth prospects.

16. ***Certain machinery and equipment utilised in our manufacturing operations has been taken on lease. Any termination, non-renewal or disruption of such lease arrangements, or our inability to replace or continue to use such equipment, could adversely affect our manufacturing operations, business, results of operations and financial condition.***

Our manufacturing operations are supported by certain plant and machinery and equipment that have been taken on lease from third parties. These leased assets form part of our manufacturing infrastructure and are utilised in various stages of our forging, machining and related manufacturing operations. Accordingly, our ability to continue using such equipment on commercially acceptable terms is important for the uninterrupted operation of our Manufacturing Units. Set forth below are the details of the machinery and equipment leased by us in the last three Fiscals:

Particulars	Fiscal 2026			Fiscal 2025			Fiscal 2024		
	Number of leased machinery and equipment	Lease rentals paid (₹ in million)	Lease rentals as a % of total expenses	Number of leased machinery and equipment	Lease rentals paid (₹ in million)	Lease rentals as a % of total expenses	Number of leased machinery and equipment	Lease rentals paid (₹ in million)	Lease rentals as a % of total expenses
Manufacturing unit I	18	11.46	0.31%	18	11.46	0.37%	18	11.46	0.40%
Manufacturing unit II	82	76.63	2.09%	86	76.93	2.47%	88	63.81	2.21%
Manufacturing unit III	-	-	-	-	-	-	-	-	-
Manufacturing unit IV*	-	-	-	-	-	-	-	-	-

* Manufacturing Unit IV was owned and operated by the erstwhile D.S. Engineers which has been acquired by our Company with effect from April 1, 2026.

Our lease arrangements are subject to their respective contractual terms and conditions, including renewal, termination and other contractual rights of the parties. Any termination, non-renewal or adverse modification of such lease arrangements, whether due to contractual disputes, default, insolvency of the lessor, change in applicable laws or otherwise, may require us to replace such equipment, enter into alternative leasing arrangements or procure new machinery. We may not be able to do so on commercially acceptable terms, within the required timelines or at all.

Further, replacement or procurement of comparable manufacturing equipment may involve significant capital expenditure, installation and commissioning timelines, regulatory approvals, production interruptions and employee training requirements. Any delay in replacing leased equipment or integrating replacement machinery into our

manufacturing operations may disrupt production schedules, reduce manufacturing capacity, delay customer deliveries and increase our operating costs.

While there have been no instances during the last three Fiscals of any material disruption to our manufacturing operations arising from the termination, non-renewal or material modification of arrangements relating to leased plant and machinery, we cannot assure you that such events will not occur in the future. Any inability to continue using such leased equipment, or to replace the same in a timely and cost-effective manner, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

17. *A portion of our revenue from operations is derived from exports and deemed exports. Any adverse developments affecting international markets or our export customers may adversely affect our business, results of operations and financial condition.*

We derive a portion of our revenue from the sale of products to international customers and through deemed exports, whereby our products are supplied to domestic customers who, in turn, incorporate such products into goods exported outside India. Accordingly, demand for our products is influenced, in part, by economic conditions, industrial activity and customer demand in the overseas markets served by our customers. Between April 1, 2024 and March 31, 2026, we exported products to countries including the United States of America, Turkey, Belgium and Italy. Our revenue from direct exports amounted to ₹83.31 million, ₹37.62 million and ₹0.76 million in Fiscals 2026, 2025 and 2024, respectively, representing 2.21%, 1.19% and 0.03% of our revenue from sale of products during the corresponding periods. The table below sets forth the revenue generated by our Company from direct exports to international markets, for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Sale of products outside India						
Belgium	0.10	0.00%	0.00	-	0.00	-
Italy	80.84	2.15%	37.59	1.19%	0.76	0.03%
USA	2.37	0.06%	0.00	-	0.00	-
Turkey	0.00	-	0.03	0.00%	0.00	-
Total (B)	83.31	2.21%	37.62	1.19%	0.76	0.03%

Additionally, out of our total domestic sales, sales of products qualifying as deemed exports aggregated to ₹ 746.80 million, representing 19.86% of our sale of products in Fiscal 2026, ₹558.37 million, representing 17.74% of our sale of products in Fiscal 2025, and ₹522.97 million, representing 18.23% of our sale of products in Fiscal 2024.

Our export business is subject to various risks beyond our control, including global economic slowdowns, geopolitical developments, trade restrictions, changes in import or export regulations, tariffs, sanctions, fluctuations in foreign exchange rates, shipping and logistics disruptions, port congestion, changes in customs procedures and other international trade barriers. In addition, adverse developments affecting the automotive, construction equipment, agricultural equipment, electric vehicle, windmill and other industrial sectors in international markets may reduce demand for our products or the products manufactured by our customers.

Further, demand for our products in export markets may fluctuate due to changes in customer production schedules, inventory management practices, technological developments, regulatory changes, inflationary pressures and overall macroeconomic conditions. Any reduction in export demand, delay or cancellation of export orders, or disruption in international supply chains may adversely affect our revenue from operations, manufacturing utilisation and profitability.

While we have not experienced any material adverse impact on our export business due to disruptions in international markets during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any material adverse developments affecting our export markets or the international operations of our customers could adversely affect our business, results of operations, cash flows and financial condition.

18. *Our business is capital intensive, and we require significant capital expenditure to maintain, modernise and expand our manufacturing operations. Any inability to fund such capital expenditure requirements could adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing operations require substantial capital investment for the establishment, maintenance, expansion and modernisation of our Manufacturing Units, including investments in land, buildings, plant and machinery, forging presses, CNC machining centres, heat treatment facilities, inspection and testing equipment, automation technologies and other manufacturing infrastructure. We also incur capital expenditure for replacement, refurbishment and technological upgradation of existing equipment in order to maintain manufacturing efficiency, improve product quality and meet evolving customer requirements. During the Fiscals 2026, 2025 and 2024, we have invested ₹ 359.01 million, ₹ 745.05 million and ₹ 572.69 million accounting for 8.54%, 21.51% and 17.84% of our revenue from operations, respectively, towards capital expenditure for upgrading our forging and machining capabilities. The table below sets forth our capital expenditure towards purchase and lease of property, plant and equipment and intangible assets (including under development and capital advances) for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Capital expenditure* (in ₹ million)	359.01	745.05	572.69
Capital expenditure as a % of total assets (in %)	8.77%	21.23%	18.89%
% of Gross Block (in %)	14.14%	33.85%	31.72%

* Capital expenditure means cost of acquisition or construction of property, plant and equipment and addition in ROU asset, if any, during the respective year/period.

We intend to continue investing in our manufacturing infrastructure, including the proposed expansion of our Manufacturing Unit III, located in Tehsil Dera Bassi, Punjab, through the Net Proceeds, automation initiatives, technology upgradation and enhancement of our machining capabilities. For further details, see "Objects of the Offer" and "We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III, which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties" on pages 126 and 43, respectively. The successful implementation of these initiatives will require substantial financial resources and is subject to various risks, including timely availability of funds, increases in project costs, delays in procurement of machinery and equipment, construction delays, availability of skilled personnel, receipt of statutory approvals and achievement of the anticipated levels of customer demand.

Our ability to finance future capital expenditure requirements depends on several factors, including our cash flows from operations, availability of financing on commercially acceptable terms, prevailing economic and capital market conditions, our credit profile and compliance with financial covenants under our existing and future financing arrangements. Any additional debt financing may subject us to restrictive covenants, increase our debt servicing obligations and limit our operational and financial flexibility.

If we are unable to generate sufficient internal accruals or obtain additional financing on acceptable terms, or if our capital expenditure projects are delayed, exceed their estimated costs or fail to generate the anticipated operational or financial benefits, our expansion plans, manufacturing capabilities, competitive position and long-term growth prospects may be adversely affected.

While we have funded our capital expenditure requirements through a combination of internal accruals and external borrowings during the last three Fiscals, we cannot assure you that sufficient financial resources will continue to be available to meet our future capital expenditure requirements on commercially acceptable terms or at all. Any inability to adequately finance or execute our capital expenditure programmes could have a material adverse effect on our business, results of operations, cash flows and financial condition.

19. ***Our Company has entered into related party transactions in the past and may continue to do so in the future. We cannot assure you that such transactions could not have been entered into on more favourable terms with unrelated parties, and any actual or perceived conflicts of interest arising from such transactions could adversely affect our business, results of operations and financial condition.***

Our Company has entered into related party transactions in the ordinary course of business with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel and other related parties. Such transactions have primarily comprised remuneration, reimbursement of expenses, unsecured loans or advances, and other transactions undertaken in the ordinary course of business. All such transactions have been undertaken in compliance with the applicable provisions of the Companies Act, 2013, the applicable accounting standards and other applicable laws, and have been undertaken on an arm's length basis, as certified by the Statutory Auditors, M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), pursuant to their certificate dated September 21, 2026.

During the last three Fiscals, our Company had entered into related party transactions, which were in compliance with the applicable provisions of the Companies Act, 2013, applicable accounting standards and other statutory requirements. For details of our related party transactions, see 'Restated Financial Information' at page 344.

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025		For the year ended 31st March 2024	
	Amount (₹ in million)	% of Revenue from Operation	Amount (₹ in million)	% of Revenue from Operation	Amount (₹ in million)	% of Revenue from Operation
Sum of Sale to Related Parties	379.40	9.02%	417.19	12.05%	290.17	9.04%
Sum of Purchases made with Related Parties	19.80	0.47%	17.25	0.50%	29.08	0.91%
Capital Transactions with Related Parties (Sale & Purchase of Machinery)	0.87	0.02%	-	-	2.16	0.07%
Remuneration & Sitting Fees	31.03	0.74%	30.83	0.89%	30.09	0.94%
Acquisition of D.S. Engineers	35.00	0.83%	-	-	-	-
Unsecured Loan from Director	-	-	-	-	15.00	0.47%

For complete details of our related party transactions see 'Restated Financial Information – Note 37 – Related Party Disclosures' on page 388.

While our Company has undertaken all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Such related party transactions may potentially involve conflicts of interest which may be detrimental to our Company and which our Company will endeavour to duly address as and when they may arise. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our Company and, or, that it will not have an adverse effect on our business and our results of operations.

20. ***We have incurred negative net cash from our investing and financing activities in the past. Negative net cash in financing activities and investment activities in the future could have an adverse impact on our growth prospectus.***

We have incurred negative net cash from investing and financing activities on a restated basis as set out below:

(₹ in million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Net cash flows generated from operating activities (A)	562.20	348.11	348.62
Net cash flow used in investing activities (B)	(421.82)	(303.24)	(513.94)
Net cash flows generated from/ (used in) financing activities (C)	(140.52)	(44.41)	165.38
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(0.15)	0.45	0.07
Cash and cash equivalents at the beginning of the period	0.79	0.34	0.27
Cash and cash equivalents at the end of the period	0.65	0.79	0.34

The negative net cash flows from investing activities were primarily attributable to our capital expenditure towards the purchase of property, plant and equipment, capital work-in-progress, capital advances, intangible assets and land in connection with the expansion and modernization of our manufacturing operations. During Fiscal 2026, Fiscal 2025 and Fiscal 2024, our net cash used in investing activities amounted to ₹ 421.82 million, ₹ 303.24 million and ₹ 513.94 million, respectively.

Further, we incurred negative net cash flows from financing activities of ₹ 140.52 million and ₹ 44.41 million during Fiscal 2026 and Fiscal 2025, respectively, primarily on account of repayment of lease liabilities, finance costs and repayment of borrowings, partially offset by proceeds from fresh borrowings. In Fiscal 2024, our financing activities generated positive cash flows of ₹ 165.38 million, primarily due to proceeds from long-term and short-term borrowings.

For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 421.

While we have generated positive cash flows from operating activities during the last three Fiscals, we have continued to incur significant cash outflows towards capital expenditure and have incurred negative cash flows from financing activities during the aforesaid periods. There can be no assurance that our operating cash flows will continue to be sufficient to fund our capital expenditure, debt servicing obligations and working capital requirements. If our cash flows from operations decline or our capital expenditure requirements increase, we may be required to obtain additional debt or equity financing, which may not be available on favourable terms, or at all. Any inability to generate adequate cash flows or obtain additional financing could adversely affect our business, financial condition, results of operations and cash flows.

21. *Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition.*

Set forth below are the details of contingent liability as on March 31, 2026:

Contingent liabilities not provided for in respect of:

Particulars	(in ₹ Million)
Export Obligation [^]	88.12

[^] Our Company has outstanding export obligations of ₹528.73 million arising from the availment of concessional rates of import duty on capital goods under the Export Promotion Capital Goods Scheme. In the event our Company is unable to fulfil such export obligations, our liability would be ₹88.12 million, reduced in proportion to the exports actually made, together with applicable interest. Our Company has furnished bonds aggregating to ₹77.99 million in respect of such export obligations.

While most of these contingent liabilities and the capital commitments have been incurred in the normal course of business, if these were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

22. *We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities Machined Components at our Manufacturing Unit III, which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.*

Our Company proposes to utilise a portion of the Net Proceeds towards the capital expenditure required for the expansion of Manufacturing Unit III, located at Tehsil Dera Bassi, Punjab (the "**Proposed Expansion**"). For further details, see "Objects of the Offer" on page 126. The total estimated cost of the Proposed Expansion is ₹1,484.14 million, of which we propose to utilise ₹1,250.00 million from the Net Proceeds to partially fund the capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III. We cannot assure you that we will be able to complete the Proposed Expansion within the estimated cost or expected timelines. Any delay in implementation, cost escalation or operational complexities, including disruptions in the supply chain, may adversely affect our business, results of operations and financial condition.

The Proposed Expansion also involves undertaking civil works and procuring plant and machinery. However, as of the date of this Draft Red Herring Prospectus, we have not placed orders for the execution of the civil works or the procurement of the requisite plant and machinery. The estimated cost of civil works, plant and machinery and other ancillary expenditure of ₹ 1,422.77 million has been determined based on quotations received from third-party vendors and certified by Indraprastha Corridor Advisory Services Private Limited, an independent analyst, pursuant to its report dated September 18, 2026 (the "**Cost Vetting Report**"). There can be no assurance that we will be able to procure the required plant and machinery at the estimated prices or within the expected timelines. Any delay in the procurement of plant and machinery or execution of civil works may result in cost overruns and delays in the implementation of the Proposed Expansion. The quotations obtained by us have been sourced from the vendors identified for the Proposed Expansion, with whom we have had prior business relationships and from whom we have previously procured similar goods or machinery. Given the specialised nature of the plant and machinery proposed to be procured, and our prior experience of procuring such machinery from these vendors, we have not sought or obtained alternative quotations from other vendors in the market, save and except for the quotations obtained for civil works. Accordingly, there may be other

vendors who may offer the requisite plant and machinery, civil works or other items at lower prices than those reflected in the quotations obtained by us, and the actual cost of procurement may therefore be lower than the estimates considered for the Proposed Expansion.

The timely completion of the Proposed Expansion is also dependent on the performance of third-party contractors and suppliers responsible for, among other things, civil works, installation and commissioning of machinery, and supply and testing of equipment. Any delay, deficiency or failure on the part of such third parties may result in increased costs, implementation delays or other operational disruptions. In addition, the Proposed Expansion is subject to obtaining various statutory and regulatory approvals, including routine approvals. For further details, see "*Objects of the Offer – Government Approvals*" on page 139. Any delay in obtaining such approvals may result in a corresponding delay in the implementation of the Proposed Expansion and deployment of the Net Proceeds. While we have not experienced any material delays or cost overruns in the implementation of our past projects during the last three Fiscals, there can be no assurance that similar issues will not arise in respect of the Proposed Expansion. Any such delays, cost overruns or failure to achieve expected benefits could adversely affect our business, financial condition and results of operations. Further, we cannot assure you that the Proposed Expansion will achieve the anticipated operational efficiencies or support the expected growth in our business.

We will appoint a monitoring agency to monitor the utilisation of the Gross Proceeds. Pending utilisation towards the Objects of the Offer, our Company will have the flexibility to temporarily deploy the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule to the Reserve Bank of India Act, 1934, in accordance with the policies approved by our Board. Accordingly, investors will be required to rely on the judgment of our management with respect to the deployment of the Net Proceeds. Various risks and uncertainties, including those described under this section, may delay or limit our ability to utilise the Net Proceeds in the manner currently contemplated or realise the anticipated benefits from the Proposed Expansion. Further, actual costs may exceed our estimates, requiring additional funding, which may not be available on commercially acceptable terms or at all. Delays arising from regulatory approvals, technical issues, human resource constraints or other unforeseen events may also adversely affect the implementation of the Proposed Expansion. Consequently, there can be no assurance that the utilisation of the Net Proceeds will result in the anticipated growth in our business, increase in revenue or profitability, or enhancement in the value of your investment.

23. *A portion of the Net Proceeds is proposed to be utilized for repayment or pre-payment of certain outstanding borrowings availed by our Company, including payment of accrued interest thereon.*

We have entered into certain financing arrangements with banks and financial institutions for term loans and working capital facilities to fund its expansion activities and operational requirements. As of June 30, 2026, our total outstanding borrowings amounted to ₹ 1,335.79 million. We intend to utilize an amount of ₹ 950.00 million from the Net Proceeds in order to repay/ prepay, in full or in part, certain or all of the borrowings availed by us. For further details, see "*Objects of the Offer*" on page 126.

In compliance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditors pursuant to their certificate dated September 21, 2026, have certified the utilization of the selected borrowings for the purposes for which such borrowings were availed.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) terms and conditions of consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. For further details, see "*Objects of the Offer*" on page 126. Prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business, cash flows, financial condition and results of operations. Also see "*The Net Proceeds from the objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected*" on page 65.

24. *Our manufacturing operations are dependent on the continuous availability of essential utilities, including electricity, fuel and water. Any disruption in the supply of, or increase in the cost of, such utilities could adversely affect our business, results of operations, cash flows and financial condition.*

Our manufacturing operations require a continuous and reliable supply of essential utilities, including electricity, fuel and water, for various manufacturing processes such as billet heating, forging, precision machining, heat treatment, testing and other ancillary manufacturing operations. Any interruption, curtailment or inadequacy in the supply of such utilities may disrupt our manufacturing operations, reduce production efficiency, delay customer deliveries and increase our operating costs. Set out below are the power charges incurred by us for periods/years indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Power and fuel charges*	344.10	9.36%	294.97	9.46%	252.77	8.74%

* Includes furnace oil, LPG consumed and electricity charges.

Our manufacturing operations are also exposed to risks arising from increases in the cost of electricity, fuel and other utilities due to changes in government policies, revisions in electricity tariffs, fluctuations in fuel prices, supply shortages, inflationary pressures or other factors beyond our control. Any significant increase in utility costs may adversely affect our operating margins, particularly where such increases cannot be passed on to our customers. Additionally, any disruption in the supply or increase in the prices of these fuels due to geopolitical conflicts, international trade restrictions, disruptions in global supply chains, transportation constraints, or other factors beyond our control may adversely affect our business, financial condition, results of operations and cash flows.

Additionally, while our current water requirements are met through groundwater sources, we cannot assure you that adequate groundwater will continue to be available, or that we will be able to obtain or maintain the requisite approvals, permissions or access to such water sources in the future, which could adversely affect our manufacturing operations, business, financial condition and results of operations. Our manufacturing processes require adequate availability of water for various operational and cooling requirements. Any restrictions on groundwater extraction, interruption in water availability, failure of water supply infrastructure or changes in applicable environmental regulations may adversely affect our manufacturing operations.

While we have undertaken sustainability and energy optimization initiatives, and, in 2025, commissioned solar power infrastructure in Manufacturing Units II and III with an aggregated installed capacity of 1,768 kilowatt-peak (kWp) for self-consumption as part of our focus on energy efficiency and sustainable manufacturing practices, we continue to remain dependent on external sources for a significant portion of our utility requirements. Accordingly, there can be no assurance that our existing measures will be sufficient to mitigate the impact of any disruption in utility supply or increase in utility costs.

While we have not experienced any material adverse impact on our manufacturing operations due to prolonged disruption in the supply of electricity, fuel or water during the last three Fiscals, we cannot assure you that such disruptions or significant increases in utility costs will not occur in the future. Any interruption in the availability of, or increase in the cost of, essential utilities could have a material adverse effect on our business, results of operations, cash flows and financial condition.

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

Our Company is currently involved in a number of legal proceedings, pending at different levels of adjudication before various courts and tribunals. For details, see ‘*Outstanding Litigations and Material Developments*’ on page 458. Any adverse order in these proceedings could have a material adverse impact on our reputation, business, results of operations and financial condition.

A summary of outstanding litigation and the monetary amount involved in the cases we are currently involved in is mentioned in brief below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million)*
1.	Company						
	By the Company	Nil	Nil	N.A.	N.A.	1	903.00
	Against the Company	Nil	1	2	N.A.	Nil	Unascertainable**
2.	Promoters						
	By the Promoters	Nil	Nil	N.A.	Nil	Nil	Nil
	Against the Promoters	Nil	Nil	2	Nil	Nil	0.15
3.	Directors (other than Promoters)						
	By the Directors	Nil	Nil	N.A.	N.A.	Nil	Nil
	Against the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
4.	Key Managerial Personnel (other than Directors)						
	By Key Managerial Personnel	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
	Against Key Managerial Personnel	Nil	N.A.	Nil	N.A.	N.A.	N.A.
5.	Members of Senior Management (other than Directors and Key Managerial Personnel)						
	By members of Senior Management	Nil	N.A.	N.A.	N.A.	N.A.	N.A.
	Against members of Senior Management	Nil	N.A.	Nil	N.A.	N.A.	N.A.

* To the extent quantifiable.

** While show cause notices have been issued by the relevant regulatory authorities in relation to the tax proceedings involving our Company, the tax demand in respect of such proceedings has not yet been finalised. Accordingly, the amount involved in such tax proceedings is not ascertainable as on the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary or Group Company. We cannot assure you that any of these matters will be settled in favour of our Company and/or the respective related parties, respectively, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, results of operations, and our reputation. For further details, see 'Outstanding Litigations and Material Developments' on page 458.

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and have to make further provisions in our financial statements, which could increase our expenses and our liabilities. There can be no assurance that the provisions we have made for litigation will be sufficient or that further litigation will not be brought against us in the future. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Further, delay in settlement of statutory dues, vendor payments and employee settlement cases may also have an adverse impact on us.

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

26. *There have been certain discrepancies in the filings made by our Company with the RoC and certain non-compliances with the provisions of the Companies Act, 2013. Our Company has filed adjudication applications and applications*

for correction of records in respect of certain such matters, and we have received orders each dated September 15, 2026, in relations to such adjudication proceedings filed by our Company with the RoC. While our Company shall endeavour to comply with the said orders from RoC, we cannot assure you that we will not be subject to further or additional penalties or that no regulatory or other action will be initiated against us.

There have been certain discrepancies in the secretarial form filings and corporate records submitted by our Company with the RoC, as well as certain non-compliances with the provisions of the Companies Act, 2013.

Set out below are the details of such discrepancies and non-compliances:

- Certain inter se transfers of equity shares held in physical form were registered by the Company on February 19, 2022 after the securities of the Company had become subject to the requirements of Section 29(1A) of the Companies Act, 2013 read with Rule 9A(3)(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, which require transfers of securities to be effected only in dematerialised form, which were undertaken directly between the concerned shareholders without the prior knowledge, involvement or participation of our Company; and
- Our Company inadvertently failed to appoint the requisite second Independent Director on its Board during the period from December 4, 2018 to November 30, 2023, resulting in non-compliance with the provisions of Section 149(4) of the Companies Act, 2013 and the consequential non-compliance with the provisions relating to the constitution of the Audit Committee under Section 177(2) and the Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013.

Our Company had filed adjudication applications each dated June 22, 2026, through Forms GNL-1 each dated June 23, 2026, in relation to the aforementioned discrepancies and/or non-compliances. Our Company had also filed Form GNL-3 dated June 24, 2026, submitting the resolution passed by our Board dated May 27, 2026, appointing Vineet Chauhan, the Managing Director of our Company, as the "Officer in Default" under Section 2(60) of the Companies Act, 2013 for the purpose of filing suo motu applications for adjudication of any penalties in relation to the Company's non-compliances.

Pursuant to the aforesaid applications, the RoC has passed the following orders under Section 454 of the Companies Act, 2013: (i) order dated September 15, 2026, imposing a penalty of ₹ 0.20 million on our Company and ₹ 0.05 million on Vineet Chauhan upon failure to transfer equity shares in dematerialised form; and (ii) order dated September 15, 2026, imposing a penalty of ₹ 0.30 million on our Company and ₹ 0.10 million on Vineet Chauhan upon failure to appoint the requisite second Independent Director. Our Company and Vineet Chauhan are required to pay the aforesaid penalties within 90 days of receipt of the respective orders. While our Company shall endeavour to comply with the said orders from RoC, we cannot assure you that we will not be subject to further or additional penalties or that no regulatory or other action will be initiated against us. For further details, please see "*Outstanding Litigations and Material Developments – I. Litigation involving our Company – Outstanding actions by regulatory and statutory authorities*" on page 459.

Additionally, our Company did not transfer the unspent Corporate Social Responsibility ("CSR") amount pertaining to Fiscal 2022 to the fund specified under Schedule VII to the Companies Act, 2013 within the prescribed timelines, in accordance with the applicable provisions of the Companies Act, 2013. However, the said unspent CSR amount was subsequently utilised towards eligible CSR activities in the following financial year, and there is no unspent CSR amount as on the date of this Draft Red Herring Prospectus. While there have been no regulatory proceedings or actions initiated against our Company in relation to the aforesaid non-compliance, we cannot assure you that any legal proceedings or regulatory actions will not be initiated against our Company in the future or that we will not be subject to any penalty or other action by the relevant regulatory authorities in this regard.

- 27. Our Company is unable to trace certain secretarial forms in relation to a past allotment of equity shares and the cessation of past directorship. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard. The absence of these historical records may pose a risk in relation to the accuracy and adequacy of disclosures, if any, relating to such events included in this Draft Red Herring Prospectus.***

The Form 32 filed on October 19, 2005, in relation to the cessation of Mr. Vineet Chauhan as an Additional Director of the Company and the Form 2 filed on March 20, 2010, in relation to the allotment of 1,300,000 Equity Shares to Mrs. Suman Chauhan, along with the respective challans evidencing their filing with the RoC, are not traceable and are not available in the records maintained by our Company or in the physical records of the RoC.

Accordingly, we have relied on (a) the report dated September 21, 2026 issued by Kanwaljit Singh Thanewal, Company Secretaries, (b) copies of the Board and Shareholders' resolutions authorising the aforesaid allotment, (c) the register of members of our Company, and (d) Form 23 filed in relation to the aforesaid allotment.

Further, our Company, through its letter dated September 21, 2026, has intimated the RoC regarding the document being untraceable in our records. We cannot assure you that we will not be subject to any penalties imposed by the competent regulatory authority in connection with such untraceable records. While no disputes or regulatory action has arisen in connection with these filings until date, we cannot assure you that no such action will be initiated in the future.

28. *We have incurred indebtedness and have had high debt-equity ratio in the last three Fiscals, which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.*

As of June 30, 2026 our total sanctioned and outstanding indebtedness was ₹ 2,353.92 million and ₹ 1,335.79 million, respectively. Details of our debt- equity ratio for the last three Fiscals are as set forth below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Debt- equity ratio (in times)	0.60	0.72	0.75

For more information, see "Financial Indebtedness" on page 418.

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

- a significant portion of our cash flow may be used towards repayment of our existing debt, which will reduce the available cash flow to fund our capital expenditures and other general corporate requirements;
- defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets;
- substantial portion of our long-term indebtedness is subject to floating rates of interest. Fluctuations in market interest rates may require us to pay higher rates of interest and will also affect the cost of our borrowings; and
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions including certain actions and matters in relation to the Offer such as to change the general nature of our business, undertake expansions or investments in other entities, effect changes in our ownership, control or management, avail additional borrowings, provide loans, advances, guarantees or other financial assistance to third parties, dilute the shareholding of our Promoters, declare or pay dividends, make investments in or extend financial support to group companies, associates, subsidiaries or other third parties, create encumbrances or otherwise dispose of our assets, amend our memorandum of association, or undertake any merger, amalgamation, compromise or reconstruction. While our Company has received necessary approval from its lenders to undertake this Offer, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future. Further, the restrictive covenants under the agreements governing our indebtedness may limit the ability of our Company to make certain strategic decisions. Failure to meet such conditions or obtain consents from lenders, as may be required, could invoke certain penalty clauses or any other consequence of events of defaults in the respective financing arrangement, which could have significant consequences for our business.

If we are unable to comply with the covenants and conditions set forth in our financing agreements, or if we fail to obtain the necessary consents from our lenders, this could result in an event of default under such agreements. This may give our lenders the right to enforce their security, accelerate repayment, or impose additional restrictions on our operations, which could adversely impact our business, financial condition, and cash flows. Additionally, failure to comply with these covenants may restrict our ability to raise further financing, which could limit our growth prospects and operational flexibility. While there have been no such instances during the last three Fiscals where our Company failed to comply with the covenants and conditions in the financing agreements, we cannot assure you that we will be able to comply with the covenants and conditions and obtain the necessary consents from our lenders in the future.

For further details regarding our indebtedness, see 'Financial Indebtedness' beginning on page 418.

29. *Our Company has availed certain unsecured borrowings which are outstanding as on the date of this Draft Red Herring Prospectus.*

As of June 30, 2026, we had availed sanctioned unsecured borrowings amounting to ₹ 100.00 million, from a non-banking financial company, of which ₹ 98.28 million remained outstanding. The total sanctioned and outstanding unsecured borrowings availed by us form 4.25% and 7.36% of our total sanctioned and outstanding borrowings respectively, as on June 30, 2026.

Since these loans are unsecured, it does not require any collateral. Any unforeseen demand for immediate repayment could adversely affect our liquidity, cash flow, and financial stability. A significant disruption in our ability to manage or refinance these liabilities may also impact our operations and overall financial health. For further details of our unsecured loans, please see “*Financial Indebtedness*” and “*Restated Financial Information – Note 19 - Current Financial Liabilities - Borrowings*” on pages 418 and 381, respectively.

30. *Our Company was able to report a revenue and profit after tax growth of 14.44% CAGR and 31.56% CAGR during Fiscal 2024 to Fiscal 2026, respectively. However, we cannot assure you that we will be able to sustain such growth in future.*

Our Company was able to report a revenue and profit after tax growth of 14.44% CAGR and 31.56% CAGR during Fiscal 2024 to Fiscal 2026, respectively. Set out below is the revenue from operations as per the Restated Financial Information of our Company in the respective periods:

(in ₹ million, unless otherwise indicated)

Particulars	As of and for the financial year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Revenue from Operations	4,204.83	3,463.13	3,210.91
Growth in Revenue from Operations (%)	21.42%	7.86%	-
Profit after tax	412.17	258.18	238.14
Growth in profit after tax (%)	59.64%	8.42%	-

We cannot assure you that we will be able to sustain such growth in the future. Our growth in revenue and profit after tax may be influenced by a variety of factors, including changes in market conditions, consumer preferences, competition, and economic factors. Additionally, the continued success of our business depends on our ability to effectively implement our expansion strategies, manage costs, and maintain or increase our market share. There is no guarantee that we will be able to achieve the same level of growth or profitability in the future as we have in the past.

31. *Our Promoters have provided personal guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by them in connection with our borrowings.*

Of our total outstanding borrowings of ₹ 1,335.79 million as at June 30, 2026, our Promoters, Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan, have provided personal guarantees extending up to ₹ 1,210.44 million, aggregating to 90.62% of our total outstanding borrowings as of June 30, 2026. If any of these guarantees are revoked, our lenders may require alternative guarantees or cancel such loans or facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by our Promoters, in connection with our borrowings. For further information, see “*Restated Financial Information*” and “*Financial Indebtedness*” on pages 344 and 418, respectively.

Further, in the event of any default by our Company under the relevant financing arrangements, our lenders may invoke such personal guarantees in accordance with the terms of the financing documents. Any invocation of such guarantees may adversely affect the financial position of our Promoters and could impact their continued ability to provide financial support or credit enhancement to our Company, where required. Any such event may also affect our relationship with existing or prospective lenders and impair our ability to raise additional debt or refinance our existing borrowings on favourable terms.

While there have been no instances during the last three Fiscals where any personal guarantees provided by our Promoters in connection with our borrowings have been revoked, withdrawn or invoked, we cannot assure you that such guarantees will not be revoked, withdrawn or invoked in the future. Any such revocation, withdrawal or invocation could require us to arrange alternative credit support or financing, or result in enforcement action by our lenders, which may adversely affect our business, financial condition, cash flows, results of operations and prospects.

32. *Our manufacturing operations are dependent on the efficient functioning of our machinery and equipment, and any breakdown, malfunction or operational failure may adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing operations are carried out using specialised forging, machining and testing equipment installed across our Manufacturing Units. Our manufacturing process involves the use of forging presses, induction heating furnaces, CNC machining centres, CNC gear hobbing machines, CNC gear shaping machines, CNC gear grinding machines, power skiving machines, broaching machines, shaving and honing machines, heat treatment furnaces, induction hardening systems, material handling equipment and quality testing and inspection equipment, among others. The continuous and efficient functioning of such machinery and equipment is critical to maintaining our production volumes, product quality, manufacturing precision and operational efficiency.

Such machinery and equipment are exposed to risks including mechanical breakdown, technical malfunction, wear and tear, operational errors, power interruptions, inadequate maintenance, accidents and other unforeseen events. Any interruption in the operation of such equipment may adversely affect our manufacturing process, increase production costs, reduce capacity utilisation, delay customer deliveries or result in failure to meet customer specifications.

Set forth below are the details of the expenses incurred by our Company towards repairs and maintenance of plant and machinery during the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Repairs to machinery	89.63	2.44%	58.55	1.88%	50.97	1.76%
Repairs to building & others	7.16	0.19%	6.49	0.21%	22.95	0.79%

Any significant failure, prolonged shutdown or disruption in the functioning of our forging, machining or heat treatment equipment may lead to production interruptions, reduced manufacturing capacity, delays in fulfilling customer orders and increased repair or replacement costs. While there has been no instance during the last three Fiscals where any material breakdown, malfunction or operational failure of machinery and equipment at our Manufacturing Units has resulted in a material adverse impact on our production or operations, there can be no assurance that such breakdowns, malfunctions or disruptions will not occur in the future. Any such events may require us to incur significant repair, replacement or capital expenditure, temporarily suspend manufacturing operations at the affected facility or otherwise impair our ability to meet customer demand, which could materially and adversely affect our business, results of operations, financial condition and cash flows. Further, certain of our machinery and equipment are held under lease arrangements. Any damage to, destruction of, or inability to access or continue using such leased machinery or premises, including due to termination or non-renewal of the underlying arrangements, may require us to incur significant repair, replacement or relocation costs and could disrupt our manufacturing operations. For further details, see "— *Certain machinery and equipment utilised in our manufacturing operations has been taken on lease. Any termination, non-renewal or disruption of such lease arrangements, or our inability to replace or continue to use such equipment, could adversely affect our manufacturing operations, business, results of operations and financial condition*" on page 39.

33. *Our manufacturing operations are labour-intensive and are subject to stringent labour and employment laws. Any shortage of skilled manpower, industrial unrest, increase in employee costs or non-compliance with applicable labour laws could adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing operations require a substantial workforce comprising skilled, semi-skilled and unskilled personnel engaged in forging, machining, heat treatment, quality control, maintenance, material handling and other manufacturing and support functions. Set out below are our employee benefit expenses for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
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	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Employee benefit expenses*	382.30	9.09%	325.92	9.41%	279.84	8.72%

* Excluding the remuneration paid to our Directors in the respective Fiscals.

Accordingly, our ability to maintain uninterrupted manufacturing operations depends on the continued availability, productivity and retention of qualified personnel and contract labour, where applicable. Any shortage of skilled manpower, increase in employee attrition, inability to recruit or retain qualified personnel, disruption in the availability of contract labour, or increase in employee compensation, statutory benefits or labour costs may adversely affect our manufacturing operations and operating margins. Further, any industrial unrest, strikes, lock-outs, work stoppages, slowdowns, employee grievances or disputes with our employees or contract labour may disrupt production schedules, delay customer deliveries and adversely affect our reputation and customer relationships.

As on March 31, 2026, our Company had 1,082 full-time employees, including 233 employees and 849 workmen, and 177 contractual employees. For further details, see "Our Business – Human Resources" on page 298. Although certain personnel engaged at our Manufacturing Units are employed through third-party contractors, under applicable labour laws, our Company may, in certain circumstances, be held liable for defaults by such contractors in complying with their statutory obligations, including payment of wages, provident fund contributions, employee state insurance contributions and other statutory dues. Any such default by our contractors may expose us to regulatory proceedings, monetary liabilities, penalties or litigation, in addition to reputational harm and increased compliance costs. While we have not experienced any instances of disputes arising on account of defaults by contractors in complying with applicable labour law obligations during the last three Fiscals, we cannot assure you that such events or defaults will not occur in the future.

Our operations are also subject to various labour and employment laws relating to wages, working conditions, employee welfare, occupational health and safety, social security benefits and industrial relations. Compliance with such laws requires us to incur significant administrative and financial costs. Any amendments to applicable labour laws, increase in statutory employee benefits or any failure to comply with such laws may expose us to regulatory actions, penalties, increased operating costs or litigation. Further, the phased implementation and interpretation of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "**Labour Codes**"), together with the corresponding rules framed by the Central Government and various State Governments, may result in changes to our compliance obligations, employee benefit structures, social security contributions and overall employee costs. Any increase in our employee-related expenses or compliance costs pursuant to the implementation of the Labour Codes or any other changes in applicable labour laws may adversely affect our profitability and results of operations.

While we have not experienced any material labour unrest, strikes, lock-outs or work stoppages affecting our manufacturing operations during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such disruption, shortage of skilled personnel or increase in labour-related costs could materially and adversely affect our business, results of operations, financial condition and cash flows.

34. ***Our business is subject to risks associated with the gear, shafts and precision components industry, including technological changes, evolving customer preferences, raw material price volatility, increasing environmental regulations and macroeconomic conditions, any of which could adversely affect our business, results of operations, financial condition and cash flows.***

Our Company manufactures forged and machined components primarily for customers operating in the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. Accordingly, our business is influenced by developments affecting the automotive and industrial manufacturing industries, including technological advancements, changes in customer preferences, regulatory developments and general economic conditions. The key threats to the gear, shafts and precision components manufacturing industry include:

The Accelerated Transition to Electric Vehicles

The most profound structural threat to traditional automotive forging is the global shift toward electric mobility. Electric vehicles require significantly fewer moving parts compared to internal combustion engine vehicles. Critical forged components such as crankshafts, camshafts, connecting rods, and traditional transmission gears are eliminated in battery-electric architectures. While there remains a need for forged chassis, suspension, and steering components, the net

reduction in forging content per vehicle threatens to create severe overcapacity and revenue contraction for manufacturers heavily indexed to powertrain components. (Source: CRISIL Report)

Raw Material and Energy Price Volatility

Forging is a highly energy and material-intensive process. Manufacturers are highly exposed to the price volatility of primary inputs, particularly steel, aluminum, and specialized alloys. Furthermore, the forging process requires substantial energy consumption for heating and heavy machinery operation. Geopolitical tensions, trade tariffs, and global supply chain bottlenecks frequently lead to input cost inflation, which manufacturers often struggle to pass on to original equipment manufacturers in a timely manner, resulting in margin compression. (Source: CRISIL Report)

Material Substitution and the Lightweighting Trend

To meet stringent fuel efficiency and electric vehicle range requirements, OEMs are aggressively pursuing vehicle lightweighting. This trend poses a direct threat to traditional steel forgings. There is an increasing substitution effect as automakers pivot toward lighter materials, such as high-strength aluminum, magnesium, and advanced carbon composites. Additionally, alternative manufacturing processes, such as high-pressure die casting and additive manufacturing, emerge as viable, cost-effective alternatives to traditional forging for complex parts. (Source: CRISIL Report)

Stringent Environmental and Sustainability Regulations

The forging industry is traditionally carbon intensive. As global regulatory bodies enforce stricter greenhouse gas emission standards and carbon taxes, forging manufacturers face mounting compliance costs. The push for green steel and carbon-neutral manufacturing processes requires substantial capital expenditure to upgrade legacy furnaces and transition to cleaner energy sources. Failure to meet the environmental, social, and governance expectations of major Tier-1 suppliers and OEMs could result in a loss of preferred vendor status. (Source: CRISIL Report)

High Capital Intensity and Technological Obsolescence

The forging industry is highly capital-intensive, requiring massive investments in heavy presses, dies, and automated production lines. The rapid evolution of automotive technology means that product lifecycles are shortening. Manufacturers face the risk of technological obsolescence, where expensive tooling and machinery dedicated to legacy internal combustion engine components become stranded assets. Pivoting to new product lines requires further capital expenditure, straining free cash flow and increasing leverage risks. (Source: CRISIL Report)

Supply Chain Vulnerabilities and Production Cuts

Forging manufacturers sit mid-stream in the automotive supply chain and are highly sensitive to broader macroeconomic shocks. Disruptions at the OEM level cascade down the supply chain, leading to sudden order cancellations or delayed production schedules. This lack of predictability complicates inventory management and capacity utilization planning. (Source: CRISIL Report)

Skilled Labor Shortages

The industry faces a persistent challenge in attracting and retaining skilled labor. The specialized knowledge required for die design, metallurgy, and heavy machinery operation is becoming scarce as the existing workforce ages. The traditional manufacturing environment often struggles to attract younger talent, necessitating increased investments in automation and robotics to bridge the labor gap. (Source: CRISIL Report)

For further information see 'Industry Overview' on page 170.

Any one or more of the foregoing factors, individually or collectively, may materially and adversely affect our business, results of operations, financial condition and cash flows. While we have not experienced any material adverse impact on our business, results of operations or financial condition on account of the foregoing industry risks in the last three Fiscals, such risks are inherent to the industry in which we operate and remain beyond our control. If any or a combination of the foregoing risks materialise it could have a material adverse effect on our business, results of operations and financial condition.

35. ***We are subject to risks relating to compliance with the Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act"), and any delay in payments to MSME suppliers may adversely affect our financial condition and results of operations.***

Certain of our suppliers are registered as micro or small enterprises under the MSME Act. As a result, we are required to comply with provisions relating to timely payment of dues to such suppliers, failing which we may be liable to pay statutory interest and may also be exposed to regulatory actions, disputes or penalties under applicable law. As on March 31, 2026, we have 50 MSME creditors with an outstanding amount of ₹ 8.81 million. While our Company has been compliant with the applicable provisions of the MSME Act and there have been no material disputes, claims or proceedings initiated by MSME vendors in relation to delayed payments in the past, we cannot assure you that no such disputes or delays will arise in the future. Any delay in payments to MSME vendors may result in additional financial liabilities, including interest under the MSME Act, and adversely affect our working capital requirements, cash flows and financial condition. Further, any non-compliance or alleged non-compliance with the provisions of the MSME Act may result in regulatory scrutiny, financial liabilities, disputes with suppliers and reputational harm, which could adversely affect our business, results of operations, financial condition and cash flows.

36. ***Our revenues from the tractor end-use sector is subject to seasonality and a decrease in our sales during some quarters could have an adverse impact on our financial performance.***

We manufacture forged and machined components used across multiple end-use sectors, including the tractor industry, which constitutes a significant portion of our business. Demand in the tractor sector is influenced by several factors, including agricultural output, monsoon patterns, reservoir levels, rural income and liquidity, availability of financing, government policies and subsidy disbursements, and seasonal sowing and harvesting cycles. Any adverse developments affecting these factors, including deficient rainfall, lower agricultural output, changes in government support measures or a slowdown in the agricultural economy, may reduce demand for tractors and, consequently, for our products. In addition, demand for tractors may fluctuate seasonally, with relatively lower agricultural activity during certain periods of the year potentially affecting customer procurement patterns. Given our significant exposure to the tractor sector, any prolonged downturn or reduction in demand in this sector could materially and adversely affect our business, results of operations, financial condition and cash flows. While we have not experienced any material adverse impact on our business arising from a sustained slowdown in the tractor sector or adverse developments affecting agricultural conditions during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any significant or prolonged downturn in the tractor sector or adverse developments affecting agricultural output, rural demand or government support measures could materially and adversely affect our business, results of operations, financial condition and cash flows.

37. ***We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management for the continued success of our business. Any inability to retain their services or attract and retain qualified personnel may adversely affect our business, results of operations, financial condition and cash flows.***

Our success is substantially dependent upon the continued services, industry experience, technical expertise and business relationships of our Promoters, Directors, Key Managerial Personnel and Senior Management. Our Promoters and senior management have played a significant role in establishing and expanding our manufacturing capabilities, developing long-standing customer relationships, implementing our business strategy and managing our day-to-day operations. We also rely on the expertise of our engineering, production, quality assurance and technical personnel for the efficient operation of our Manufacturing Units.

Our future growth will depend, in part, on our ability to continue to attract, recruit, train, motivate and retain qualified managerial, technical and skilled personnel. Competition for experienced personnel in the automotive component manufacturing industry is intense, and there can be no assurance that we will be able to retain our existing personnel or recruit suitable replacements on commercially acceptable terms or at all. Further, any inability to effectively implement succession planning for our Promoters, Directors, Key Managerial Personnel or Senior Management may adversely affect our business continuity and strategic initiatives.

While we have not experienced any material disruption to our operations due to the loss of any of our Promoters, Directors, Key Managerial Personnel or members of Senior Management during the last three Fiscals, we cannot assure you that such personnel will continue to remain associated with our Company or that suitable replacements will be available in a timely manner. Any loss of, or inability to retain, such personnel could materially and adversely affect our business, customer relationships, results of operations, financial condition and cash flows. For further details, see "Our Management", "Our Business – Competitive Strengths – Experienced Promoters and management team, supported by a committed employee base" and "Our Business – Human Resources" on pages 317, 150 and 298, respectively.

38. ***One of our Promoters i.e., Sahender Singh Chauhan is a politically exposed person, on account of being a former Member of Legislative Assembly, Uttar Pradesh. Any adverse incidence in his political life may affect the business growth of our Company and/or the price of our scrip.***

Our Promoter, Sahender Singh Chauhan is identified as a politically exposed person. Sahender Singh Chauhan (identified in his Legislative Assembly ID as Sahender Singh Ramala) is a former Member of the Legislative Assembly of Uttar Pradesh. He was elected as a Member of the 17th Legislative Assembly of Uttar Pradesh and served from 2017 to 2022, representing the Rashtriya Lok Dal (“**RLD**”) and the Bharatiya Janata Party (“**BJP**”) from the Chhaprauli Assembly constituency. As a politically exposed person, Sahender Singh Chauhan may be exposed to unwarranted litigations and complaints compared to others which could adversely affect our business growth, reputation and operations.

Due to his political affiliations, our prospective investors may perceive that any adverse incidences in his political career such as loss of power of the political party with whom he may affiliate, his political rivals or parties coming to power, defeat in elections and such other political reasons, may affect the business growth of our Company and/or the price of our scrip. There can be no assurance that we will be successful in planning and executing our business strategies or sustain and manage our growth, which may adversely affect our business, results of operations, financial condition and cash flows.

39. ***Any negative publicity relating to our Company, our products, our Promoters, Directors, Key Managerial Personnel or Senior Management may adversely affect our reputation, business, results of operations and financial condition.***

Our reputation is important to the continued success of our business. We operate in a competitive industry where our ability to maintain long-standing relationships with customers depends significantly on our reputation for manufacturing quality products, timely delivery, regulatory compliance and adherence to customer specifications. Any actual or alleged failure on our part to maintain product quality, comply with applicable laws and regulations, satisfy customer requirements, maintain environmental, health and safety standards or fulfil our contractual obligations may result in adverse publicity, customer complaints or reputational damage.

Further, any negative publicity, allegations or adverse media coverage relating to our Company or our Promoters, Directors, Key Managerial Personnel or Senior Management, whether or not justified, may adversely affect customer confidence, business relationships, our ability to secure new orders, attract and retain employees, obtain financing and maintain our reputation in the market.

While there has been no material adverse publicity relating to our Company, our Promoters, Directors, Key Managerial Personnel or Senior Management during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such adverse publicity or reputational harm could materially and adversely affect our business, results of operations, financial condition and cash flows.

40. ***High attrition rate of permanent employees may impact our business operations, productivity, financial performance and growth.***

We believe our employees and personnel are one of our most important assets and critical to maintaining our competitive position in our industry. Please see “- We are dependent on our Promoters, Directors, Key Managerial Personnel and Senior Management for the continued success of our business. Any inability to retain their services or attract and retain qualified personnel may adversely affect our business, results of operations, financial condition and cash flows” on page 53. As of March 31, 2026, the total number of permanent employees stood at 1082, which is an increase from 890 in Fiscal 2024. However, we have experienced varying levels of employee attrition over Fiscals 2026, 2025 and 2024, which may present risks to our business continuity and growth.

The table below provides the attrition rate for our employees, key managerial personnel and senior management as well as our skilled and unskilled personnel for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of employees	233	204	211
Employee attrition rate	9.87%	28.92%	24.17%
Number of Key Managerial Personnel	5	6	4
Key Managerial Personnel attrition rate	60.00%	-	-
Number of Senior Management Personnel	6	5	4
Senior Management attrition rate	-	-	-

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of workmen	849	829	679
Workmen attrition rate	35.45%	29.35%	47.28%

**Attrition rate has been calculated by dividing the total number of employees who left during the relevant year/period with the average of the number of employees at the beginning of the relevant year/period and at the end of the relevant year/period.*

Our future performance will depend, to a significant extent, on our ability to retain the continued services of our Promoters, Directors, Key Managerial Personnel, Senior Management and other qualified personnel. If any of our Promoters, Key Managerial Personnel, Senior Management or other key employees cease to be associated with our Company due to resignation, retirement, death, disability or any other reason, our business operations and growth strategy may be disrupted, and we may incur significant time and costs in identifying, recruiting, training and retaining suitable replacements. Further, our continued growth depends on our ability to attract, motivate and retain qualified managerial, technical and skilled personnel in an increasingly competitive labour market. Any inability to attract or retain such personnel, effectively implement succession planning, or maintain an experienced workforce may adversely affect our operational efficiency, customer relationships, business development initiatives and strategic decision-making. While we have not experienced any material disruption to our business due to the departure of any of our Promoters, Directors, Key Managerial Personnel or Senior Management during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such loss or inability to recruit suitable replacements in a timely manner could materially and adversely affect our business, results of operations, financial condition and cash flows.

41. *Our manufacturing operations are subject to operational risks, including industrial accidents, equipment failures and workplace incidents, which may result in personal injury, property damage, production disruptions, regulatory action or other liabilities.*

Our manufacturing operations are subject to operating risks associated with forged and machined products manufacturing. Certain operations at our Manufacturing Units involve forging, machining, heat treatment, tooth grinding, gear cutting and other manufacturing processes requiring the operation of heavy machinery, high-temperature equipment and material handling systems 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. For instance, the audiometry of our employees may be impacted by the sound generated from hammering of forged products. Accordingly, our operations are exposed to inherent operational risks, including industrial accidents, fire, explosions, equipment failures, electrical faults, hazardous material incidents and workplace injuries. Such events may result in fatalities or personal injuries to our employees, contractors or third parties, damage to our Manufacturing Units, interruption of operations, environmental liabilities or civil and criminal proceedings under applicable laws.

Although we have implemented various occupational health and safety measures, standard operating procedures, employee training programmes, mock drills and safety manuals, and maintain quality management systems certified under ISO 9001:2015 and IATF 16949:2016, there can be no assurance that such measures will be sufficient to prevent industrial accidents or workplace incidents. Further, while we maintain insurance coverage for certain risks, our insurance may not be adequate to cover all losses or liabilities arising from such incidents.

While we have not experienced any material industrial accident or workplace incident resulting in a material adverse effect on our business during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such incident may result in regulatory investigations, penalties, compensation claims, production disruptions, reputational damage and increased operating costs, which could materially and adversely affect our business, results of operations, financial condition and cash flows.

42. *Our ability to obtain financing on competitive terms depends, among other things, on our financial performance and credit profile. Any deterioration in our creditworthiness or inability to obtain or maintain favourable credit ratings may adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing business is capital intensive and requires significant funding for working capital, capital expenditure, technology upgradation and expansion of our Manufacturing Units. Accordingly, we rely on borrowings from banks and financial institutions to finance certain of our business requirements. The cost and availability of capital depends on credit ratings. Credit ratings reflect the opinion of the rating agency on our management, track record, diversified client base, increase in scale and operations and margins, medium term revenue visibility and operating cycle. We may not be able to avail the requisite amount of financing or obtain financing at competitive interest rates if we fail to have favourable results of operations.

The following table sets forth our details of the credit rating obtained by us:

Rating Agency	Products	Credit rating	Date
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	September 1, 2026
	Short term rating	CRISIL A2+ (Reaffirmed)	
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	July 17, 2026
	Short term rating	CRISIL A2+ (Reaffirmed)	
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	June 4, 2025
	Short term rating	CRISIL A2+ (Reaffirmed)	

Our ability to obtain financing on commercially acceptable terms depends on several factors, including our financial performance, operating cash flows, leverage levels, prevailing market conditions, compliance with financing arrangements and, where applicable, our credit ratings. Any deterioration in our financial performance or credit profile, or any downgrade or non-availability of credit ratings, may increase our borrowing costs, restrict our access to additional financing or result in more stringent financing terms.

While we have not experienced any material downgrade in our credit profile or any material restriction in accessing financing during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any inability to obtain adequate financing on commercially acceptable terms could adversely affect our business, expansion plans, results of operations, financial condition and cash flows.

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

We are required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, professional tax and labour welfare fund. The table below sets forth the details of the statutory dues paid by our Company in relation to our employees for the periods indicated below:

Fiscal 2026:

(₹ in million)

Nature of Payment	No. of employees as on the last day of the period	Total dues	Paid as on date	Unpaid as on date
Employee state insurance	608	5.30	5.30	-
Gratuity	1,057	1.29	1.29	-
Provident fund	894	32.63	32.63	-
Professional tax	377	0.89	0.89	-
Tax deducted at source on salary	14	10.39	10.39	-
Labour welfare fund	1080	0.32	0.32	-

Fiscal 2025:

(₹ in million)

Nature of Payment	No. of employees as on the last day of the Fiscal	Total dues	Paid as on date	Unpaid as on date
Employee state insurance	668	5.05	5.05	-
Gratuity	1037	2.60	2.60	-
Provident fund	887	31.40	31.40	-
Professional tax	344	0.87	0.87	-
Tax deducted at source on salary	23	13.55	13.55	-
Labour welfare fund	1024	0.31	0.31	-

Fiscal 2024:

(₹ in million)

Nature of Payment	No. of employees as on the last day of the Fiscal	Total dues	Paid as on date	Unpaid as on date
Employee state insurance	664	5.06	5.06	-
Gratuity	920	0.71	0.71	-
Provident fund	858	29.03	29.03	-
Professional tax	215	0.46	0.46	-
Tax deducted at source on salary	24	13.59	13.59	-
Labour welfare fund	895	0.28	0.28	-

There have been certain instances of defaults/delays in the payment of certain statutory dues in the past by our Company. The details pertaining to such delays are set out below:

Fiscal 2026				
Nature of Payment	Amount for which payment was delayed (in ₹ million)	Payment date	No. of Days	Reason for delay
Employee state insurance	0.08	April 16, 2026	1	Administrative reason
Employee state insurance	0.13	May 16, 2025	1	Administrative reason
Provident fund	0.01	July 14, 2025	59	Administrative reason
Labour welfare fund	0.08	October 27, 2025	12	Administrative reason
Labour welfare fund	0.08	November 21, 2025	37	Administrative reason
Fiscal 2025				
Employee state insurance	0.17	May 24, 2025	9	Administrative reason
Employee state insurance	0.17	July 20, 2024	5	Administrative reason
Employee state insurance	0.25	May 24, 2025	9	Administrative reason
Employee state insurance	0.26	July 20, 2024	5	Administrative reason
Employee state insurance	0.24	August 16, 2024	1	Administrative reason
Professional tax	0.05	June 8, 2024	9	Administrative reason
Labour welfare fund	0.15	October 7, 2025	356	Administrative reason
Labour welfare fund	0.15	October 7, 2025	175	Administrative reason
Fiscal 2024				
Employee state insurance	0.21	September 18, 2023	3	Administrative reason
Employee state insurance	0.13	February 17, 2024	2	Administrative reason
Employee state insurance	0.13	March 16, 2024	1	Administrative reason
Employee state insurance	0.24	August 16, 2023	1	Administrative reason
Employee state insurance	0.31	September 22, 2023	7	Administrative reason
Employee state insurance	0.30	October 20, 2023	5	Administrative reason
Employee state insurance	0.21	February 17, 2024	2	Administrative reason
Employee state insurance	0.20	March 16, 2024	1	Administrative reason
Employee state insurance	0.24	April 16, 2024	1	Administrative reason
Provident fund	1.13	July 17, 2023	2	Administrative reason
Provident fund	1.20	September 18, 2023	3	Administrative reason
Provident fund	1.19	November 18, 2023	3	Administrative reason
Provident fund	1.32	September 18, 2023	3	Administrative reason
Professional tax	0.12	January 15, 2024	169	Administrative reason
Professional tax	0.11	January 15, 2024	77	Administrative reason
Labour welfare fund	0.14	June 8, 2024	236	Administrative reason
Labour welfare fund	0.14	June 8, 2024	54	Administrative reason

The delay in the payment of aforementioned statutory dues was primarily because of regulatory difficulties and administrative oversight. While our Company has subsequently made payment of all pending dues, and of any applicable interest thereon, we cannot assure you that there will not be any delays in the future. Any delay in payment of statutory dues in future, may result in the imposition of penalties and in turn may have an adverse effect on our business, financial condition, results of operation and cash flows.

44. *Our business is exposed to foreign exchange fluctuations, delays in the realisation of export proceeds and risks associated with our export operations, which may adversely affect our business, results of operations, financial condition and cash flows.*

Our Company exports forged and machined components to customers outside India and accordingly derives a portion of its revenue from operations in foreign currencies. Our direct export sales amounted to ₹83.31 million, ₹37.62 million and ₹0.76 million in Fiscals 2026, 2025 and 2024, respectively, representing 2.21%, 1.19% and 0.03% of our revenue from sale of products during the corresponding periods. We have expanded our export operations to countries including the United States of America, Turkey, Belgium and Italy. For further details, see “- *A portion of our revenue from operations is derived from exports and deemed exports. Any adverse developments affecting international markets or our export customers may adversely affect our business, results of operations and financial condition*” and “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on pages 40 and 421, respectively.

Our exposure to foreign exchange risk arises where revenue from export sales is denominated in currencies other than our functional currency, the Indian Rupee. The table below sets forth our revenue from operations generated in foreign currencies and our foreign exchange gain/loss (net), in absolute terms and as a percentage of revenue from operations during the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Revenue from operations generated in currency other than Indian Rupees	83.31	1.98%	37.62	1.09%	0.76	0.02%
Foreign Exchange gain / loss (net)	6.64	0.16%	(0.44)	(0.01%)	0.01	0.00%

Any appreciation of the Indian Rupee against foreign currencies, particularly the United States Dollar, may reduce the value of our export revenues when translated into Indian Rupees, while depreciation of the Indian Rupee may increase the cost of imports or other foreign currency-denominated obligations that we may incur. Further, volatility in exchange rates may require us to recognise foreign exchange gains or losses in accordance with applicable accounting standards, which may adversely affect our revenue, profitability, cash flows and results of operations. Although we may evaluate and implement appropriate risk management measures from time to time, there can be no assurance that such measures will adequately mitigate our exposure to foreign exchange fluctuations.

Our Company has availed benefits under the Export Promotion Capital Goods (“EPCG”) Scheme under the Customs Act, 1962, which permits import of eligible capital goods at concessional or zero customs duty subject to fulfilment of prescribed export obligations. Our Company had outstanding export obligations of ₹ 528.73 million, ₹ 512.00 million and ₹ 312.91 million in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Our Company has also furnished bonds aggregating to ₹77.99 million in respect of such export obligations. Or further details, see “- *Our contingent liabilities could materially and adversely affect our business, results of operations and financial condition*” on page 43. Failure to fulfil the applicable export obligations within the prescribed timelines or comply with the conditions applicable to the EPCG Scheme may result in additional customs duty, interest, penalties or other liabilities, and may adversely affect our business, financial condition and results of operations.

Our ability to fulfil such export obligations is dependent, among other factors, on our ability to maintain and increase our export sales and comply with the conditions applicable to the relevant schemes. Our export revenue was ₹83.31 million, ₹37.62 million and ₹0.76 million in Fiscals 2026, 2025 and 2024, respectively. There can be no assurance that we will be able to fulfil our outstanding export obligations within the prescribed timelines or that we will continue to be eligible to avail the benefits available under the EPCG Scheme. Any failure or delay in fulfilling such obligations or any

withdrawal, modification or adverse interpretation of the applicable benefits could increase our costs and adversely affect our business, results of operations, cash flows and financial condition.

Further, as our export business expands, our exposure to foreign exchange risks and other cross-border operational risks may increase. Any delay in the realisation of export proceeds, non-compliance with applicable foreign exchange regulations, adverse developments in international markets or any significant adverse movement in foreign exchange rates may materially and adversely affect our business, results of operations, financial condition and cash flows. While we have not incurred any material adverse impact on our business, results of operations, financial condition or cash flows on account of foreign exchange fluctuations, delays in the realisation of export proceeds or non-compliance with applicable foreign exchange regulations during the last three Fiscals, we cannot assure you that such events will not occur in the future. Additionally, any increase in our export sales or foreign currency exposure may further increase our susceptibility to foreign exchange fluctuations and their adverse impact on our business, financial condition and results of operations.

45. *Our future success depends on our ability to successfully implement our business strategies. Any failure to effectively execute such strategies may adversely affect our business, results of operations, financial condition and future growth prospects.*

Our future growth depends on our ability to successfully execute our business strategies, including:

- Strengthen our position in core product segments while diversifying into industrial and new-age applications;
- Continue capacity expansion and technology upgradation and improve operational efficiencies;
- Further reduce operating costs, improve operating efficiencies and deploy new technologies;
- Expand our presence across high-growth renewal and electric vehicle applications; and
- Capitalising on favourable industry tailwinds and market demands in the agricultural, automotive and industrial sectors.

For further details, see ‘*Our Business – Our Strategies*’ on page 268.

We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. The successful implementation of these strategies depends on numerous factors beyond our control, including market demand, customer acceptance, availability of financing, timely procurement and installation of machinery, recruitment of skilled personnel, receipt of regulatory approvals and prevailing economic conditions. Any delay, cost overrun or failure to realise the anticipated benefits of these initiatives may adversely affect our operational performance and profitability.

Further, there can be no assurance that our business strategies will be successfully implemented or that the anticipated benefits, including increased revenues, enhanced operational efficiencies, improved profitability, expansion into new markets or product segments, greater customer penetration or improved cost competitiveness, will materialise within the expected timeframes or at all. Our continued growth requires robust internal controls, operational systems and management processes capable of supporting expanding manufacturing operations. If we are unable to effectively execute our business strategies, or if the assumptions underlying such strategies prove to be inaccurate due to changes in market conditions, customer demand, competitive dynamics or other factors beyond our control, our business, results of operations, financial condition, cash flows and future growth prospects could be materially and adversely affected.

46. *Failure to keep our technical knowledge confidential may adversely affect our competitive position.*

Our manufacturing operations are supported by manufacturing know-how, engineering expertise, die design capabilities, process parameters, manufacturing methodologies and other technical knowledge developed through our operational experience. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may get leaked, either inadvertently or wilfully, at various stages. A significant number of our employees have access to confidential information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Further, even if we are

able to enforce non-disclosure provisions, the confidential information in respect of our solution offerings or business that becomes available to third parties or to the general public, could erode any competitive advantage we may have over our peers. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

Further, we receive confidential technical information, drawings and specifications from certain customers in connection with product development and manufacturing. Any unauthorised disclosure or misuse of such information may expose us to contractual claims, litigation, reputational harm and loss of business.

While we have not experienced any material loss of confidential technical information or customer confidential information during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such event could materially and adversely affect our business, results of operations, financial condition and reputation.

47. *We may be unable to adequately obtain, maintain, protect or enforce our intellectual property rights and may also be subject to intellectual property infringement claims.*

Our intellectual property forms an important part of our business and includes our trademarks, domain names, logos and technical know-how. As on the date of this Draft Red Herring Prospectus, our Company has applied for the registration of its trademark in India. The details of the application are as set forth below:

Sr. No.	Application No.	Trademark	Class	Date of registration / application / renewal application	Status	Validity
1.	7083691	 JAI PARVATI FORGE LIMITED	12	June 26, 2025	Pending	NA

Additionally, our Company maintains the following registered domain name, website and digital identifier in connection with its business operations:

Sr. No	Domain Name and ID	Sponsoring Registrar name	Registrant Organization	Creation Date
1.	jaiparvatiforge.com	Digitech Software Solutions Private Limited	Jai Parvati Forge Limited	December 27, 2025 (renewable on December 26, 2026)

For further details, see "Our Business – Intellectual Property" on page 296.

We may not be successful in obtaining registration of our pending trademark application or maintaining any intellectual property rights that we currently hold or may obtain in the future. Further, third parties may challenge our intellectual property rights or allege that our products, manufacturing processes or branding infringe their intellectual property rights. Defending such claims may involve significant costs, diversion of management attention and disruption of our business operations, irrespective of their merits.

Further, unauthorised use of our intellectual property by third parties may dilute our brand value and goodwill, and legal proceedings to enforce our intellectual property rights may be expensive, time-consuming and uncertain.

While we have not been involved in any material intellectual property litigation during the last three Fiscals, we cannot assure you that such claims or disputes will not arise in the future. Any inability to obtain, maintain or enforce our intellectual property rights, or any successful infringement claims against us, could materially and adversely affect our business, results of operations, financial condition and reputation.

48. *Our insurance coverage may not be adequate to cover all losses that we may incur in connection with our business operations.*

Our business is exposed to various operational risks, including fire, natural disasters, machinery breakdown, theft, accidents, business interruption and third-party liabilities. We maintain various insurance policies covering, among others, our buildings, plant and machinery, inventories, vehicles, marine transit and employees. For further details, see "Our Business – Insurance" on page 299. As of March 31, 2026, the aggregate insurance coverage secured by our Company in respect of its tangible assets amounts to ₹ 2,579.27 million. The table below sets forth the details of our total insurance coverage as well as insurance coverage in terms of our total assets, as contained in the Restated Financial Information:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total tangible assets (₹ in million)*	2,645.35	2,327.06	1,916.92
Insurance coverage (₹ in million)#	2,579.27	2,436.18	1,685.47
Insurance coverage, as a % of total tangible assets	97.50%	104.69%	87.93%

* Total tangible assets = Net value of Property, plant and equipment including tangible capital work-in-progress and inventories, but does not include freehold land.

Insurance coverage shall be sum of all insurance coverage amount in relation to tangible assets.

Despite maintaining insurance coverage, certain risks may not be fully insured, may be uninsurable or may exceed the limits of our insurance coverage. Further, our insurance policies remain subject to deductibles, exclusions, policy limits and other conditions, and there can be no assurance that all claims made by us will be accepted or settled in full or within a reasonable period. Any uninsured or underinsured loss, rejection of insurance claims or delay in receipt of insurance proceeds may require us to incur significant expenditure and adversely affect our financial condition.

Our insurance policies are subject to periodic renewal. All insurance policies held by our Company are valid as on the date of this Draft Red Herring Prospectus. Although we generally seek to renew our policies in the ordinary course of business, there can be no assurance that such policies will continue to be available on commercially acceptable terms or at all.

While we have not experienced any material uninsured loss or material rejection of insurance claims adversely affecting our business during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any uninsured or underinsured loss could materially and adversely affect our business, results of operations, financial condition and cash flows.

49. Except for Arshdeep Kaur, an Independent Director of our Company, none of our Directors have previously served as directors of a listed company, which may affect their familiarity with the regulatory and governance requirements applicable to listed entities.

As of the date of this Draft Red Herring Prospectus, except for Arshdeep Kaur, an Independent Director of our Company who also serves on the board of directors of two listed companies, none of our Directors has previously served as a director of a company whose equity shares are listed on a recognised stock exchange in India. Following the completion of the Offer, our Company will become subject to the SEBI Listing Regulations and enhanced corporate governance, disclosure and compliance requirements applicable to listed entities.

Although our Directors possess significant experience in their respective fields and are supported by experienced legal, compliance, finance and secretarial professionals, they may require time to familiarise themselves with the regulatory expectations, governance standards and continuous disclosure obligations applicable to listed companies. Any delay in adapting to such requirements may increase compliance costs, require additional management attention and expose our Company to regulatory observations or penalties.

While we believe that our Board and management are adequately supported to comply with the requirements applicable to listed companies, we cannot assure you that our transition to a listed company will not involve operational or compliance challenges. Any failure to comply with applicable listing or securities laws could adversely affect our reputation, business, financial condition and results of operations.

50. Our Promoters, one of whom is also the Promoter Selling Shareholder, have subscribed to, and purchased, Equity Shares, at a price which could be below the Offer Price. The average cost of acquisition of Equity Shares by our Promoters could also be lower than the Offer Price.

Our Promoters, one of whom, namely Suman Chauhan, is also the Selling Shareholder, have acquired Equity Shares at a price which could be below the Offer Price. For more details see 'Capital Structure' on page 106.

The average cost of acquisition of Equity Shares by our Promoters is set out below:

Name	Number of Equity Shares acquired	Average Cost of Acquisition per Equity Share (in ₹)*
Promoters		
Sahender Singh Chauhan	38,711,800	0.31
Suman Chauhan^	23,270,700	0.61
Vineet Chauhan	2,931,000	0.19

^ Also the Promoter Selling Shareholder.

* As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

The aforementioned average cost of acquisition of Equity Shares by our Promoters may be lower than the Offer Price. 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.

51. ***Our Company has undertaken bonus issues of Equity Shares in the past. There can be no assurance that our Company will undertake similar corporate actions, including bonus issues, in the future.***

Our Company has undertaken bonus issues of Equity Shares on February 15, 2008 and February 28, 2025 in the ratio of 1 (one) Equity Share for every 1 (one) Equity Share held and 2 (two) Equity Shares for every 1 (one) Equity Share held, respectively, by capitalising its free reserves, in accordance with the applicable provisions of the Companies Act, 2013 and other applicable laws. For further details, see "*Capital Structure – Equity Share Capital History of our Company*" on page 107.

The declaration of any future bonus issue will depend on several factors, including the availability of distributable reserves, our future profitability, cash flows, capital expenditure requirements, working capital requirements, applicable legal and regulatory requirements and the approval of our Board of Directors and Shareholders, where required. Accordingly, there can be no assurance that our Company will undertake any bonus issue or similar corporate action in the future.

Investors should not regard the past bonus issues undertaken by our Company as indicative of our future capitalisation policy, dividend policy or future return on investment. Any future capitalisation of reserves through bonus issues may also affect our financial flexibility and our ability to deploy reserves for other corporate purposes.

52. ***Any failure to obtain, renew, maintain or comply with the conditions of the statutory and regulatory approvals required for our business and manufacturing operations may adversely affect our business, results of operations, financial condition and cash flows.***

Our business and manufacturing operations are subject to various central, state and local laws and regulations, and we are required to obtain, maintain and renew various statutory and regulatory approvals, registrations, licences, consents, permits and certifications in connection with our Manufacturing Units and business operations (collectively, the "**Approvals**"). These include, among others, approvals relating to factories, environmental protection, pollution control, labour and employment, fire safety, electricity, industrial operations, weights and measures and other sector-specific requirements. For further details, see "*Government and Other Approvals*" on page 463.

Certain of these Approvals are valid only for specified periods and are required to be renewed from time to time, while others are subject to continuing compliance with applicable laws and the conditions prescribed by the issuing authorities. As on the date of this Draft Red Herring Prospectus, we have applied for the grant of certain approvals with the relevant authorities, which are currently pending. For further details, see "*Government and Other Approvals - Material Approvals that have been applied for but not yet received by our Company*" on page 468. Further, in relation to the Proposed Expansion, we may be required to obtain additional approvals prior to commencement of operations. Any delay in obtaining, renewing or maintaining such Approvals, or any failure to comply with the conditions attached thereto, may result in suspension or interruption of our manufacturing operations, imposition of penalties, cancellation of approvals or other regulatory action. Additionally, the Consent to Establish issued by the Punjab Pollution Control Board in respect of Manufacturing Units I and II is not available in our records, and we only have relied on the corresponding Consents to Operate issued by the Punjab Pollution Control Board for such Manufacturing Units. While there have been no regulatory proceedings, actions or penalties initiated against our Company in relation to the non-availability of such

historical records, we cannot assure you that any regulatory authority will not seek production of such records or initiate any proceedings or impose any penalties in this regard in the future.

While there have been no material instances during the last three Fiscals where any application for a material Approval was rejected or where the absence, suspension or non-renewal of any material Approval had a material adverse effect on our business, we cannot assure you that such events will not occur in the future. Any such instances in the future or failure to renew, maintain or obtain, or any suspension or revocation of, the required permits or approvals at the requisite time may result in stringent restrictions or interruption in all or some of our operations. Further, amendments to applicable laws or changes in governmental policies, regulatory interpretations or compliance requirements may require us to incur additional capital expenditure or operating costs, obtain additional approvals or modify our manufacturing processes. Any such event could materially and adversely affect our business, results of operations, financial condition and cash flows.

53. *Any failure to obtain approval/licenses or permits to undertake the proposed expansion at our Manufacturing Unit III, may adversely affect our business, financial condition, cash flows and results of operations.*

We have obtained an in-principle approval for power load and the certificate in relation to land use classification dated September 15, 2026, issued by the Town and Country Planning Department, Punjab, required in relation to the proposed expansion of our Manufacturing Unit III, which we intend to finance using the proceeds from the Offer. For more details in relation to the license, see “*Government and Other Statutory Approvals*” on page 463. In addition to the above-mentioned initial consent, the proposed expansion at the Manufacturing Unit III will require us to various statutory approvals and licenses. For further details, see “*Objects of the Offer - Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III ("Proposed Expansion")*” and “*- We have not received the Consent to Establish for the Proposed Expansion of our Manufacturing Unit III, which is proposed to be partially financed from the Net Proceeds. Any delay or failure to obtain such approval may adversely affect our ability to implement the Proposed Expansion and, consequently, our business, financial condition, cash flows and results of operations.*” on pages 129 and 31, respectively. Since these permits can only be applied for during or after the expansion phase, we have not yet submitted applications for these subsequent approvals. We cannot assure that such approvals will be applied for and received in a timely manner, or at all. Failure to obtain the necessary approvals, licenses, or permits could have a significant adverse effect on our business, financial condition, cash flows, and results of operations. Delays or rejections in the approval process may hinder our ability to expand operations as planned, limit production capacity, and negatively impact our revenue growth. Moreover, even if we do obtain the required approvals, they may be subject to conditions that impose additional costs or operational constraints. The uncertainty surrounding regulatory approvals represents an inherent risk to our growth strategy, as any unfavorable outcomes could materially affect our business objectives and financial projections.

54. *Any failure or inadequacy in our internal control systems, information technology systems or risk management processes may adversely affect our business, results of operations, financial condition and reputation.*

Our business depends on the effective functioning of our internal control framework, information technology systems and operational and financial reporting processes. We have established internal control policies and procedures designed to safeguard our assets, ensure the accuracy and reliability of financial reporting, facilitate compliance with applicable laws and regulations, support efficient manufacturing operations and detect or prevent fraud, errors and unauthorised transactions.

However, no internal control system can provide absolute assurance that operational, financial or compliance risks will be completely eliminated. Our internal controls remain subject to limitations inherent in any control framework, including human error, management override, system failures, cyber incidents, fraudulent conduct, collusion and unforeseen operational circumstances. Any failure or inadequacy in our internal controls or information technology systems may result in errors in financial reporting, disruption of manufacturing operations, loss of confidential information, regulatory non-compliance, financial losses or reputational damage.

As our business continues to grow, we may be required to further strengthen and enhance our internal controls, information systems and governance framework to support increased operational complexity. Any inability to effectively implement or maintain such systems and controls may adversely affect our ability to accurately monitor our operations, manage risks, comply with regulatory requirements and make timely business decisions.

While we have not identified any material weaknesses in our internal control systems that have had a material adverse effect on our business during the last three Fiscals, we cannot assure you that deficiencies or failures will not arise in the

future. Any such failure or inadequacy could materially and adversely affect our business, results of operations, financial condition, cash flows and reputation.

55. *We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholder will receive the net proceeds from the Offer for Sale.*

The Offer consists of a Fresh Issue and an Offer for Sale. The Offer for Sale comprises [●]^ of the total Offer size. The Promoter Selling Shareholder will be entitled to the Net Proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer Expenses to be shared by the Promoter Selling Shareholder, and we will not receive any proceeds from the Offer for Sale. For further information, see ‘Objects of the Offer’ on page 126.

^Subject to finalisation of the Basis of Allotment.

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

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 6,49,13,500 Equity Shares of face value of ₹2 each, equivalent to 88.32% of the issued, subscribed and paid-up Equity Share capital of our Company. Additionally, they will continue to hold [●]^ of the equity share capital after the completion of this Offer. Accordingly, our Promoters, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders’ meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters in any such scenario will not conflict with the interest of other Shareholders or with our Company’s interests. Any such conflict may adversely affect our Company’s ability to execute its business strategy or to operate our Company’s business effectively or in the best interests of the other Shareholders of our Company.

^Subject to finalisation of the Basis of Allotment.

57. *Our Promoters have interests in our Company other than reimbursement of expenses incurred and benefits.*

Our Promoters may be regarded as having an interest in our Company other than reimbursement of expenses incurred or benefits. Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) to the extent of their respective shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested which hold Equity Shares in our Company; and (iii) the dividends payable and any other distributions in respect of their shareholding in our Company. Further, our Promoters who are also Directors and/or Key Managerial Personnel of our Company, may be deemed to be interested in the terms of their appointment as such, including in relation to benefits, remuneration, reimbursement of expenses, etc., payable to them, if any, in their capacity as Directors and/or Key Managerial Personnel. Our Promoters, namely, Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan have extended personal guarantees in favour of our lenders to secure the borrowings availed by our Company and may be deemed to be interested to that extent, and have also from time-to-time extended unsecured loans to our Company and are interested to the extent of repayment of such amounts. For further details, see “Our Promoters and Promoter Group” and “Restated Financial Information – Note 37 – Related Party Disclosures” on pages 338 and 388, respectively. Additionally, our Company has also acquired the D.S. Engineers, the erstwhile sole proprietorship of our Promoter, Suman Chauhan. For further details, see “- Our Company has acquired the business undertaking of the erstwhile D.S. Engineers, a sole proprietorship concern of our Promoter, Suman Chauhan. Any actual or perceived conflict of interest arising from such related party acquisition or any challenge to the terms thereof may adversely affect our reputation, business, financial condition and results of operations” on page 64. Our Company cannot assure you that any of our Promoters will continue to exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see ‘Our Promoters and Promoter Group’ on page 338.

58. *Our Company has acquired the business undertaking of the erstwhile D.S. Engineers, a sole proprietorship concern of our Promoter, Suman Chauhan. Any actual or perceived conflict of interest arising from such related party acquisition or any challenge to the terms thereof may adversely affect our reputation, business, financial condition and results of operations.*

Pursuant to the Slump Sale Agreement dated January 16, 2026 and the supplementary agreement dated June 20, 2026, our Company acquired the business undertaking of the erstwhile D.S. Engineers, a sole proprietorship concern of our Promoter, Suman Chauhan, as a going concern on a slump sale basis for an aggregate consideration of ₹65.40 million. The acquisition included, inter alia, Manufacturing Unit IV located at Village Dasomajra, BPO Bhud, Tehsil Baddi,

District Solan, Himachal Pradesh, together with the assets and liabilities of the business undertaking, including land and building, plant and machinery, inventories, contracts, approvals, licences, employees and other business assets. The land and building forming part of the transaction were acquired pursuant to a sale deed dated January 19, 2026 for a consideration of ₹30.60 million paid to Suman Chauhan in her capacity as the sole proprietor of the erstwhile D.S. Engineers. Prior to such acquisition, our Company had also entered into transactions with the erstwhile D.S. Engineers in Fiscals 2024 and 2025 for the purchase and sale of machinery and finished products. For further details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*”, “*Summary of Related Party Transactions*” and “*Pro Forma Financial Information*” on pages 313, 92 and 406, respectively.

59. ***The Net Proceeds from the objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected.***

Our funding requirements and proposed deployment of Net Proceeds, as set out in the section ‘*Objects of the Offer*’ at page 126, are based on internal management estimates based on current market conditions and historic level of expenditures and have not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Offer may also change. This may also include rescheduling the proposed utilization of the Offer Proceeds. We may make necessary changes to utilisation of the Offer Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Offer Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and, or, from our internal accruals thereby resulting in a reduction of expected returns and margins of our Company. Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability. In addition to this, the estimates of the management may be inaccurate, and we may require additional funds to implement the purposes of the Offer. Our Company will appoint the monitoring agency for monitoring the utilization of the Gross Proceeds from the Fresh Issue, in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. For details, see “*Objects of the Offer – Monitoring Utilization of Funds*” on page 148 of this Draft Red Herring Prospectus.

60. ***Our Company has not paid dividends during the last three Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable laws, including the Companies Act. Our Company has not paid dividends on its Equity Shares for Fiscals 2026, 2025 and 2024 and during the current Fiscal. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, cash requirements, capital expenditure, business prospects and restrictive covenants of our financing arrangements. Further, our Promoters will continue to hold a significant portion of our post-Issue paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see “- *Our Promoters will, even after the completion of the Offer, continue to be our largest Shareholders and can influence the outcome of resolutions, which may potentially involve conflict of interest with the other Shareholders.*” and “*Dividend Policy*” on pages 64 and 343, respectively.

61. ***This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, which has been commissioned and paid for by the Company, for the purpose of this Offer.***

This Draft Red Herring Prospectus includes industry related information that is derived from the industry report titled “*Gears, Shafts and Precision Components Industry Report*” dated September, 2026, issued by CRISIL pursuant to an engagement letter with CRISIL dated January 31, 2026. CRISIL Intelligence has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (Information), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL Report also highlights certain industry and market data, which may be subject to estimates and, or, assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and, or,

assumptions may change based on various factors. We cannot assure you that CRISIL Intelligence's estimates and, or, assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CRISIL Report are also based on discussions / conversations with industry sources. Industry sources and publications are also prepared based on information as of specific dates and may not be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the CRISIL Report is not a recommendation to invest or disinvest in our Company. CRISIL Intelligence has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CRISIL Report.

62. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.*

Our operations may be subject to incidents of theft or damage to inventory in transit and prior to or during stocking. While we have not experienced any instance of theft, fraud, employee negligence and resultant loss in the past, the business may encounter some inventory loss on account of employee theft, vendor fraud and general administrative error, in the future. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, theft of confidential information such as manufacturing processes, customers and product formulations, could adversely affect our results of operations and financial condition.

63. *Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Profit After Tax, PAT Margin, Total Debt to Equity Ratio, Return on Equity (RoE), Return on Capital Employed (ROCE), Net Fixed Asset Turnover, and Net Working Capital have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA Margin, Profit After Tax, PAT Margin, Total Debt to Equity Ratio, Return on Equity (RoE), Return on Capital Employed (ROCE), Net Fixed Asset Turnover, and Net Working Capital days have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

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

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the Restated Financial Information, prepared and presented in accordance with Ind AS for Fiscals 2026, 2025 and 2024, included in this Draft Red Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. 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 be limited accordingly.

65. *Our manufacturing operations are subject to environmental, health and safety laws and regulations. Any failure to comply with such requirements or any environmental incident may adversely affect our business, results of operations, financial condition and cash flows.*

Our manufacturing operations are subject to various environmental, health and safety laws, regulations and standards relating to, among other things, air emissions, wastewater discharge, groundwater usage, hazardous and non-hazardous waste management, occupational health and safety, noise pollution and the handling, storage and disposal of industrial materials. Compliance with such laws requires us to obtain and maintain various statutory approvals, consents and permits, undertake periodic monitoring and reporting, and incur ongoing capital and operating expenditure in relation to environmental protection and workplace safety measures.

Our forging and machining operations involve the use of furnaces, heat treatment facilities, industrial machinery, lubricants, coolants, chemicals and other materials that may give rise to environmental, occupational health and safety risks if not appropriately managed. Any industrial accident, environmental contamination, accidental release of pollutants, failure in waste disposal systems or non-compliance with applicable environmental or safety requirements may result in regulatory proceedings, suspension of operations, remediation obligations, civil or criminal liability, penalties, reputational harm or increased compliance costs.

Although we have implemented various environmental management and occupational health and safety measures, including standard operating procedures, employee training programmes and safety manuals, and our machining plants at Manufacturing Units II and IV are certified under ISO 14001:2015 Environmental Management Systems (“EMS”) and ISO 45001:2018 Occupational Health and Safety Management Systems (“OHSMS”), there can be no assurance that such measures will be sufficient to prevent environmental incidents or ensure continued compliance with evolving legal and regulatory requirements.

Further, environmental and occupational health and safety laws and regulations may become more stringent over time, requiring us to incur additional capital expenditure, modify our manufacturing processes, install additional pollution control equipment or obtain additional approvals. While there have been no material instances of environmental non-compliance, suspension of operations or material environmental claims against our Company during the last three Fiscals, we cannot assure you that such events will not occur in the future. Any such event could materially and adversely affect our business, results of operations, financial condition and cash flows. For further details, see “Key Regulations and Policies in India” and “Government and Other Approvals” on pages 300 and 463 respectively.

66. *Pricing pressure may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition*

Other than any potential price ceilings that may be set by GoI policies, we are exposed to the risk of pricing pressure to the extent of products we supply. For such product and services, we are, and may be subject to, competitive pressures in terms of pricing. Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have an adverse effect on our business, results of operations and financial condition. In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Accordingly, we must be able to reduce our operating costs in order to maintain profitability. Such price reductions may affect our sales and profit margins. If we are unable to offset price reductions in the future through improved operating efficiencies, new production processes, sourcing alternatives and other cost reduction initiatives, our business, results of operations and financial condition may be materially adversely affected. We cannot assure you that we will be able to avoid future price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives, which may adversely affect our business, financial condition and results of operations.

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

The gears, shafts and precision machined components industry is highly competitive and fragmented, with participants competing on factors such as product quality, manufacturing capabilities, pricing, customer relationships, technological expertise, delivery performance and scale of operations. We face competition from both domestic and international manufacturers operating across the forging, machining and precision-engineered components segments. Certain of our competitors include Happy Forgings Limited, Bharat Forge Limited, MM Forgings Limited, RACL Geartech Limited

and Ramkrishna Forgings Limited. For further details, see “*Our Business - Competition*” on page 298. Some of our competitors may have certain advantages, including being the first mover in the industry, greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. As a result, to remain competitive in the market we must, in addition, continuing growth strategies, continuously strive to reduce our costs and improve our operating efficiencies. If we fail to do so, it may have an adverse effect on our market share and results of operations. We cannot assure you that we can continue to effectively compete with such competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in decreased profit margins, which may materially adversely affect our revenue and profitability.

EXTERNAL RISKS

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

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be 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. The market price of the Equity Shares after the Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global industry in which we operate, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalisation and deregulation policies, and significant developments in India’s fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies’ operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

69. ***Upon listing, we may be subject to additional costs/unanticipated expenses arising from the obligations that a listed public company has to comply with, under the applicable regulatory framework in India.***

Our Company is not a publicly listed company and has not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, our Company will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We expect that rules and regulations shall increase our legal and financial compliance costs and make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. Laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our senior management. Furthermore, if we are unable to satisfy our obligations as a public listed company, we could be subject to delisting, fines, sanctions and other regulatory action and potentially civil litigation. Any such action could adversely affect our business, financial condition and results of operations and cash flow.

We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If our Company experiences any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our Company’s results of operations as promptly as other listed companies. Further, as a publicly listed company, our Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but there can be no assurance that we shall be able to do so in a timely and efficient manner.

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

Our Company may be required to finance our growth through future equity offerings. Any future equity issuances by our Company, 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 the Equity Shares by the Promoters 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 obtaining additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that the Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

71. *Sale of Equity Shares by our Promoters and members of the Promoter Group in future may adversely affect the market price of the Equity Shares.*

After the completion of the Offer, our Promoters and members of the Promoter Group will own a significant percentage of our Company's issued Equity Shares. Sale of a large number of the Equity Shares by the Promoters and members of the Promoter Group could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance can be given that our Promoters or members of the Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

73. *Our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors, once the Equity Shares of our Company are listed.*

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

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

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

Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares. Further, there can be no assurance that the Equity Shares once listed will continue to remain listed on the Stock Exchanges. Indian laws permit a company to delist its equity shares on compliance with prescribed procedures including the requirement to obtain the approval of its shareholders. Further, certain instances of non-compliance with applicable laws can result in the delisting of the Equity Shares. We cannot assure you, therefore, that the Equity Shares, once listed, will continue to remain listed.

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

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

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

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under 'Basis for Offer Price' beginning on page 150 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "Other Regulatory and Statutory Disclosures – Past price Information of past issues handled by the BRLMs" on page 475. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, infectious disease outbreaks and man-made disasters, and acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares.

In addition, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, may be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions, or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. 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. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

78. *A slowdown in economic growth in India or any financial turmoil in other countries could adversely affect our Company's business.*

The structure of the Indian economy has undergone considerable changes in the last decade. These include the increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or manufacturing sector or any future volatility in global process could adversely affect our Company's business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting commodity and electricity prices or various other factors.

Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, France, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our Company's business, financial condition and results of operations and the price of the Equity Shares. There are also concerns that tightening of monetary policy in emerging markets and some developed markets may lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these measures and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance, and the trading price of the Equity Shares.

79. *Adverse geopolitical conditions such as an increased tension between India and its neighbouring countries, Russia-Ukraine conflict, continued conflict in the Middle East, tariff hike from USA and European countries could adversely affect our business, results of operations and financial condition.*

Adverse geopolitical conditions such as increased tensions between India and its neighboring countries, resulting in any military conflict in the region could adversely affect our business and operations. The recent air strikes between India and Pakistan near the Punjab region underscore the potential for geopolitical tensions, which could disrupt our operations, endanger assets and personnel, and materially affect our business and financial performance. Such events may lead to countries including the Government of India imposing restrictions on the import or export, among others. Further, ongoing global geopolitical conflicts and tensions, including the Russia-Ukraine conflict, escalating hostilities in the Middle East involving Israel, the United States and Iran, and broader instability across the Middle East region, may disrupt global supply chains, increase energy and commodity prices, and create volatility in international trade and financial markets, which may adversely impact our business and operations. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or changes in trade agreements between countries. For instance, the government of India has imposed additional tariffs in the nature of countervailing duty and anti-dumping duty on a number of items imported from China. In August 2025, United States of America has levied tariffs at an ad valorem rate, which along with the previous tariffs levied under the 'Fair and Reciprocal Plan' of the Government of the United States of America, are at 50% on several Indian goods. On February 2, 2026, the Government of India announced that the United States of America will be reducing tariff on Indian products to 18%. Further, on February 7, 2026, the Government of India announced that India and the United States of America have reached a framework for an Interim Agreement regarding reciprocal and mutually beneficial trade ("**Interim Agreement**"), The United States will apply a reciprocal tariff rate of 18 percent under Executive Order 14257 of April 2, 2025 (Regulating Imports With a Reciprocal Tariff to Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits), as amended, on various originating goods of India, including textile and apparel, leather and footwear, and plastic and rubber, and, subject to the successful conclusion of the Interim Agreement, will remove the reciprocal tariff on a wide range of goods identified in the Potential Tariff Adjustments for Aligned Partners Annex to Executive Order 14346 of September 5, 2025 (Modifying the Scope of Reciprocal Tariffs and Establishing Procedures for Implementing Trade and Security Agreements), as amended, including generic pharmaceuticals and gems and diamonds. Further, India will receive a preferential tariff rate quota for automotive parts subject to the tariff imposed to eliminate threats to national security found in Proclamation 9888 of May 17, 2019 (Adjusting Imports of Automobiles and Automobile Parts Into the United States), as amended. The rates of tariffs on Indian goods may vary in the future pursuant to any subsequent changes in trade policies which may in turn adversely impact our business, financial condition and results of operations. Any such measure which affects our business or reciprocal duties imposed on Indian services by China, USA or other countries

may adversely affect our results of operations and financial condition.

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

We are incorporated in India, and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and other economies and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies.

Other factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- a. high rates of inflation in India could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;
- b. any slowdown in economic growth or financial instability in India and in countries where we operate our business;
- c. any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- d. any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- e. macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- f. prevailing income conditions among consumers and corporates;
- g. changes in existing laws and regulations in India and in countries where we operate our business;
- h. political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries; and
- i. instability in financial markets.

81. ***Governmental actions and changes in policy could adversely affect our Company's business.***

The Government of India and the State Governments in India have broad powers to affect the Indian economy and our business in numerous ways. Additionally, change in policies in the countries to which we export, may affect our business. Any change in the existing policies of Government of India and/or State Government, or foreign government policies, or new policies affecting the economy of India, where we operate our business, could adversely affect our business operations. Moreover, we also cannot assure you that the Central Government or State Governments in India, or foreign government in countries where we operate will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. We cannot predict the terms of any new policy, and we cannot assure you that such a policy will not be onerous. Such a new policy may also adversely affect our business, cash flows, financial condition and prospects.

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

The Competition Act, 2002, of India, as amended ("**Competition Act**") regulates practices having an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross

the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (“CCI”). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. On April 11, 2023, the Competition (Amendment) Bill 2023 received the assent of the President of India to become the Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”), amending the Competition Act and giving the CCI additional powers to prevent practices that harm competition and the interests of consumers. It has been enacted to increase the ease of doing business in India and enhance transparency. 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 and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are currently not a party to an outstanding proceeding, nor have we received any notice in relation to non-compliance with the Competition Act and the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

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

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

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

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

85. *Changing laws, rules and regulations and legal uncertainties in India and other countries may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “*Key Regulations and Policies in India*” on page 300 of this Draft Red Herring Prospectus for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Our Company will comply with relevant regulations as and when applicable. However, any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. For example, the Labour Codes have been made effective from November 21, 2025, and certain supporting rules are yet to be notified. While the rules for implementation under these codes have not been finalized, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely affect our profitability.

The Government of India announced the union budget for Financial Year 2026-2027, following which the Finance Bill, 2026 was introduced in the Lok Sabha on February 1, 2026, and was enacted as the Finance Act, 2026 by the Parliament on March 30, 2026. 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 Act, 2026 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.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

86. *Investors outside India may not be able to enforce any judgment of a foreign court against us, except by way of a suit in India.*

Our Company is a limited liability company incorporated under the laws of India. All of our directors and executive officers are residents of India. All of our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India.

Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within 3 years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

87. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act, 2025 levies taxes on such long-term capital gains exceeding ₹ 0.12 million arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018, on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (“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. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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. Further, the Government of India announced the union budget for Fiscal 2027 following which the Finance Act, 2026 (“**Finance Act**”) received the President of India’s assent on March 30, 2026 and became effective on April 1, 2026. Additionally, the Income Tax Act, 2025 received the assent from President of India on August 21, 2025 and has become effective from April 1, 2026. We cannot predict whether any amendments made pursuant to the Finance Act or the Income Tax Act, 2025, would have an adverse effect on our business, results of operations, financial condition and cash flows. Unfavourable changes in or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares.

88. *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.

89. *Foreign exchange risks could affect the proceeds received by Equity Shareholders outside India.*

On listing, the Equity Shares will be quoted in Indian Rupees on the NSE and BSE. Any dividends in respect of the Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency

exchange rates during a delay in repatriating outside India the proceeds from a sale of the Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of the Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on the Equity Shares, independent of our operating results.

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

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

91. *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, 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.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Our Company cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

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 Rules, investments where the beneficial owner of equity shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Furthermore, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments. However, pursuant to amendment on March 10, 2026, investors with non-controlling beneficial ownership of up to 10% from such jurisdictions are permitted under the automatic route, subject to applicable sectoral caps, entry routes, attendant conditions and reporting requirements. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions or at all. Any adverse regulatory changes or failure to comply with regulatory requirements could have a material adverse effect on our business, results of operations, financial condition and prospects. Uncertainty in the interpretation or implementation of any future regulatory changes may require us to modify our

operational processes, governance structures and compliance frameworks, which may result in increased compliance costs, operational disruptions or constraints on our business activities.

For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 519.

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

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company.

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

Our total income, EBITDA, and profit after tax for Fiscal 2026 was ₹ 4,220.18 million, ₹ 762.89 million and ₹ 412.17 million, respectively. Our market capitalisation (based on the Offer Price) to total income (Fiscal 2026) multiple is [●] times; our market capitalisation (based on the Offer Price) to earnings (Fiscal 2026) multiple is [●] times; our price earnings ratio (based on EBITDA for Fiscal 2026) is [●] at the upper end of the Price Band; and our price to earnings ratio (based on profit after tax for Fiscal 2026) is [●] at the upper end of the Price Band; and our enterprise value to EBITDA ratio (based on EBITDA for Fiscal 2026) is [●].

The Offer Price will be determined by our Company in consultation with the BRLMs based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process, and will be based on numerous factors, including factors as described under ‘*Basis for Offer Price*’ beginning on page 150 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company’s control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares^{(1) (2) *^}	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million.
<i>Of which:</i>	
<i>Fresh Issue⁽¹⁾</i>	Up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million.
<i>Offer for Sale⁽²⁾</i>	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder
A) QIB Portion^{(3) (4)}	Not more than [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million.
<i>Of which:</i>	
(i) Anchor Investor Portion ⁽³⁾	Up to [●] Equity Shares of face value of ₹ 2 each.
(ii) 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 ₹ 2 each.
<i>Of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares of face value of ₹ 2 each.
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹ 2 each
B) Non-Institutional Portion^{(4) (5) (6)}	Not less than [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million
<i>Of which:</i>	
(a) 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	[●] Equity Shares of face value of ₹ 2 each
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹ 2 each
C) Retail Portion	Not less than [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million
Pre and post-Offer Equity Shares⁽⁷⁾	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	73,500,000 Equity Shares of face value of ₹ 2 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 2 each
Use of Net Proceeds of the Offer	See “ <i>Objects of the Offer</i> ” on page 126 for information about the use of the Proceeds arising from the Offer.

**Subject to finalisation of Basis of Allotment.*

^Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus.

⁽¹⁾ The Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on August 12, 2026, and the by our Shareholders pursuant to a special resolution passed at their EGM held on September 07, 2026. Further, our Board has taken

on record the consent issued by the Promoter Selling Shareholder, for participating in the Offer for Sale, pursuant to a resolution passed at its meeting held on September 03, 2026.

- (2) The Promoter Selling Shareholder confirms that her portion of Equity Shares being offered in the Offer have been held by her for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The details of the consent provided by the Promoter Selling Shareholder approving her participation in the Offer for Sale are as set out below:

Name of the Promoter Selling Shareholder	Date of consent letter	Aggregate number of Equity Shares being offered in the Offer for Sale
Suman Chauhan	September 02, 2026	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million.

- (3) Our Company, in consultation with the BRLMs, may allocate up to 60% of the said allocation of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. In accordance with the SEBI ICDR Notification no. SEBI/LADNRO/GN/2025/271 dated October 31, 2025, 40 % of the Anchor Investor Portion, within the aforesaid limit shall be reserved as follows: (a) 33.33 % shall be allocated to domestic Mutual Funds and (b) 6.67 % shall be allocated to Life Insurance Companies and Pension Funds. Further in the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the balance portion may be re-allocated to domestic Mutual Funds. Furthermore, 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. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “Offer Procedure” on page 496.
- (4) 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 Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws. In case of under-subscription in the Offer, subject to receipt of minimum subscription for 90% of the Fresh Issue, compliance with Rule 19(2)(b) of the SCRR and allotment of not more than 50% of the Offer to QIBs, Equity Shares shall be allocated in the manner specified in the section “Terms of the Offer” on page 483 of this Draft Red Herring Prospectus.
- (5) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investor.
- (6) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be available for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be available for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.
- (7) 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 Bidders in all categories except the Anchor Investor Portion, Non-Institutional Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price, as applicable.

For further details, including in relation to grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on page 491 and 496, respectively. For further details of the terms of the Offer, see “Terms of the Offer” on page 483.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024.

The Restated Financial Information referred to above are presented under “Restated Financial Information” beginning on page 344. The summary of financial information presented below should be read in conjunction with the “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 344 and 421, respectively.

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SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in ₹ millions, unless otherwise stated)

Particulars	As at March 31st, 2026	As at March 31st, 2025	As at March 31st, 2024
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	1,937.32	1,664.20	1,112.68
(b) Right-of-use assets	304.89	360.47	319.09
(c) Other intangible assets	1.43	1.40	0.86
(d) Intangible assets under development	-	-	-
(e) Capital work-in-progress	10.59		292.31
(f) Financial assets			
(i) Investments	-	-	-
(ii) Loans	-	-	-
(iii) Trade receivables	-	-	-
(vi) Other financial assets	33.60	52.97	50.19
(g) Deferred tax assets (net)	-	-	-
(h) Other non-current assets	90.94	20.48	63.58
Total non-current assets	2,378.78	2,099.51	1,838.70
(2) Current Assets			
(a) Inventories	633.66	485.67	407.94
(b) Financial assets			
(i) Investments	0.86	0.77	0.72
(ii) Trade receivables	926.91	836.18	739.06
(iii) Cash and cash equivalents	0.65	0.79	0.34
(iv) Bank balance other than (iii) above	29.04	3.26	3.07
(v) Loans	-	-	-
(vi) Other financial assets	5.71	6.08	2.65
(c) Current tax assets (net)	-	-	-
(d) Other current assets	117.53	76.45	38.91
Total current assets	1,714.36	1,409.21	1,192.70
TOTAL ASSETS	4,093.14	3,508.72	3,031.40
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	147.00	147.00	49.00
(b) Other Equity	1,907.38	1,496.11	1,335.16
Total Equity	2,054.38	1,643.11	1,384.16
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	457.22	442.75	397.16
(ia) Lease Liabilities	87.51	153.37	165.19
(ii) Other financial liabilities	-	-	-
(b) Provisions	23.12	18.16	16.62
(c) Deferred tax liabilities (net)	150.20	120.74	84.92
(d) Other non-current liabilities	-	-	-
Total non-current liabilities	718.04	735.02	663.89
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	778.04	739.25	637.57
(ia) Lease liabilities	62.73	73.91	60.84

(Amount in ₹ millions, unless otherwise stated)

Particulars	As at March 31st, 2026	As at March 31st, 2025	As at March 31st, 2024
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	8.81	6.13	3.32
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	321.20	184.61	139.06
(iii) Other Financial Liabilities	21.34	11.13	19.37
(b) Other current liabilities	114.90	107.97	97.61
(c) Provisions	2.25	1.67	2.18
(d) Current tax liabilities (net)	11.47	5.92	23.40
Total current liabilities	1,320.73	1,130.59	983.35
TOTAL EQUITY AND LIABILITIES	4,093.14	3,508.72	3,031.40

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in ₹ millions, unless otherwise stated)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
I	Revenue from operations	4,204.83	3,463.13	3,210.91
II	Other income	15.35	6.74	5.44
III	Total Income (I+II)	4,220.18	3,469.86	3,216.34
IV	Expenses			
	Cost of Material Consumed	2,287.96	1,878.91	1,800.16
	Purchase of stock in trade	-	-	-
	(Increase)/Decrease in inventories of finished goods, and work-in-progress	(59.87)	(17.26)	21.75
	Employee benefit expense	408.11	353.37	303.95
	Finance Costs	113.60	126.24	97.13
	Depreciation and amortization expense	118.84	99.72	73.27
	Other expenses	805.75	677.77	595.86
	Total Expenses (IV)	3,674.38	3,118.76	2,892.12
V	Profit/(Loss) before exceptional items (III-IV)	545.80	351.11	324.23
VI	Exceptional items	0.62	-	-
VII	Profit/(Loss) before tax (V-VI)	545.17	351.11	324.23
VIII	Tax Expense			
	(1) Current Tax	102.83	57.36	66.74
	(2) Deferred Tax	29.76	35.56	19.35
	Taxation of earlier years	0.41		
	Total Tax Expense	133.00	92.92	86.09
IX	Profit/(Loss) for the year from continuing operations (VII-VIII)	412.17	258.18	238.14
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	(1.20)	1.02	3.69
	(ii) Less: Income tax relating to items that will not be reclassified to profit or loss	(0.30)	0.26	0.93
	B (i) Items that will be reclassified to profit or loss	-	-	-
	(ii) Less: Income tax relating to items that will be reclassified to profit or loss	-	-	-
	Total Other comprehensive income(Loss)	(0.90)	0.76	2.76
XI	Total comprehensive income (IX+X)(Comprising Profit/(Loss) and other comprehensive income for the year)	411.27	258.95	240.90
XII	Earning per equity share of Rs. 2/- each			
	Basic (in Rs.)	5.61	3.51	3.24
	Diluted (in Rs.)	5.61	3.51	3.24

SUMMARY OF RESTATED STATEMENT OF CASH FLOWS

(Amount in ₹ millions, unless otherwise stated)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
<u>(A) Cash flow from operating activities</u>			
Profit/(Loss) before tax	543.97	352.13	327.91
Adjustments for:	-	-	-
- Depreciation/amortization	118.84	99.72	73.27
- (Gain)/Loss on sale of property, plant & equipment	1.50	(0.36)	(1.17)
- (Gain)/Loss on Fair Valuation of Investments	(0.07)	-	(0.02)
- Other Non-Cash Adjustments	(1.23)	22.15	47.43
- Provision For Expected Credit Losses	0.15	-	-
- Finance cost	113.60	126.24	97.13
- Interest income	(2.99)	(3.69)	(3.21)
Operating profit before working capital changes	773.77	596.18	541.34
Movements in working capital :	-	-	-
- Increase/(decrease) in trade payables	139.26	48.36	(49.48)
- Increase /(decrease) in long-term provisions	4.96	1.54	(0.29)
- Increase /(decrease) in short-term provisions	0.58	(0.51)	0.42
- Increase/(decrease) in other current liabilities and provisions	10.71	0.74	23.88
- Increase/(decrease) in current financial liabilities	10.20	(8.24)	16.88
- Decrease/(increase) in trade receivables	(90.88)	(97.12)	(149.88)
- Decrease/(increase) in inventories	(147.99)	(77.73)	52.73
- Decrease /(increase) in current financial assets	0.37	(3.43)	2.54
- Decrease/(increase) in other current/non-current assets	(41.09)	(36.84)	(23.26)
Cash generated from /(used in) operations	659.89	422.95	414.88
- Income tax paid (net of refunds)	(97.69)	(74.84)	(66.26)
Net cash flow from/ (used in) operating activities	562.20	348.11	348.62
	-	-	-
<u>(B) Cash flows from investing activities</u>	-	-	-
- Purchase of PPE including capital advances, capital work-in-progress and intangible assets excluding land	(367.44)	(352.72)	(516.30)
- Purchase of Land	(57.84)	-	-
- (Increase)/decrease in other bank balances	2.97	(0.19)	(0.17)
- Decrease /(increase) in non-current financial assets	(4.23)	(2.79)	(12.37)
- Proceeds from sale of property, plant and equipment	3.48	20.42	5.45
- Proceeds from sale of Land	-	31.83	8.00
- Proceeds from sale of investments	-	-	1.96
- Purchase of Investment	-	-	(0.70)
- Interest income	1.24	0.21	0.19
	-	-	-
Net cash flow from/(used in) investing activities	(421.82)	(303.24)	(513.94)
	-	-	-
<u>(C) Cash flows from financing activities</u>	-	-	-
- Proceeds/(repayment) of long-term borrowings	22.32	101.85	206.53
- (repayment) of lease liabilities	(92.60)	(90.17)	(80.19)
- Proceeds/(repayment) of short-term borrowings	30.94	45.43	113.23
- Finance cost	(101.19)	(101.52)	(74.19)
Net cash flow from/(used in) in financing activities	(140.52)	(44.41)	165.38

(Amount in ₹ millions, unless otherwise stated)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
	-	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(0.15)	0.45	0.07
Cash and cash equivalents at the beginning of the year	0.79	0.34	0.27
Cash and cash equivalents at the end of the period/ year	0.65	0.79	0.34
	-	-	-
Components of cash and cash equivalents	-	-	-
- Cash on hand (refer note 11)	0.64	0.78	0.34
- On Current account (refer note 11)	0.01	0.01	0.00
Cash and cash equivalents	0.65	0.79	0.34

SUMMARY OF PRO FORMA FINANCIAL INFORMATION

The following tables set forth the summary of financial information derived from the Pro Forma Financial Information for the Financial Year ended March 31, 2026. The summary of financial information presented below should be read in conjunction with “*Pro Forma Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on 406 pages and 421, respectively. For further details, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*” on page 313. The Pro Forma Financial Information has been prepared solely to illustrate the effect of the acquisition of the erstwhile D.S. Engineers by our Company on the historical financial information of our Company as if the transaction had occurred on April 1, 2025 for the purposes of the pro forma statements of profit and loss for the Financial Year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026 for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of our Company to reflect the hypothetical impact of the acquisition.

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SUMMARY OF PRO FORMA BALANCE SHEET

<i>(Amount in ₹ millions, unless otherwise stated)</i>				
Particulars	Jai Parvati Forge Limited	D.S. Engineers (Acquisition)	Proforma Adjustments	Proforma Condensed Combined Balance Sheet
	(A)	(B)	(C)	(A+B+C)
	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	1,937.32	95.39		2,032.72
(b) Right-of-use assets	304.89	33.84	-	338.74
(c) Other intangible assets	1.43	-	-	1.43
(d) Intangible assets under development	-	-	-	-
(e) Capital work-in-progress	10.59	-		10.59
(f) Financial assets				-
(i) Investments	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Trade receivables	-	-	-	-
(vi) Other financial assets	33.60	4.02	-	37.62
(g) Deferred tax assets (net)	-	-	-	-
(h) Other non-current assets	90.94	-	(35.00)	55.94
Total non-current assets	2,378.78	133.26	(35.00)	2,477.04
(2) Current Assets				-
(a) Inventories	633.66	52.12	(2.54)	683.24
(b) Financial assets				-
(i) Investments	0.86	-	-	0.86
(ii) Trade receivables	926.91	101.26	(85.28)	942.89
(iii) Cash and cash equivalents	0.65	0.15	-	0.80
(iv) Bank balance other than (iii) above	29.04	-	-	29.04
(v) Loans	-	-	-	-
(vi) Other financial assets	5.71	-	-	5.71
(c) Current tax assets (net)	-	-	-	-
(d) Other current assets	117.53	1.10	-	118.63
Total current assets	1,714.36	154.62	(87.81)	1,781.17
TOTAL ASSETS	4,093.14	287.88	(122.81)	4,258.22
EQUITY AND LIABILITIES				-
EQUITY				-
(a) Equity Share Capital	147.00			147.00
(b) Other Equity	1,907.38	73.38	(67.94)	1,912.82
Total Equity	2,054.38	73.38	(67.94)	2,059.82
LIABILITIES				-
(1) Non-current liabilities				-
(a) Financial liabilities				-
(i) Borrowings	457.22	48.52	-	505.74
(ia) Lease Liabilities	87.51	12.91	-	100.41
(ii) Other financial liabilities	-	-	-	-
(b) Provisions	23.12	3.95	-	27.07
(c) Deferred tax liabilities (net)	150.20	-	-	150.20

(Amount in ₹ millions, unless otherwise stated)				
Particulars	Jai Parvati Forge Limited	D.S. Engineers (Acquisition)	Proforma Adjustments	Proforma Condensed Combined Balance Sheet
	(A)	(B)	(C)	(A+B+C)
	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026
(d) Other non-current liabilities	-	-	-	-
Total non-current liabilities	718.04	65.38	-	783.42
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	778.04	18.69	-	796.73
(ia) Lease liabilities	62.73	7.19	-	69.91
(ii) Trade payables				-
(a) total outstanding dues of micro enterprises and small enterprises	8.81	23.63	-	32.44
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	321.20	88.78	(85.28)	324.71
(iii) Other Financial Liabilities	21.34	-	30.40	51.74
(b) Other current liabilities	114.90	10.48		125.38
(c) Provisions	2.25	0.35	-	2.60
(d) Current tax liabilities (net)	11.47	-	-	11.47
Total current liabilities	1,320.73	149.12	(54.88)	1,414.98
TOTAL EQUITY AND LIABILITIES	4,093.14	287.88	(122.81)	4,258.22

SUMMARY OF PRO FORMA STATEMENT OF PROFIT AND LOSS

(Amount in ₹ millions, unless otherwise stated)

Particulars	Jai Parvati Forge Limited	D.S. Engineers	Intercompany Elimination	Proforma Condensed Combined Statement of Profit and Loss
	(A)	(B)	(C)	(A+B+C)
	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026
Revenue from operations	4,204.83	782.56	(400.13)	4,587.26
Other income	15.35	0.35	-	15.70
Total Income	4,220.18	782.91	(400.13)	4,602.96
				-
Expenses				-
Cost of Material Consumed	2,287.96	564.42	(379.19)	2,473.18
Purchase of stock in trade	-			-
(Increase)/Decrease in inventories of finished goods, stock-in-trade and work-in- progress	(59.87)	(4.28)	2.54	(61.62)
Employee benefit expense	408.11	68.67	-	476.77
Finance Costs	113.60	17.81	-	131.41
Depreciation and amortization expense	118.84	8.61	-	127.45
Other expenses	805.75	88.42	(20.94)	873.23
Total Expenses (IV)	3,674.38	743.65	(397.59)	4,020.44
Profit/(Loss) before exceptional items (III-IV)	545.80	39.26	(2.54)	582.52
Exceptional items	0.62			0.62
Profit/(Loss) before tax (V-VI)	545.17	39.26	(2.54)	581.90
Tax Expense				-
(1) Current Tax	102.83	13.42		116.25
(2) Deferred Tax	29.76			29.76
Taxation of earlier years	0.41	0.91		1.33
Total Tax Expense	133.00	14.33	-	147.34
Profit/(Loss) for the year from continuing operations (VII-VIII)	412.17	24.93	(2.54)	434.56
Other Comprehensive Income				-
A (i) Items that will not be reclassified to profit or loss	(1.20)	0.00		(1.21)
(ii) Less: Income tax relating to items that will not be reclassified to profit or loss	(0.30)			(0.30)
B (i) Items that will be reclassified to profit or loss	0			-
(ii) Less: Income tax relating to items that will be reclassified to profit or loss	0	-	-	-
Total Other comprehensive income(Loss)	(0.90)	(0.00)	-	(0.91)

Particulars	Jai Parvati Forge Limited	D.S. Engineers	Intercompany Elimination	Proforma Condensed Combined Statement of Profit and Loss
	(A)	(B)	(C)	(A+B+C)
	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026
Total comprehensive income (IX+X)(Comprising Profit/(Loss) and other comprehensive income for the year	411.27	24.92	(2.54)	433.66
Earning per equity share of Rs. 10/- each				
Basic (in Rs.)	5.61	-		5.91
Diluted (in Rs.)	5.61	-		5.91

SUMMARY OF CONTINGENT LIABILITIES

A summary of our contingent liabilities as at March 31, 2026, as per Ind AS 37 – provisions, contingent liabilities and contingent assets, derived from our Restated Financial Information is set forth below:

Particulars	Amount (in ₹ million)
Export Obligation [^]	88.12

[^]Our Company has export obligations of ₹ 528.73 million on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme. In the event our Company is unable to meet its obligations, our Company's liability would be ₹ 88.12 million reduced in proportion to actual exports, plus applicable interest. Our Company has given bonds of ₹77.99 million against these export obligations.

For further information on such contingent liabilities as per Ind AS 37, see “Restated Financial Information – Note 34 – Capital commitments, Contingent Liabilities and Contingencies” on page 387.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the requirements under Ind AS – Related Party Disclosures read with the SEBI ICDR Regulations entered into by our Company with related parties as at March 31, 2026, March 31, 2025 and March 31, 2024, derived from our Restated Financial Information are as follows:

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Particulars	Relationship	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
		Amount (₹ in Millions)	% of Revenue from Operation	Amount (₹ in Millions)	% of Revenue from Operation	Amount (₹ in Millions)	% of Revenue from Operation
Sale							
D.S. Engineers*	Entities in which directors or their relatives exercise significant influence	379.19	9.02%	417.19	12.05%	290.15	9.04%
Y.S. Autotech	Entities in which directors or their relatives exercise significant influence	-	0.00%	-	0.00%	-	0.00%
Sale of Machinery							
D.S. Engineers*	Entities in which directors or their relatives exercise significant influence	0.45	0.01%	-	0.00%	2.00	0.06%
Purchase of Machinery							
D.S. Engineers*	Entities in which directors or their relatives exercise significant influence	0.43	0.01%	-	0.00%	0.15	0.01%
Job Work Income							
D.S. Engineers*	Entities in which directors or their relatives exercise significant influence	0.21	0.00%	-	0.00%	0.02	0.00%
Job Work Expenditure							
D.S. Engineers*	Entities in which directors or their relatives exercise significant influence	19.63	0.47%	17.09	0.49%	28.87	0.90%
Y.S. Autotech	Entities in which directors or their relatives exercise significant influence	0.17	0.00%	0.16	0.00%	0.22	0.01%
Remuneration / Salary							
Shri Sahender Singh Chauhan	Key management personnel	11.36	0.27%	11.37	0.33%	11.38	0.35%
Shri Vineet Chauhan	Key management personnel	8.00	0.19%	8.01	0.23%	8.02	0.25%
Shri Virat Chauhan	Key management personnel	3.38	0.08%	7.41	0.20%	7.42	0.23%
Shri Narender Singh	Key management personnel	0.05	0.00%	0.73	0.02%	0.74	0.02%

Particulars	Relationship	For the year ended March 31, 2026		For the year ended March 31, 2025		For the year ended March 31, 2024	
		Amount (₹ in Millions)	% of Revenue from Operation	Amount (₹ in Millions)	% of Revenue from Operation	Amount (₹ in Millions)	% of Revenue from Operation
Shri Animesh Maiti	Key management personnel	1.20	0.03%	0.51	0.01%	-	0.00%
Smt. Iksha Chauhan	Relative of Key management personnel	-	0.00%	0.36	0.01%	1.81	0.06%
Smt. Smriti Chauhan Sindhu	Key management personnel	1.82	0.04%	-	0.00%	-	0.00%
Shri Vijay Kumar Sharma	Key management personnel	1.56	0.04%	-	0.00%	-	0.00%
Shri Gourav Kapoor	Key management personnel	1.53	0.04%	0.58	0.02%	-	0.00%
Shri Maneesh Kumar Middha	Key management personnel	1.81	0.04%	1.72	0.05%	0.73	0.02%
Sitting Fees							
Arshdeep Kaur	Independent Director	0.10	0.00%	0.14	0.00%	-	0.00%
Maninder Singh Grewal	Independent Director	0.12	0.00%	-	0.00%	-	0.00%
Kulwant Kumar Sharma	Independent Director	0.10	0.00%	-	0.00%	-	0.00%
Acquisition of D.S. Engineers**							
Smt. Suman Chauhan	Key management personnel	35.00	0.83%	-	0.00%	-	0.00%
Unsecured Loan							
Shri Vineet Chauhan	Key management personnel	-	0.00%	-	0.00%	15.00	0.47%

*D.S. Engineers has been acquired by the Company pursuant to slump sale agreement dated January 16, 2026, read with the addendum thereto dated June 20, 2026, with effect from April 01, 2026.

** While the acquisition of D.S. Engineers was effected from April 1, 2026, a part of the consideration payable to Suman Chauhan, the erstwhile sole-proprietor of D.S. Engineers, was paid in Fiscal 2026.

For further details, see “Restated Financial Information – Notes to Restated Financial Information – 37. Related Party disclosures” on page 388.

GENERAL INFORMATION

Registered and Corporate Office of our Company

Jai Parvati Forge Limited

Village Bhagwanpur, Barwala Road,
Tehsil Dera Bassi, District SAS Nagar,
Mohali- 140507, Punjab, India

For details of change in the registered office of our Company, see “*History and Certain Corporate Matters –Changes in the registered office*” beginning on page 307.

Company Registration Number and Corporate Identity Number

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

Corporate Identification Number: U29301PB2004PLC050418

Company Registration Number: 050418

Address of Registrar of Companies

Our Company is registered with the Registrar of Companies, Punjab and Chandigarh at Chandigarh, which is situated at the following address:

Registrar of Companies, Punjab and Chandigarh at Chandigarh

1st Floor, Corporate Bhawan,
Plot No.4-B, Sector 27-B,
PIN-160019, Chandigarh.

Board of Directors of our Company

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

Name of Director	Designation	DIN	Address
Sahender Singh Chauhan	Executive Chairman and Whole-Time Director*	01723352	House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India.
Vineet Chauhan	Managing Director	01635995	House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India.
Smriti Sindhu Chauhan	Whole-Time Director	02291176	House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India.
Arshdeep Kaur	Independent Director	08056826	House No. 767, Phase-6, Mohali, Chandigarh Sector-55, S.A.S. Nagar, Mohali – 160 055, Punjab, India.
Maninder Singh Grewal	Independent Director	09128789	House No. 186, Phase-6, Mohali, Chandigarh Sector-55, S.A.S. Nagar, Mohali – 160 055, Punjab, India.
Kulwant Kumar Sharma	Independent Director	11359491	D-47, Army Flats, Sector-4, Mansa Devi Complex, Panchkula – 134 114, Haryana, India.

* Sahender Singh Chauhan was re-appointed as the managing director pursuant to a resolution passed by our Board dated April 1, 2024, and the resolution passed by our Shareholders' dated September 30, 2024, for a period of 3 years with effect from April 1, 2024. Consequently, he was re-designated to Executive Chairman and Whole-Time Director with effect from February 1, 2026, for the remaining part of his tenure.

For further details in relation to our Directors, see “*Our Management*” on page 317 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Gourav Kapoor is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Village Bhagwanpur, Barwala Road Tehsil Dera Bassi,
District SAS Nagar, Mohali- 140507, Punjab, India
Tel No.: +91 1762 206547
Email: cs@jaiparvatiforge.com

Investor grievances

Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders, non-receipt of funds by electronic mode, etc. For all Offer -related queries and for redressal of complaints, Investors may also write to the BRLMs.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the Sole Bidder or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose the Acknowledgment Slip or provide the application number received from the Designated Intermediary in addition to the document or information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the CDP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Offer with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centers, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a stock broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the names and addresses of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor. The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above.

Book Running Lead Managers

Beeline Capital Advisors Private Limited

B 1311-1314, 13th Floor, Shilp Corporate Park,
Rajpath Rangoli Road, Thaltej
Ahmedabad - 380054

Gujarat, India

Tel: +91 079 4918 5784

E-mail: mb@beelinemb.com

Website: www.beelinemb.com

Investor Grievance E-mail: ig@beelinemb.com

Contact Person: Nikhil Shah

SEBI Registration No.: INM000012917

Monarch Network Capital Limited

4th Floor, B Wing, Laxmi Towers,

G Block, Bandra Kurla Complex,

Bandra (East), Mumbai 400 051,

Maharashtra, India

Tel: +91 22 6647 6400

E-mail: ecm@mnclgroup.com

Investor Grievance E-mail: mbd@mnclgroup.com

Website: www.mnclgroup.com

Contact person: Saahil Kinkhabwala / Aayushi Poddar

SEBI Registration No.: INM000011013

Statement of inter-se allocation of responsibilities of the Book Running Lead Managers

The responsibilities and co-ordination by the Book Running Lead Managers for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordinator(s)
1.	Capital structuring, positioning strategy and due diligence of the Company including the operations/management/business plans/legal etc. Drafting and design of the DRHP, RHP and Prospectus and of statutory advertisements including corporate advertising, brochure, etc. and filing of media compliance report, application form and the Abridged Prospectus.	BRLMs	Beeline
2.	Ensuring compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	Beeline
3.	Appointment of intermediaries – Bankers to the Offer, Registrar to the Offer, advertising agency, printers to the Offer, including co-ordination for agreements.	BRLMs	Beeline
4.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules	BRLMs	Beeline
5.	Preparation of road show presentation and FAQs	BRLMs	Monarch
6.	International institutional marketing of the Offer, which will cover, inter alia: - Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows - Finalising collection centres - Finalising application form - Finalising centres for holding conferences for brokers etc. - Follow - up on distribution of publicity; and	BRLMs	Monarch

	Offer material including form, RHP / Prospectus and deciding on the quantum of the Offer material		
7.	Non-Institutional and Retail marketing of the Offer, which will cover, inter alia: - Formulating marketing strategies, preparation of publicity budget; - Finalise media and public relation strategy; - Finalising centres for holding conferences for stock brokers, investors, etc; - Finalising collection centres as per Schedule III of the SEBI ICDR Regulations; and - Follow-up on distribution of publicity and Issue material including application form, red herring prospectus, prospectus and brochure and deciding on the quantum of the Issue material.	BRLMs	Beeline
8.	Managing anchor book related activities including anchor co-ordination, Anchor CAN, intimation of anchor allocation and submission of letters to regulators post completion of anchor allocation, and coordination with Stock Exchanges for anchor intimation, book building software, bidding terminals and mock trading.	BRLMs	Beeline
9.	Managing the book and finalization of pricing in consultation with the Company.	BRLMs	Beeline
10.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Institutional Investors including Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post- Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for all post Offer reports including the initial and final post Offer report to SEBI.	BRLMs	Beeline

Legal Counsel to our Company

Messrs. Kanga and Company

Advocates & Solicitors,

Readymoney Mansion,

43, Veer Nariman Road,

Fort, Mumbai – 400 001

Tel: +91 22 6623 0000

Email: projectuday@kangacompany.com

Contact Person: Pooja Sharma

Website: www.kangacompany.com

Statutory Auditors to our Company

**M/s Ashwani K Gupta & Associates,
Chartered Accountants**

H. No. 1044-A, Sector-2, Panchkula-134109
Haryana, India.

Tel: +91 8699541063

Email: info@akgconsultants.com

Contact person: CA Munish Goel

Membership Number: 553043

Peer Review Number: 023659

Firm Registration Number: 003803N

Changes in statutory auditors

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

Particulars	Date of Change	Reason of Change
M/s Ashwani K Gupta & Associates, Chartered Accountants H. No. 1044-A, Sector-2, Panchkula-134109 Haryana, India. Tel No.: +91 8699541063 Email: info@akgconsultants.com Contact person: CA Munish Goel Membership Number: 553043 Peer Review Number: 023659 Firm Registration Number: 003803N	September 30, 2024	Appointment as Statutory Auditors for a period of five years, with effect from the annual general meeting held in Financial Year 2024-2025, i.e., September 30, 2024 till the conclusion of the 26 th Annual General Meeting of our Company to be held for Financial Year 2029-2030.
N K Associates, Chartered Accountants SCO 7, 1 st Floor, Swastik Vihar, MDC, Sector 5, Panchkula- 134114, Haryana, India. Tel. No.: 0172 4103236 Email: cankassociates@yahoo.com/ neerajarora66@hotmail.com Membership Number: 088341 Firm Registration Number: 009872N Peer Review Certificate Number: N.A.	September 01, 2024	Resignation for not being peer-reviewed

Registrar to the Offer

Name: MUFG Intime India Private Limited (*formerly Link Intime India Private Limited*)

Address: C-101, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai 400 083,
Maharashtra, India

Tel: +91 81081 14949

E-mail: jaiparvati.ipo@in.mpms.mufg.com

Website: https://in.mpms.mufg.com/

Investor grievance e-mail: jaiparvati.ipo@in.mpms.mufg.com

Contact Person: Shanti Gopalkrishnan

SEBI Registration Number: INR000004058

Bankers to our Company

Name: HDFC Bank Limited

Address: Plot No 1-15 Sector 101,
Alpha, Mohali IT City,
Punjab - 160662

E-mail: arwinderveer.singh@hdfc.bank.in

Tel No.: +91 70585 00009
Website: www.hdfc.bank.in
Contact Person: Arwinderveer Singh

Name: Canara Bank
Address: Plot no 1 Sector-34 Chandigarh
E-mail: cb2452@canarabank.com
Tel No.: 0172-2602430, 2621989
Website: www.canarabank.bank.in
Contact Person: Vishnu Kumar Agarwal

Designated Intermediaries

Syndicate Members

The Syndicate Member(s) will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Banker(s) to the Offer

The Banker(s) to the Offer will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s) And Sponsor Bank(s)

The Escrow Collection Bank(s), Public Offer Account Bank(s), Refund Bank(s) and Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

Self Certified Syndicate Banks

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

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, read with other applicable UPI Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using the UPI handles, as provided on the SEBI website. A list of SCSBs and mobile application, 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. 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.

SCSBs eligible as issuer Banks for UPI and mobile applications enabled for UPI Mechanism

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, 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, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate Self-Certified Syndicate Banks Branches

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

Registered Brokers

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit the ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centers.

The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Collecting Registrar and Share Transfer Agents (RTAs)

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and <https://www.nseindia.com/products/consent/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.

The list of Collecting RTAs, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at <http://www.bseindia.com> and <http://www.nseindia.com>, respectively, as updated from time to time.

Collecting Depository Participants (CDPs)

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit Bid cum Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

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

Credit Rating

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

Green Shoe Option

No green shoe option is contemplated under this Offer.

Debenture Trustee

As this is an Offer consisting of Equity Shares, the appointment of a debenture trustee is not required for the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Experts

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

Our Company has received written consent dated September 21, 2026 from our Statutory Auditors, M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), who hold a valid peer review certificate dated March 01, 2026, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of various certificates issued by them including the examination report dated August 12, 2026 on the Restated Financial Information, the statement of possible special tax benefits dated September 21, 2026 and report dated August 12, 2026 on the Pro Forma Financial Information, included in this Draft Red Herring Prospectus and such consents have 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.

Our Company has received written consent dated September 10, 2026 from Kanwaljit Singh Thanewal, an independent practicing company secretary, (having Membership No. 5901; C.P No.: 5870), holding a valid certificate of practice from Institute of Company Secretaries of India, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as a practicing company secretary, and in respect of certain information certified by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated September 10, 2026, from Narender Pal Sethi, a chartered engineer, registered with the Confederation of Engineers (India) bearing registration number 1776155, to include his name as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer in relation to the certificate dated September 16, 2026, certifying, *inter alia*, the details of our Manufacturing Units, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated August 03, 2026, from Indraprastha Corridor Advisory Services Private Limited to include their names as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent analyst with respect to the Cost Vetting Report issued by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Trustees

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

Monitoring Agency

Our Company will appoint the monitoring agency for monitoring the utilization of the Net Proceeds in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. For details, see “*Objects of the Offer – Monitoring Utilization of Funds*” on page 148 of this Draft Red Herring Prospectus.

Appraising Agency

None of the objects of the Offer 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.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus, along with the Draft Abridged Prospectus has been filed electronically with SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in>, in accordance with SEBI ICDR Master Circular and as specified in Regulation 25(8) of SEBI ICDR Regulations and has been emailed at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “*Easing of Operational Procedure – Division of Issues and Listing – CFD*”. Further, physical copies of this Draft Red Herring Prospectus and the Draft

Abridged Prospectus shall be filed at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
Plot No.C4-A, 'G' Block
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051, Maharashtra

Filing of the Red Herring Prospectus and the Prospectus

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, 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, would be filed with the RoC at its office and through the electronic portal at <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html>.

PDF copies of the DRHP, along with the attachment of the PDF of the payment confirmation slip shall be filed under SEBI ICDR Regulations, and any other exemption requests and similar applications under SEBI ICDR Regulations shall be sent to the email address: cfddl@sebi.gov.in.

For details of the address of the RoC, see “- *Address of Registrar of Companies*” on page 95.

Book Building Process

The book building, in context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLMs, and advertised in all editions of [●], widely circulated English national daily newspaper, all editions of [●], widely circulated Hindi national daily newspaper and editions of [●], a widely circulated Punjabi daily newspaper [●], (Punjabi being the regional language of Punjab, where our Registered and Corporate Office is located) at least 2 (two) Working Days prior to the Bid/ Offer Opening Date and will 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 BRLMs, after the Bid/ Offer Closing Date. For details, see “*Offer Procedure*” beginning on page 496 of this Draft Red Herring Prospectus.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Offer by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs. UPI Bidders can also participate in the Offer through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Pursuant to the SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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 Bidders 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 withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Offer will be on a proportionate basis. However, allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

- (a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 200,000 and up to ₹ 1,000,000;**
- (b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹ 1,000,000.**

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

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

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

For further details, see “*The Offer*”, “*Terms of the Offer*” and “*Offer Procedure*” on pages 78, 483 and 496 and, respectively.

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

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Offer.

In this regard, our Company has appointed the BRLMs to manage the Offer and procure Bids for the Offer. For further details on the method and procedure for Bidding, see “*Offer Structure*” and “*Offer Procedure*” on pages 491 and 496, respectively.

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

Illustration of Book Building and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Offer Procedure*” on page 496.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Offer. Pursuant to the terms of the Underwriting Agreement, the obligations 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 extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC, upon the execution of the Underwriting Agreement.)

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

The above- mentioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and actual allocation subject to the provisions of Regulation 40(3) of the SEBI ICDR Regulations.

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

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

Notwithstanding the table above, the BRLMs and the Syndicate Members shall be responsible for ensuring payment with

respect to the Equity Shares allocated to the Bidders procured by them in accordance with the Underwriting Agreement. Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

CAPITAL STRUCTURE

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

(In ₹, except share data)

Particulars		Aggregate Value at Face value	Aggregate Value at Offer Price*
A.	AUTHORISED SHARE CAPITAL ⁽¹⁾		
	125,000,000 Equity Shares of ₹ 2 each	250,000,000	-
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	73,500,000 Equity Shares of face value of ₹ 2 each	147,000,000	-
C.	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	Offer of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million ⁽²⁾⁽³⁾⁽⁴⁾	[●]	[●]
	<i>of which:</i>		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million ⁽²⁾⁽⁴⁾	[●]	[●]
	Offer for Sale up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million ⁽³⁾	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 2 each*	[●]	-
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Offer (as on the date of this Draft Red Herring Prospectus)		Nil
	After the Offer*		[●]

*To be updated upon finalisation of the Offer Price and Basis of Allotment.

** Assuming full subscription in the Offer.

- ⁽¹⁾ For details in relation to the changes in the authorised share capital of our Company in the last ten years, see “History and Certain Corporate Matters –Amendments to the Memorandum of Association in last 10 years” on page 308.
- ⁽²⁾ Our Board has authorised the Offer, pursuant to a resolution dated August 12, 2026. Our Shareholders have authorised the Offer pursuant to a special resolution passed at their EGM dated September 07, 2026. Further, our Board has taken on record the consent issued by the Promoter Selling Shareholder, for participating in the Offer for Sale, pursuant to a resolution passed at its meeting held on September 03, 2026.
- ⁽³⁾ The Promoter Selling Shareholder confirms that her portion of Equity Shares being offered in the Offer have been held by her for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization and consent of the Promoter Selling Shareholder in relation to the Offer for Sale, see “The Offer” and “Other Regulatory and Statutory Disclosures – Authority for the Offer” on pages 78 and 469, respectively.
- ⁽⁴⁾ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus.

Notes to Capital Structure

1. Share Capital history of our Company

(a) Equity Share capital history of our Company

The following table sets forth the history of the Equity Share Capital of our Company:

Date of allotment	Reason/ nature of allotment	Name of allottees along with the number of equity Shares allotted to each allottee	Number of equity shares allotted	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Face value per equity share (₹)	Issue / price per equity share (₹)	Nature of consideration
January 23, 2004 (1)	Initial subscription to MoA	9,000 equity shares allotted to Sahender Singh Chauhan and 1,000 equity shares allotted to Suman Chauhan.	10,000	10,000	100,000	10	10	Cash
March 31, 2006	Further issue	1,021,410 equity shares allotted to Sahender Singh Chauhan [#] , 124,690 equity shares allotted to Suman Chauhan, 6,500 equity shares allotted to Amit Kumar, 10,000 equity shares allotted to Anuditya Kadiyan, 8,000 equity shares allotted to Beena Devi, 25,000 equity shares allotted to Jaibir Singh, 12,000 equity shares allotted to Murti Devi, 15,000 equity shares allotted to Om Pal Singh, 35,000 equity shares allotted to Parvinder Singh, 40,000 equity shares allotted to Raghubir Singh, 15,000 equity shares allotted to Ran Singh, 4,500 equity shares allotted to Ranbeer Singh, 107,500 equity shares allotted to Subey Singh, 50,000 equity shares allotted to Shyam Singh and 15,400 equity shares allotted to Vineet Chauhan.	1,490,000	1,500,000	15,000,000	10	10	Cash
March 31, 2007	Further issue	175,000 equity shares allotted to Sahender Singh Chauhan [#] , 40,000 equity shares allotted to Vineet Chauhan, 25,000 equity shares allotted to Subey Singh, 15,000 equity	300,000	1,800,000	18,000,000	10	10	Cash

Date of allotment	Reason/ nature of allotment	Name of allottees along with the number of equity Shares allotted to each allottee	Number of equity shares allotted	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Face value per equity share (₹)	Issue / price per equity share (₹)	Nature of consideration
		shares allotted to Dharmender Singh 30,000 equity shares allotted to Harinder Singh and 15,000 equity shares allotted to Jaibir Singh.						
February 15, 2008	Bonus issue in the ratio of one equity share for every one equity share held ⁽²⁾	1,205,410 equity shares allotted to Sahender Singh Chauhan [#] , 125,690 equity shares allotted to Suman Chauhan, 6,500 equity shares allotted to Amit Kumar, 10,000 equity shares allotted to Anuditya Kadiyan, 8,000 equity shares allotted to Beena Devi, 40,000 equity shares allotted to Jaibir Singh, 12,000 equity shares allotted to Murti Devi, 15,000 equity shares allotted to Om Pal Singh, 35,000 equity shares allotted to Parvinder Singh 40,000 equity shares allotted to Raghubir Singh, 15,000 equity shares allotted to Ran Singh, 4,500 equity shares allotted to Ranbeer Singh, 132,500 equity shares allotted to Subey Singh, 50,000 equity shares allotted to Shyam Singh, 55,400 equity shares allotted to Vineet Chauhan, 15,000 equity shares allotted to Dharmender Singh, 30,000 equity shares allotted to Harinder Singh.	1,800,000	3,600,000	36,000,000	10	-	-
March 20, 2010	Preferential allotment	1,300,000 equity shares allotted to Suman Chauhan*.	1,300,000	4,900,000	49,000,000	10	10	Cash
February 28, 2025	Bonus issue in the ratio of two equity shares for	5,161,640 equity shares allotted to Sahender Singh Chauhan, 3,102,760 equity shares allotted to Suman	9,800,000	14,700,000	147,000,000	10	-	-

Date of allotment	Reason/ nature of allotment	Name of allottees along with the number of equity Shares allotted to each allottee	Number of equity shares allotted	Cumulativ e number of equity shares	Cumulativ e paid-up equity share capital (₹)	Face value per equity share (₹)	Issue / price per equity share (₹)	Nature of consider ation
	every one equity share held ⁽³⁾	Chauhan, 390,800 equity shares allotted to Vineet Chauhan, 415,000 equity shares allotted to Virat Chauhan, 30,800 equity shares allotted to Iksha Chauhan, 9,000 equity shares allotted to Smriti Sindh Chauhan, 690,000 equity shares allotted to Subey Singh.						

Pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹2 each. Accordingly, the authorised share capital of our Company aggregating to ₹200,000,000 is sub-divided from 20,000,000 equity shares of face value ₹ 10 to 100,000,000 Equity Shares of face value of ₹2 each aggregating to ₹200,000,000 and the issued and subscribed share capital of our Company comprising 14,700,000 equity shares of face value of ₹ 10 each was sub-divided into 73,500,000 Equity Shares of face value of ₹ 2 each.

⁽¹⁾ Our Company was originally incorporated as 'Jai Parvati Forge Private Limited', a private limited company under the Companies Act, 1956 on January 23, 2004. The date of subscription to the MoA is January 23, 2004 and the allotment of Equity Shares pursuant to such subscription was taken on record by our Board on January 24, 2004.

⁽²⁾ The bonus issue was in the ratio of 1 (one) equity share for every 1 (one) equity share held by the Shareholders, authorized by a resolution passed by the Shareholders at the EGM held on February 15, 2008 with the record date as February 15, 2008 in the manner set out above by capitalization of the sum out of reserves and surplus.

⁽³⁾ The bonus issue was in the ratio of 2 (two) equity shares for every 1 (one) equity share held by the Shareholders, authorized by a resolution passed by the Shareholders at the EGM held on February 20, 2025 with the record date as February 26, 2025, in the manner set out above by capitalization of the sum out of reserves and surplus.

#The name of "Sahender Singh Chauhan" has been inadvertently recorded as "S.S. Chauhan", in the (i) in the Form 2 filed with the RoC pursuant to allotment of equity shares of face value of ₹ 10 each pursuant to the Board resolution dated March 31, 2006; (iii) in the Form 2 filed with the RoC pursuant to allotment of equity shares of face value of ₹ 10 each pursuant to the Board resolution dated March 31, 2007; and (iv) in the Form 2 filed with the RoC pursuant to the bonus issue of equity shares of face value of ₹ 10 each pursuant to the Board resolution dated February 15, 2008.

*Return of allotment (Form 2) for the allotment of 1,300,000 equity shares undertaken by our Company on March 20, 2010 along with the Challan to the form filed with the relevant registrar of companies is not traceable and not available in the records maintained by our Company or in the physical records of the RoC. Accordingly, we have relied on the (a) report dated September 21, 2026 prepared by Kanwaljit Singh Thanewal, an independent practicing company secretary, (b) copies of the Board and Shareholders resolutions authorising the allotment, (c) register of members, and (d) Form 23 filed in relation to the aforementioned allotment. Further, we have intimated the RoC vide letter dated September 21, 2026. For further details see "Risk Factors – Our Company is unable to trace certain secretarial forms in relation to a past allotment of equity shares and the cessation of past directorship. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard" on page 47.

Our Company has made the abovementioned issuances and allotments of equity shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus in compliance with the relevant provisions of of the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable.

(b) Preference Share capital history of our Company

Our Company does not have any issued or outstanding preference share capital as on the date of this Draft Red Herring Prospectus.

2. Shares issued for consideration other than cash or out of revaluation reserves

Our Company has not issued any equity shares or preference shares out of revaluation reserves since its incorporation. Further, except as disclosed below, our Company has not issued any equity shares for consideration other than cash or as a bonus issue:

Date of allotment	No. of equity shares allotted	Details of allottee and equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Reason/ Nature of allotment	Benefits accrued to our Company
February 15, 2008	1,800,000	1,205,410 equity shares allotted to Sahender Singh Chauhan, 125,690 equity shares allotted to Suman Chauhan, 6,500 equity shares allotted to Amit Kumar, 10,000 equity shares allotted to Anuditya Kadiyan, 8,000 equity shares allotted to Beena Devi, 40,000 equity shares allotted to Jaibir Singh, 12,000 equity shares allotted to Murti Devi, 15,000 equity shares allotted to Om Pal Singh, 35,000 equity shares allotted to Parvinder Singh, 40,000 equity shares allotted to Raghubir Singh, 15,000 equity shares allotted to Ran Singh, 4,500 equity shares allotted to Mr. Ranbeer Singh, 132,500 equity shares allotted to Subey Singh, 50,000 equity shares allotted to Shyam Singh, 55,400 equity shares allotted to Vineet Chauhan, 15,000 equity shares allotted to Dharmender Singh, 30,000 equity shares allotted to Harinder Singh.	10	-	Bonus issue in the ratio of one equity share for every one equity share held ⁽²⁾	N.A.
February 28, 2025	9,800,000	5,161,640 equity shares allotted to Sahender Singh Chauhan, 3,102,760 equity shares allotted to Suman Chauhan, 390,800 equity shares allotted to Vineet Chauhan, 415,000 equity shares allotted to Virat Chauhan, 30,800 equity shares allotted to Iksha Chauhan, 9,000 equity shares allotted to Smriti Sindhu Chauhan, 690,000 equity shares allotted to Subey Singh.	10	-	Bonus issue in the ratio of two equity shares for every one equity share held ⁽²⁾	N.A.

⁽¹⁾ The bonus issue was in the ratio of 1 (one) equity share for every 1 (one) equity share held by the Shareholders, authorized by a resolution passed by the Shareholders at the EGM held on February 15, 2008 with the record date as February 15, 2008 in the manner set out above by capitalization of the sum out of reserves and surplus.

⁽²⁾ The bonus issue was in the ratio of 2 (two) equity shares for every 1 (one) equity share held by the Shareholders, authorized by a resolution passed by the Shareholders at the EGM held on February 20, 2025 with the record date as February 26, 2025, in the manner set out above by capitalization of the sum out of reserves and surplus.

3. Issue of Equity Shares at a price lower than the Offer Price in the last year

The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid / Offer Closing Date.

Our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

4. Allotment of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares in terms of any scheme approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act, 2013.

5. Issue of equity shares under employee stock option schemes

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock options scheme or any employee stock option plan or any stock appreciation rights scheme.

6. Details of shareholding of our Promoters and members of the Promoter Group

i) Equity shareholding of the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 64,913,500 Equity Shares of face value of ₹ 2 each, equivalent to 88.32% of the issued, subscribed and paid-up Equity Share capital of our Company.

ii) Build-up of the shareholding of our Promoters in our Company

The details regarding the shareholding of our Promoters since incorporation of our Company are set forth in the table below:

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer share capital (%) [#]	Percentage of the post- Offer share capital (%) [*]
Sahender Singh Chauhan							
January 23, 2004 ⁽¹⁾	Initial subscription to MoA	9,000	Cash	10	10	0.06	[●]
March 31, 2006	Further issue	1,021,410	Cash	10	10	6.95	[●]
March 31, 2007	Further issue	175,000	Cash	10	10	1.19	[●]
February 15, 2008	Bonus issue in the ratio of one equity shares for every one equity share held	1,205,410	-	10	-	8.20	[●]
February 17, 2025	Transfer of equity shares from Sukhbeeri by way of gift	170,000	-	10	-	1.16	[●]
February 28, 2025	Bonus issue in the ratio of two equity shares for every one equity share held	5,161,640	-	10	-	35.11	[●]
October 17, 2025	Transfer of equity shares to Satish Kumar Sharma.	(100)	Cash	10	112	Negligible	[●]
Pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹2 each. Consequently, 7,742,360 equity shares of face value of ₹10 each, held by Sahender Singh							

Date of allotment/ transfer	Nature of transaction	Number of equity shares	Nature of consideration	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of the pre-Offer share capital (%) [#]	Percentage of the post- Offer share capital (%) [*]
Chauhan were sub-divided into 38,711,800 Equity Shares of face value of ₹2 each.							
Total (A)		38,711,800				52.67	[●]
Suman Chauhan							
January 23, 2004 ⁽¹⁾	Initial subscription to MoA	1,000	Cash	10	10	0.01	[●]
March 31, 2006	Further issue	124,690	Cash	10	10	0.85	[●]
February 15, 2008	Bonus issue in the ratio of one equity shares for every one equity share held	125,690	Cash	10	-	0.86	[●]
March 20, 2010	Preferential allotment [@]	1,300,000	Cash	10	10	8.84	[●]
February 28, 2025	Bonus issue in the ratio of two equity shares for every one equity share held	3,102,760	-	10	-	21.11	[●]
Pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹2 each. Consequently, 4,654,140 equity shares of face value of ₹10 each, held by Suman Chauhan were sub-divided into 23,270,700 Equity Shares of face value of ₹2 each.							
Total (B)		23,270,700				31.66	[●]
Vineet Chauhan							
March 31, 2006	Further issue	15,400	Cash	10	10	0.10	[●]
March 31, 2007	Further issue	40,000	Cash	10	10	0.27	[●]
February 15, 2008	Bonus issue in the ratio of one equity shares for every one equity share held	55,400	-	10	-	0.38	[●]
July 12, 2018	Transmission of equity shares from Shyam Singh	100,000	-	10	-	0.68	[●]
February 19, 2022	Transfer of equity shares to Iksha Chauhan by way of gift	(15,400)	-	10	-	(0.10)	[●]
February 28, 2025	Bonus issue in the ratio of two equity shares for every one equity share held	390,800	-	10	-	2.66	[●]
Pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹2 each. Consequently, 586,200 equity shares of face value of ₹10 each, held by Vineet Chauhan were sub-divided into 2,931,000 Equity Shares of face value of ₹2 each.							
Total (C)		2,931,000				3.99	[●]
Total (A+B+C)		64,913,500				88.32	[●]

⁽¹⁾Our Company was originally incorporated as 'Jai Parvati Forge Private Limited', a private limited company under the Companies Act, 1956 on January 23, 2004. The date of subscription to the MoA is January 23, 2004 and the allotment of Equity Shares pursuant

to such subscription was taken on record by our Board on January 24, 2004.

*Subject to finalization of Basis of Allotment.

Rounded off to two decimal places.

@ Return of allotment (Form 2) for the allotment of 1,300,000 equity shares undertaken by our Company on March 20, 2010 along with the Challan to the form filed with the relevant registrar of companies is not traceable and not available in the records maintained by our Company or in the physical records of the RoC. Accordingly, we have relied on the (a) report dated September 21, 2026 prepared by Kanwaljit Singh Thanewal, an independent practicing company secretary, (b) copies of the Board and Shareholders resolutions authorising the allotment, (c) register of members, and (d) Form 23 filed in relation to the aforementioned allotment. Further, we have intimated the RoC vide letter dated September 21, 2026. For further details see "Risk Factors – Our Company is unable to trace certain secretarial forms in relation to a past allotment of equity shares and the cessation of past directorship. We cannot assure you that we will not be subject to penalties or that no other action will be initiated against us in this regard" on page 47.

(a) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

(b) None of the Equity Shares held by our Promoters are pledged as on date of this Draft Red Herring Prospectus.

(c) Details of minimum Promoters' contribution and lock-in

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters, shall be considered as minimum Promoters' contribution and locked-in for a period of 3 years from the date of Allotment or any other period as may be prescribed under applicable law ("Minimum Promoters' Contribution") and the shareholding of our Promoters in excess of 20% shall be locked in for a period of one year from the date of Allotment. Our Promoters have given consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Minimum Promoters' Contribution. Our Promoters have agreed not to sell, transfer, dispose, charge, pledge or otherwise encumber in any manner, the Minimum Promoters' Contribution from the date of filing of 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.

Details of the Equity Shares held by our Promoters, which will be locked-in as Minimum Promoters' Contribution are set forth in the table below:

Name of Promoter	Number of Equity Shares held	Number of Equity Shares locked-in	Date of allotment /transfer of Equity Shares and when made fully paid-up*	Nature of transaction	Face value per Equity Share (₹)	Offer/ Acquisition price per Equity Share (₹)	% of the pre-Offer paid-up capital	% of the post-Offer paid-up capital**	Date up to which the Equity Shares are subject to lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Grand Total					[•]			[•]	

* All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

** Subject to finalisation of Basis of Allotment.

Note: The above details shall be filled in the Prospectus to be filed with the RoC.

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. In this connection, we confirm the following:

- (i) The Equity Shares offered for Minimum Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash, and revaluation of assets or capitalization of intangible assets; or (b) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or bonus issue against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution. The price per share for determining the securities ineligible for Minimum

Promoters' contribution, has been determined, after adjusting the same for corporate actions such as share split, bonus issue etc., undertaken by our Company;

- (ii) The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) Further, our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year 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 or a limited liability partnership firm.
- (iv) The Equity Shares forming part of the Minimum Promoters' Contribution are not subject to any pledge or encumbrance; and
- (v) All the Equity Shares held by our Promoters (including the Promoter Selling Shareholder), Promoter Group and Directors, Key Managerial Personnel, Senior Management and employees of our Company, to the extent applicable, are in dematerialized form.

(d) Other Lock-in requirements

- (i) In terms of Regulation 17(1) of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company (other than the Minimum Promoters' Contribution and Equity Shares held by our Promoters in excess of Minimum Promoters Contribution which shall be locked in as prescribed in “- *Details of minimum Promoters' contribution and lock-in*” on page 113), shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked-in for a period of six months from the date of Allotment as required under the SEBI ICDR Regulations. In the event where lock-in of such pre-Offer Equity Share capital of our Company cannot be created, the relevant Depositories, upon instructions from our Company, shall record such Equity Shares as ‘non-transferable’ for such duration of six months from the date of Allotment in the Offer, in accordance with Regulation 17(2) of the SEBI ICDR Regulations. However, the above lock-in of Equity Shares shall not be applicable to (i) the Minimum Promoters' Contribution which shall be locked-in as specified in “-*Details of minimum Promoters' contribution and lock-in*” on page 113 above; (ii) the Equity Shares offered pursuant to the Offer for Sale; (iii) 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(1) of the SEBI ICDR Regulations, provided that such Equity Shares will be locked-in for a period of at least six months from the date of purchase by such VCFs or Category I AIFs or Category II AIFs or FVCI Shareholders respectively. Further, any unsubscribed portion of the Equity Shares forming part of the Offer for Sale will also be locked in, as required under the SEBI ICDR Regulations. 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.
- (ii) In terms of 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, public financial institutions, NBFC-SIs or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans. However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.
- (iii) In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Promoters, which are locked-in in terms of Regulation 16 of the SEBI ICDR Regulations may be transferred to and amongst the members of the Promoter Group including other Promoters or to any new promoter, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.
- (iv) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

(e) Shareholding of the members of our Promoter Group in our Company

As on the date of this Draft Red Herring Prospectus, members of our Promoter Group, hold 85,86,500 Equity Shares equivalent to 11.68% of the issued, subscribed, and paid-up pre-Offer Equity Share capital of our Company.

Shareholding pattern of our Company

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

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Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % total No. of shares (calculated as per SCR, 1957 (VIII) As a % of A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of shares underlying outstanding convertible securities (including Warrants) (X)	Total number of shares on a fully diluted basis (XI)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)	No. of locked in shares (XIII)		No. of shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total number of shares encumbered (XVII)		No. of Equity Shares held in dematerialised form (XVII I)
								No. of voting Rights			Total as a % of A+B+C														
								Class (Equity)	Class (Others)	Total															
(A)	Promoter & Promoter Group	6	73,499,500	-	-	73,499,500	100.00	73,499,500	-	73,499,500	100.00	-	73,499,500	100.00	-	-	-	-	-	-	-	-	-	-	73,499,500
(B)	Public	1	500	-	-	500	Negligible	500	-	500	Negligible	-	500	Negligible	-	-	-	-	-	-	-	-	-	-	500
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % total No. of shares (calculated as per SCR, 1957 (VIII) As a % of A+B+C2)	Number of voting rights held in each class of securities (IX)			No. of shares underlying outstanding convertible securities (including Warrants) (X)	Total number of shares on a fully diluted basis (XI)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XII)	No. of locked in shares (XIII)		No. of shares pledged (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total number of shares encumbered (XVII)		No. of Equity Shares held in dematerialised form (XVII I)	
								No. of voting Rights						Total as a % of A+B+C	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)		As a % of total shares held (b)
								Class (Equity)	Class (Others)	Total															
	Total (A)+(B)+(C)	7	73,500,000	-	-	73,500,000	100.00	73,500,000	-	73,500,000	100.00	-	73,500,000	100.00	-	-	-	-	-	-	-	-	-	73,500,000	

7. **Aggregate pre-Offer and post-Offer shareholding of our Promoters (including the Promoter Selling Shareholder) and the members of our Promoter Group**

The aggregate pre-Offer and post-Offer shareholding of our Promoters (including the Promoter Selling Shareholder) and members of our Promoter Group as on the date of this Draft Red Herring Prospectus is set out below:

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
		No. of Equity Shares of face value of ₹ 2 each held	% of paid-up Equity Share capital	No. of Equity Shares of face value of ₹ 2 each held [#]	% of paid-up Equity Share capital [#]
Promoters					
1.	Sahender Singh Chauhan	38,711,800	52.67	[●]	[●]
2.	Suman Chauhan*	23,270,700	31.66	[●]	[●]
3.	Vineet Chauhan	2,931,000	3.99	[●]	[●]
Total (A)		64,913,500	88.32	[●]	[●]
Promoter Group (other than our Promoters)					
4.	Iksha Chauhan	231,000	0.31	[●]	[●]
5.	Dharmender	5,175,000	7.04	[●]	[●]
6.	Smriti Sindhu Chauhan	3,180,000	4.33	[●]	[●]
Total (B)		8,586,000	11.68	[●]	[●]
Total (C = A+B)		73,499,500	100.00	[●]	[●]

*Also, the Promoter Selling Shareholder

[#]Subject to completion of the Offer and finalization of Allotment.

8. **Details of the price at which equity shares were acquired in the last three years immediately preceding the date of this Draft Red Herring Prospectus by our Promoters (including the Promoter Selling Shareholder) members of our Promoter Group and the Shareholders entitled with the right to nominate directors or other special rights**

Except as stated below, none of our Promoters (including the Promoter Selling Shareholder) and members of our Promoter Group have acquired any Equity Shares in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of acquirer	Date of Acquisition / Allotment	Face Value (in ₹)	Number of Equity Shares	Nature of Transaction	Acquisition price per Equity Share	% of the pre-Offer share capital
Promoters						
Sahender Singh Chauhan	February 17, 2025	10	170,000	Transfer of Equity Shares by way of gift from Sukhbeer	-	0.23
Sahender Singh Chauhan	February 28, 2025	10	5,161,640	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held	-	7.02
Suman Chauhan ^	February 28, 2025	10	3,102,760	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held	-	4.22

Name of acquirer	Date of Acquisition / Allotment	Face Value (in ₹)	Number of Equity Shares	Nature of Transaction	Acquisition price per Equity Share	% of the pre-Offer share capital
Vineet Chauhan	February 28, 2025	10	390,800	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held	-	0.53
Promoter Group						
Iksha Chauhan	February 28, 2025	10	30,800	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held	-	0.04
Virat Chauhan	February 28, 2025	10	415,000	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held	-	0.56
Smriti Sindhu Chauhan	February 28, 2025	10	9,000	Bonus issue of equity shares in the ratio of two equity shares for every one equity share held		0.01
Dharmender	October 3, 2025	10	1,035,000	Transfer of Equity Shares from Subey Singh	4.83	1.41
Smriti Sindhu Chauhan	October 17, 2025	10	622,500	Transfer of Equity Shares by way of gift from Virat Chauhan	-	4.23

Note: As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

^Also, the Promoter Selling Shareholder

As on the date of this Draft Red Herring Prospectus, no Shareholders have any special rights in our Company, including the right to nominate directors on our Board.

9. **Weighted average cost of all Equity Shares transacted in the one year, 18 months and three years preceding the date of this Draft Red Herring Prospectus**

Period	Weighted average cost of acquisition per Equity Share of face value of ₹ 2 each (in ₹) *	Cap Price is 'x' times the weighted average cost of acquisition**	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)
Last one year preceding the date of this Draft Red Herring Prospectus.	0.07	[●]	0.97-22.40
Last 18 months preceding the	0.07	[●]	0.97-22.40

date of this Draft Red Herring Prospectus			
Last three years preceding the date of this Draft Red Herring Prospectus.	0.07	[●]	0.97-22.40

**Post consideration of impact pursuant to a bonus issue and subdivision of the face value of Equity Shares*

Note: As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

***To be updated on finalization of Price Band*

10. Average cost of acquisition of Equity Shares by our Promoters (including the Promoter Selling Shareholder) as on the date of this Draft Red Herring Prospectus is as follows:

The average cost of acquisition of Equity Shares by our Promoters (including the Promoter Selling Shareholder) as at the date of this Draft Red Herring Prospectus is:

Name of Shareholder	Number of Equity Shares of face value of ₹ 2 each as on the date of this Draft Red Herring Prospectus	Average cost of acquisition per Equity Share (in ₹)
Promoters		
Sahender Singh Chauhan	38,711,800	0.31
Suman Chauhan [^]	23,270,700	0.61
Vineet Chauhan	2,931,000	0.19

Note: As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

[^]Also the Promoter Selling Shareholder

11. Secondary transactions involving the Promoters (including the Promoter Selling Shareholder) and members of the Promoter Group

Except as disclosed below and in “- Build-up of the shareholding of our Promoters in our Company” on page 111, there has been no acquisition of Equity Shares through secondary transactions involving the Promoters (including the Promoter Selling Shareholder) and members of the Promoter Group as on the date of this Draft Red Herring Prospectus.

S. No	Name of Transferor	Transferee/ Name of major shareholder	Date of acquisition	No. of equity shares Transferred	Face Value of equity shares (in ₹)	Amount of Consideration (in ₹)	Price of acquisition	Nature of consideration
1.	Amit Kumar	Parvindra	February 16, 2018	13,000	10	Nil	Nil	Gift
2.	Ran Singh	Parvindra	February 16, 2018	50,000	10	Nil	Nil	Gift
3.	Bina Devi	Parvindra	February 16, 2018	16,000	10	Nil	Nil	Gift
4.	Ranbeer Singh	Parvindra	February 16, 2018	9,000	10	Nil	Nil	Gift
5.	Murti Devi	Virat Chauhan	July 12, 2018	24,000	10	Nil	Nil	Gift
6.	Parvindra	Virat Chauhan	July 12, 2018	158,000	10	Nil	Nil	Gift
7.	Shyam Singh	Vineet Chauhan	July 12, 2018	100,000	10	Nil	Nil	Transmission
8.	Dharmender	Virat Chauhan	July 12, 2018	30,000	10	Nil	Nil	Gift
9.	Om Pal Singh	Sukhbeeri	February	30,000	10	Nil	Nil	Gift

S. No	Name of Transferor	Transferee/ Name of major shareholder	Date of acquisition	No. of equity shares Transferred	Face Value of equity shares (in ₹)	Amount of Consideration (in ₹)	Price of acquisition	Nature of consideration
			19, 2022					
10.	Raghubir Singh	Sukhbeeri	February 19, 2022	80,000	10	Nil	Nil	Transmission
11.	Harinder Singh	Sukhbeeri	February 19, 2022	60,000	10	Nil	Nil	Gift
12.	Vineet Chauhan	Iksha Chauhan	February 19, 2022	15,400	10	Nil	Nil	Gift
13.	Virat Chauhan	Smriti Sindhu	February 19, 2022	4,500	10	Nil	Nil	Gift
14.	Sukhbeeri	Sahender Singh Chauhan	February 17, 2025	170,000	10	Nil	Nil	Gift
15.	Subey Singh	Dharmender	October 03, 2025	1,035,000	10	50,00,000	4.83	Cash
16.	Sahender Singh Chauhan	Satish Kumar Sharma	October 17, 2025	100	10	11,200	112.00	Cash
17.	Virat Chauhan	Smriti Sindhu Chauhan	October 17, 2025	622,500	10	Nil	Nil	Gift

12. Details of equity shareholding of the major equity Shareholders of our Company

- (i) The major Equity Shareholders holding 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 2 each on a fully diluted basis*	Percentage of the pre-Offer Equity Share capital (%) on a fully diluted basis
1.	Sahender Singh Chauhan	38,711,800	52.67
2.	Suman Chauhan	23,270,700	31.66
3.	Vineet Chauhan	2,931,000	3.99
4.	Smriti Sindhu Chauhan	3,180,000	4.32
5.	Dharmender	5,175,000	7.04
	Total	73,268,500	99.69

*Based on the beneficiary position statement dated September 18, 2026 and register of members of our Company, as applicable.

- (ii) The major Equity Shareholders who held 1% or more of the paid-up Equity Share capital of our Company and the number of Equity Shares held by them 10 days prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 2 each on a fully diluted basis*	Percentage of the pre-Offer Equity Share capital (in %) on a fully diluted basis
1.	Sahender Singh Chauhan	38,711,800	52.67
2.	Suman Chauhan	23,270,700	31.66
3.	Vineet Chauhan	2,931,000	3.99

Sr. No.	Name of the Shareholder	Number of Equity Shares having face value of ₹ 2 each on a fully diluted basis*	Percentage of the pre-Offer Equity Share capital (in %) on a fully diluted basis
4.	Smriti Sindhu Chauhan	3,180,000	4.32
5	Dharmender	5,175,000	7.04
Total		73,268,500	99.69

**Based on the beneficiary position statement dated September 11, 2026 and register of members of our Company, as applicable.*

- (iii) The major Equity Shareholders who held 1% or more of the paid-up equity share capital of our Company and the number of equity shares held by them one year prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Offer Equity Share capital (in %) on a fully diluted basis
1.	Sahender Singh Chauhan	7,742,460	52.67
2.	Suman Chauhan	4,654,140	31.66
3.	Subey Singh	1,035,000	7.04
4.	Vineet Chauhan	586,200	3.99
5.	Virat Chauhan	622,500	4.23
Total		14,640,300	99.59

** Based on the register of members of our Company.*

- (iv) The major Equity Shareholders who held 1% or more of the paid-up equity share capital of the Company and the number of equity shares held by them two years prior to the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Number of equity shares having face value of ₹ 10 each on a fully diluted basis*	Percentage of the pre-Offer Equity Share capital (in %) on a fully diluted basis
1.	Sahender Singh Chauhan	2,410,820	49.20
2.	Suman Chauhan	1,551,380	31.66
3.	Subey Singh	345,000	7.04
4.	Vineet Chauhan	195,400	3.99
5.	Virat Chauhan	207,500	4.23
6.	Sukhbeer	170,000	3.47
Total		4,880,100	99.59

** Based on the register of members of our Company.*

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

Except as disclosed below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares of face value ₹2 each in our Company:

Sr. No.	Name of the Shareholder	Designation	Number of Equity Shares having face value of ₹ 2 each on a fully diluted basis	Percentage of the pre-Offer Equity Share capital (in %) on a fully diluted basis
1.	Sahender Singh Chauhan	Executive Chairman and Whole-Time Director	38,711,800	52.67
2.	Vineet Chauhan	Managing Director	2,931,000	3.99
3.	Smriti Sindhu Chauhan	Whole-Time Director	3,180,000	4.33
Total			44,822,800	60.99

14. Shareholding of our Promoters, members of our Promoter Group and additional top 10 Shareholders of our Company as at allotment

The aggregate Equity shareholding and percentage of the pre-Offer paid-up Equity Share capital and post-Offer Equity shareholding, of each of our Promoters, members of our Promoter Group and additional top 10 Shareholders of our Company is set forth below:

Sr. No.	Name of the Shareholder	Pre-Offer Equity Share Capital as on the date of this Draft Red Herring Prospectus ⁽¹⁾		Post-Offer Equity Share Capital as at Allotment ⁽¹⁾⁽²⁾⁽³⁾			
		No. of Equity Shares of face value of ₹ 2 each held	% of paid-up Equity Share capital	At the lower end of the Price Band (₹ [●])		At the upper end of the Price Band (₹ [●])	
				No. of Equity Shares of face value of ₹ 2 each held	% of paid-up Equity Share capital	No. of Equity Shares of face value of ₹ 2 each ⁽²⁾	Shareholding (in %) ⁽²⁾
Promoters							
1.	Sahender Singh Chauhan	38,711,800	52.67	[●]	[●]	[●]	[●]
2.	Suman Chauhan*	23,270,700	31.66	[●]	[●]	[●]	[●]
3.	Vineet Chauhan	2,931,000	3.99	[●]	[●]	[●]	[●]
Total (A)		64,913,500	88.32	[●]	[●]	[●]	[●]
Promoter Group (other than our Promoters)							
4.	Iksha Chauhan	231,000	0.31	[●]	[●]	[●]	[●]
5.	Dharmender	5,175,000	7.04	[●]	[●]	[●]	[●]
6.	Smriti Sindhu Chauhan	3,180,000	4.33				
Total (B)		8,586,000	11.68	[●]	[●]	[●]	[●]
Total (C = A+B)		73,499,500	100.00	[●]	[●]	[●]	[●]
Additional Top 10 Shareholders ⁽¹⁾							
7.	Satish Kumar Sharma	500	Negligible	[●]	[●]	[●]	[●]

*Also, Promoter Selling Shareholder

⁽¹⁾ To be updated in at the Prospectus and Abridged Prospectus.

⁽²⁾ 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 and will include transfers of Equity Shares by Shareholders after the date of the pre-Offer and Price Band advertisement until the date of the Prospectus.

⁽³⁾ Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment based on the Offer Price of ₹ [●], subject to finalisation of the Basis of Allotment.

15. As on the date of this Draft Red Herring Prospectus, none of the BRLMs or their associates (as defined under the Companies Act, 2013, and as per the definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) hold any Equity Shares of face value ₹ 2 each in our Company. We confirm that the BRLMs are not associates of the Company as per Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The BRLMs and their associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.
16. None of the Shareholders of our Company are directly or indirectly related to the BRLMs or their associates.
17. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs, a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs. All Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.
18. Our Company has not made any public issue of securities of any kind or class of securities since its incorporation.
19. There are no outstanding warrants, 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.
20. No person connected with the Offer, including, but not limited to, our Company, the members of the Syndicate, or our Directors, Promoters or Promoter Group shall 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, except for fees or commission for services rendered in relation to the Offer.
21. As of the date of this Draft Red Herring Prospectus, our Company has 7 Shareholders.
22. Our Company, our Promoters, our Directors and the BRLMs have not made any or entered into any buy-back arrangements or any other similar arrangement for purchase of Equity Shares to be offered as a part of the Offer.
23. 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 issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to (a) the Fresh Issue; and (b) any issuance of Equity Shares pursuant to the Pre-IPO Placement.
24. Except for the allotment of Equity Shares pursuant to the Fresh Issue and Pre-IPO Placement, there will be no further issue of Equity Shares whether by way of issue shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
25. Except as disclosed in the “- *Build-up of the shareholding of our Promoters in our Company*” on page 111, respectively, none of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives (as defined under the Companies Act, 2013) 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.
26. Our Company shall ensure that the Pre-IPO Placement, if undertaken, will be reported to the Stock Exchanges within 24 hours of the Pre-IPO Placement.
27. There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

28. Our Company shall ensure that any transactions in the specified securities of our Company by our Promoters and our Promoter Group during the period between the date of filing 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 transactions and the details of such transactions shall be disclosed in the pre-Offer and Price Band advertisement.
29. All Equity Shares offered through the issue shall be made fully paid-up, if applicable, or may be forfeited for non-payment of calls within twelve months from the date of allotment of Equity Shares.
30. Except to the extent of sale of the Offered Shares in the Offer for Sale by the Promoter Selling Shareholder, none of our Promoters or members of our Promoter Group will participate in the Offer.
31. Except for the proceeds that shall be received by Promoter Selling Shareholder, pursuant to the Offer for Sale, our Promoters and members of our Promoter Group will not receive any proceeds from the Offer. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
32. Any oversubscription to the extent of 1% of the Offer size can be retained for the purposed of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis for Allotment.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares of face value of ₹ 2 each, aggregating up to ₹ 3,000.00 million by our Company and an Offer for Sale of up to 9,000,000 Equity Shares of face value of ₹ 2 each, aggregating up to ₹ [●] million by the Promoter Selling Shareholder. For details, see “*The Offer*” on page 78.

Offer for Sale

The Promoter Selling Shareholder will be entitled to the Net Proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer Expenses to be shared by the Promoter Selling Shareholder and the relevant taxes to be deducted thereon, and we will not receive any proceeds from the Offer for Sale. It is further clarified that all such payments of Offer related expenses (other than the listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, audit fees of statutory auditors (to the extent not attributable to the Offer) and expenses in relation to product or corporate advertisements consistent with past practice of our Company which shall be borne by our Company) shall be made by our Company, in the first instance and (a) upon successful consummation of the transfer of the Offered Shares in the Offer, or (b) in the event Offer is postponed, withdrawn, abandoned, or not successfully completed for any reason, as may be applicable, any payments by our Company in relation to the Offer expenses on behalf of the Promoter Selling Shareholder shall be reimbursed by the Promoter Selling Shareholder to our Company, inclusive of relevant taxes thereon, on a *pro rata basis*, in proportion to the Equity Shares Allotted by our Company in the Fresh Issue and the portion of the Offered Shares sold by the Promoter Selling Shareholder in the Offer for Sale. For further details in reference to the Offer expenses, see “*Offer Related Expenses*” on page 144. The Promoter Selling Shareholder has authorised and consented to participate in the Offer for Sale as set forth below:

Name of the Promoter Selling Shareholder	Pre-Offer Equity Shares of face value of ₹ 2 each held	Date of consent letter	Aggregate number of Equity Shares being offered in the Offer for Sale
Suman Chauhan	23,270,700	[●]	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million.

Fresh Issue

The Fresh Issue comprises an offer of up to [●] Equity Shares of ₹ 2 each aggregating up to ₹ 3,000.00 million. The proceeds of the Fresh Issue, after deducting Offer related expenses, are estimated to be ₹ [●] million (“**Net Proceeds**”).

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

(in ₹ millions)	
Particulars	Estimated amount
Gross proceeds of the Fresh Issue	Up to 3,000.00 ⁽¹⁾
(Less): Offer-related expenses in relation to the Fresh Issue ⁽²⁾⁽³⁾	[●]
Net Proceeds⁽³⁾	[●]

Notes:

⁽¹⁾ Our Company, in consultation with the BRLMs, may consider issue of specified securities, as may be permitted under applicable law to any person(s) 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 BRLMs. 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 (“SCRR”), as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. 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 the Prospectus.

⁽²⁾ For details of the expenses related to the Offer, see “*Offer Related Expenses*” on page 144.

⁽³⁾ To be finalized upon determination of the Offer Price and will be updated in the Prospectus prior to filing with the RoC.

Requirement of funds

Our Company proposes to utilize the Net Proceeds towards funding of the following objects (*collectively, referred to as “Objects”*):

1. Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III (“**Proposed Expansion**”);
2. Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company; and
3. General Corporate Purposes.

In addition to the above Objects, we expect to receive the benefits of listing of the Equity Shares on the Stock Exchanges, which include enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India, among others.

The main objects and objects necessary for furtherance of the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Estimated amount to be funded from the Net Proceeds (in ₹ million) ^
Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III (“ Proposed Expansion ”)	1,250.00
Pre-payment and/or re-payment, in part or full, of certain outstanding borrowings availed by our Company	950.00
General corporate purposes ⁽¹⁾	[●]
Net Proceeds⁽¹⁾	[●]

^ Our Company, in consultation with the BRLMs, may consider issue of specified securities, as may be permitted under applicable law to any person(s) 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 BRLMs. 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 (“SCRR”), as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. 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 the Prospectus.

Note:

(1) The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

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 set forth in the table below:

(₹ in millions)

Particulars	Total estimated cost (A) ⁽²⁾⁽⁴⁾	Amount deployed as of August 01, 2026 ⁽¹⁾	Balance amount to be funded through		Estimated deployment of Net Proceeds in	
			Internal accruals	Net Proceeds	Fiscal 2027	Fiscal 2028
Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at	1,484.14	61.37	172.77	1,250.00 ⁽⁴⁾	250.00	1,000.00

Particulars	Total estimated cost (A) ⁽²⁾⁽⁴⁾	Amount deployed as of August 01, 2026 ⁽¹⁾	Balance amount to be funded through		Estimated deployment of Net Proceeds in	
			Internal accruals	Net Proceeds	Fiscal 2027	Fiscal 2028
our Manufacturing Unit III (“Proposed Expansion”)						
Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company	950.00	-	-	950.00	950.00	-
General corporate purposes ⁽³⁾	[•]	[•]	[•]	[•]	[•]	[•]
Total⁽³⁾	[•]	[•]	[•]	[•]	[•]	[•]

Notes:

⁽¹⁾ As of August 01, 2026, our Company has deployed an amount aggregating to ₹ 61.37 million towards the Proposed Expansion through internal accruals. In accordance with clause 9(F)(1) under Part A of Schedule VI of the SEBI ICDR Regulations, the amount deployed as abovementioned has been certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

⁽²⁾ Total estimated cost as per the Cost Vetting Report.

⁽³⁾ The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue. To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽⁴⁾ Our Company, in consultation with the BRLMs, may consider issue of specified securities, as may be permitted under applicable law to any person(s) 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 BRLMs. 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 (“SCRR”), as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement that there is no guarantee that our Company may proceed with the Offer or that the Offer may be successful and will result in the listing of the Equity Shares on the Stock Exchanges. 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 the Prospectus.

The above-stated fund requirements, deployment of the funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on: (a) our current business plan as approved by our Board of Directors pursuant to their resolutions dated September 21, 2026 and internal management estimates based on current market conditions, other commercial and technical factors, which are subject to change and may not be within the control of our management; (b) certificates provided by the Statutory Auditor; (c) the cost vetting report dated September 18, 2026, issued by Indraprastha Corridor Advisory Services Private Limited, an independent analyst (“Cost Vetting Report”) and (d) valid quotations obtained from various third-party vendors. However, such fund requirements and deployment of funds have not been appraised by any bank, financial institution or any other independent agency. See “Risk Factors - The Net Proceeds from the objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected” on page 65.

Our Company’s historical capital and operational expenditure may not be reflective of our future capital expenditure plans. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of a variety of factors such as our financial and market condition, our business and growth strategies, competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the deployment of funds from at the discretion of our management, subject to compliance with applicable law. Our historical expenditure may not be reflective of our future expenditure plans. For details on risks involved, see “Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.” on page 37.

Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set out above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any equity and/or debt arrangements. We believe that such alternate funding arrangements would be available to fund any such shortfalls at such time period. Further, if the actual utilisation towards any of the Objects

is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes does not exceed 25.00% of the Gross Proceeds in accordance with the SEBI ICDR Regulations and in compliance with the objectives as set out under “-Details of the Objects - General corporate purposes” on page 144 and will be consistent with the requirements of our business. The estimated schedule of deployment of Net Proceeds is indicative and our management may vary the amount to be utilized in a particular Fiscal at its discretion.

Further, our Company may decide to accelerate the estimated deployment of Net Proceeds ahead of the schedule specified above. However, in the event that estimated utilisation out of the Net Proceeds in a particular Financial Year as scheduled being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in the immediately subsequent Financial Year, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilisation of Net Proceeds.

Means of finance

The Objects set out above are proposed to be funded from the Net Proceeds and internal accruals. 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 existing identifiable accruals, as prescribed under the SEBI ICDR Regulations.

Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III ("Proposed Expansion")

In relation to the Proposed Expansion, the total estimated cost of ₹ 1,484.14 million is proposed to be funded as set forth below:

Particulars	Amount (in ₹ million)
Total estimated cost for the Proposed Expansion	1,484.14
Less: Amount deployed as of August 01, 2026 from internal accruals	61.37 ⁽¹⁾
Balance amount to be incurred	1,422.77
Amount to be funded:	
From the Net Proceeds (A)	1,250.00
From existing identifiable internal accruals (B)	172.77
Total (C=A+B)	1,422.77

⁽¹⁾ In respect of the amount deployed by our Company towards the Proposed Expansion, a certificate dated September 21, 2026, has been issued by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors. Further, such funds deployed by our Company have been sourced from its internal accruals.

Details of the Objects of the Offer

1. Partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities in Machined Components at our Manufacturing Unit III (“Proposed Expansion”)

The Indian automotive forging industry has demonstrated a robust and consistent growth trajectory over the past five fiscal years. The production volumes expanded from 1.05 million metric tons in fiscal 2021 to reach 1.66 million tons by fiscal 2026 at a strong CAGR of 9.6% during this period (*Source: CRISIL Report*). In terms of overall market value over the past five fiscal years. The industry size expanded from INR 185 billion in fiscal 2021 to reach INR 311 billion by fiscal 2026, registering a robust CAGR of 10.9% (*Source: CRISIL Report*). The production volume of the Indian automotive forging industry is projected to increase from approximately 1.66 million tonnes in FY2026 to between 2.2 million tonnes and 2.6 million tonnes by FY2031, representing a CAGR of 6.9% during the period. This growth is expected to be primarily supported by the expansion of domestic vehicle production across passenger vehicles, commercial vehicles, tractors and two-wheelers, which is likely to increase demand for forged components used in powertrain, transmission, steering, suspension and chassis applications (*Source: CRISIL Report*).

The Company's core addressable markets- transmission gears and shafts (Rs 46 billion), tractor reduction drives (Rs 11 billion), hydraulic components (Rs 4 billion) and 4WD axle components (Rs 3 billion) aggregated about Rs 64 billion in fiscal 2026 and are projected to reach Rs 103–110 billion by fiscal 2031, a CAGR of 10-12%, roughly twice the growth rate of underlying vehicle production, driven by rising content, material costs, complexity and machining value-addition per vehicle (*Source: CRISIL Report*). The 4WD axle components segment, the company's fastest-growing addressable

market, is projected to grow at 20–25% CAGR over the same period driven by the increasing sales of 4WD tractors in India (*Source: CRISIL Report*).

We operate an integrated manufacturing business model with capabilities across the value chain including product design support, die development, forging, heat treatment, precision machining, gear cutting, gear tooth grinding, induction hardening and sub-assembly operations. Our integrated operations enable us to supply products at multiple stages of value addition including raw forgings, rough and finished precision machined parts, semi-finished and finished gears and shafts, and assembled sub-components. Currently, we operate four Manufacturing Units, comprising three units located in Punjab and one unit located in Himachal Pradesh, India, with aggregate installed capacity of 32,100 metric tonnes per annum for forging and over 3.26 million units per annum for machining components. For further details of our Manufacturing Units, see “*Our Business - Our Manufacturing Units*” and “*Our Business - Capacity and Capacity Utilisation*” on pages 255 and 290, respectively.

Over the years, we have consistently expanded our installed manufacturing capacity across both forging and machining operations in line with business growth, evolving customer requirements and our strategic focus on increasing value-added manufacturing capabilities. During Fiscal 2026, the aggregate capacity utilisation of our machining facilities was 93.54% for bull gears, 86.97% for gears and shafts and 91.53% for precision machined parts. Further, as of April 01, 2026, the Company augmented its installed machining capacity by adding new machineries. After giving effect to such addition in installed machining capacity and considering the actual production achieved during Fiscal 2026, the adjusted capacity utilisation would have been as set out below:

Particulars	Increase in installed capacity as of April 01, 2026 (units per annum)	Installed capacity as at April 01, 2026 (units per annum)	Adjusted capacity utilisation (in %)
Bull gears	101,400	418,080	70.85
Gears and shafts	98,280	806,832	76.37
Precision machined parts	862,800*	2,035,740	91.53

*pursuant to acquisition of D.S. Engineers in accordance with the Slump Sale Agreements.

The adjusted capacity utilisation levels for Machined Components continue to reflect limited headroom for further scale-up under the existing manufacturing infrastructure, highlighting the need for additional capacity expansion to support future growth. For details of our existing Manufacturing Units and capacity, see “*Our Business - Our Manufacturing Units*” and “*Our Business - Capacity and capacity utilisation*” on pages 255 and 290, respectively.

Further, as part of our capacity expansion initiatives, our Company has placed orders for five hot forging press lines and is in the process of installing additional forging capacity, increasing our aggregated installed capacity by 30,600 metric tonnes per annum, which is expected to be commissioned during Fiscal 2027. As part of this strategy, we also intend to undertake expansion of our forging capacities, modernization and upgradation of existing manufacturing facilities and deployment of automation technologies across various manufacturing processes. For further details, see “*Our Business - Competitive Strengths - Continue capacity expansion and technology upgradation and improve operational efficiencies*” on page 130. The additional forging capacity forms part of our broader capacity expansion strategy and is intended to support the growth in our forging operations and the increased machining capacities proposed to be established pursuant to the Proposed Expansion.

As part of our growth strategy and with a view to expanding our capacity of gears & shafts and precision machined parts. We are setting up the Proposed Expansion on the lands on which our existing Manufacturing Unit III is located admeasuring in aggregate 170,150 sq. ft. or thereabouts. This will allow us to better serve our existing customers and also assist us in better addressing the business requirements of large customers. Further, with machineries to be included as part of the Proposed Expansion, our Company will be able to target new customers in diverse end-use product segments such as renewable energy, electric vehicles and diesel generators as well as customers in international market.

Subsequent to the Proposed Expansion, our aggregate manufacturing capacity of machined components as compared with historical capacity will be as follows:

Existing & Proposed Installed Capacity

(in components per annum,)

Particulars	Bull Gears	Gears & Shafts	Precision Machined parts
<i>Existing installed capacity</i>			
Fiscal 2024	245,700	526,032	1,412,940

(in components per annum,)

Particulars	Bull Gears	Gears & Shafts	Precision Machined parts
Fiscal 2025	273,000	619,632	1,172,940
Fiscal 2026	316,680	708,552	1,172,940
As at April 01, 2026 (after acquisition of the erstwhile D.S. Engineers and in consideration of the new machineries that have been added)	418,080	806,832	2,035,740
<i>Proposed increase in installed capacity</i>			
Proposed Expansion*	-	624,000	348,000
Total	418,080	1,430,832	2,383,740

*Source: Cost Vetting Report

Following the Proposed Expansion, our installed capacity for gears & shafts and precision machined parts will increase by approximately 77.34% and 17.09%, respectively, over the existing installed capacity as of April 1, 2026. Our Board in its meeting dated September 21, 2026 took note that an aggregate amount of ₹ 1,422.77 million is proposed to be utilized to set up the Proposed Expansion.

Estimated Proposed Expansion cost

The total estimated cost of the Proposed Expansion is ₹ 1,484.14 million as certified in Cost Vetting Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds for the Proposed Expansion as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers/vendors, and other commercial and technical factors. The quotations in relation to the civil work and purchase of machinery as set out below are valid as on the date of this Draft Red Herring Prospectus. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. Also see, “Risk Factors - The Net Proceeds from the objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected” on page 65.

In relation to the civil work and purchase of machinery as set out below, 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 provide civil work service / supply the machinery or at the same costs. The quantity of machinery to be purchased will be based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such funds according to the business requirements of our Company and based on estimates of our management. The list of machinery items provided is based on the current estimates and there can be variations in the cost at the actual ordering of the machines. Apart from this there can be variations in the nature of machines depending upon the business requirements at the time of actual procurement. As a result, the list of machines may undergo change. Hence there can be addition of new machines or deletion from existing list.

In order to undertake the Proposed Expansion, we would incur costs towards civil and structural work and site development, purchase of plant and machinery, electrification, and other miscellaneous and contingency costs.

The detailed break-down of estimated cost is set forth below:

(in ₹ millions)

Particulars	Total estimated cost ⁽¹⁾	Amount deployed up to August 01, 2026 ⁽²⁾	Amount proposed to be funded
Land	61.37	61.37	-
Civil & structural work and site development	253.88	-	253.88
Purchase of plant and machinery	1,088.18	-	1,088.18
Utilities:			-
<i>Electrification / other utility</i>	39.28	-	39.28
Miscellaneous and contingencies	41.44	-	41.44

Particulars	Total estimated cost ⁽¹⁾	Amount deployed up to August 01, 2026 ⁽²⁾	Amount proposed to be funded
Total	1,484.14	61.37	1,422.77
Amount proposed to be funded from internal accruals ⁽²⁾			172.77
Balance amount proposed to be funded from the Net Proceeds			1,250.00

⁽¹⁾ Total estimated cost as per Cost Vetting Report.

⁽²⁾ As of August 01, 2026, our Company had funded ₹61.37 million towards the Proposed Expansion from internal accruals, as certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026. Remaining amount of ₹ 172.77 million will be funded by our Company from internal accruals.

The detailed break-up of the estimated cost towards the Proposed Expansion is set forth below:

I. Land

We have acquired adequate land admeasuring approximately 198,000 square feet situated at Khasra No.9//13 (3-14), 9//14/2/1 (1-15) and Khasra No. 9//17 (4-0), 9// 24 (4-0), 9//25 (4-0) situated within village Behra, Tehsil Dera Bassi, Distt. SAS Nagar, Mohali, Punjab and Khasra No. 9//23(3-14) situated at Village Behra, Hadbast No. 198, Tehsil Dera Bassi, Distt. S.A.S. Nagar (Punjab), India ("Land") for a total consideration of ₹ 61.37 million through internal accruals. The Land on which we propose to undertake the Proposed Expansion is owned by our Company and is registered in our name. Accordingly, no portion of the Net Proceeds is proposed to be utilised towards acquisition of Land. Further, Company has also obtained the requisite permission under the Punjab Regional and Town Planning and Development Act, 1995 for industrial purpose which also encompasses the approval for change of land use.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in this acquisition of the Land.

The details in relation to the Land, which has been acquired by our Company for the Proposed Expansion, are as follows:

Address	Details of acquired land	Area (in sq. ft.)	Total cost of Land* (₹ in millions)	Permitted Use
Khasra No.9//13 (3-14), 9//14/2/1 (1-15) and Khasra No. 9//17 (4-0), 9// 24 (4-0), 9//25 (4-0) situated within village Behra, Tehsil Dera Bassi, Distt. SAS Nagar, Mohali, Punjab.	Sale deed has been executed on August 01, 2025 to transfer the given land to our Company	~158,000 sq. ft.	55.73	Industrial use
Khasra No. 9//23(3-14) situated at Village Behra, Hadbast No. 198, Tehsil Dera Bassi, Distt. S.A.S. Nagar (Punjab), India	Sale deed has been executed on December 16, 2025 to transfer the given land to our Company	~40,000 sq. ft.	5.64	Industrial use
Total		~198,000 sq. ft	61.37	

* The total cost also includes currently applicable taxes and duties.

II. Civil & Structural Work and Site Development

For the Proposed Expansion, our Company proposes to construct four pre-fabricated structures totalling to an area of approximately 170,150 square feet. The civil and structural works for the Proposed Expansion comprise the construction and engineering works relating to four industrial sheds, including the foundation, structural framework and roofing (the "Civil & Structural Work"). In addition, the Proposed Expansion includes site development works comprising the construction of a security room, boundary wall, entrance gate and gate pillars, as well as internal road and pavement works (the "Site Development Work"). Our Company proposes to utilise an aggregate amount of ₹253.88 million towards the Civil & Structural Work and Site Development Work, determined based on the Cost Vetting Report and the quotations received, to be funded from the Net Proceeds and the proceeds from the Pre-IPO Placement, if undertaken. The details of costing of such Civil & Structural Work and Site Development Work is set forth below:

(in ₹ millions)

(in ₹ millions)

Sr. No.	Particulars	Name of supplier / vendor	Area and Rate	Date of purchase order/ quotation and its validity	Estimated cost^
1	Admin / Engineering Block	Deep Infra	12000 sq.ft. @₹ 3500 / sq.ft.	Quotation dated August 07, 2026, with a validity up to December 31, 2026	49.56
2	Turning & Gear-cutting Shed - Prefab (505*140) + Mezz (505*25)		83325 sq.ft. @₹ 1000 / sq.ft.		98.32
3	Heat Treatment Shed - Prefab (165*165)		27225 sq.ft. @₹ 1000 / sq.ft.		32.13
4	Grinding Shed - Prefab Building (180*140) + Mezz (160*140)		47600 sq.ft. @₹ 1000 / sq.ft.		56.17
5	Site Development (Security Room, Boundary wall, Gate & Gate pillars Pavement)		-		17.70
Total					253.88

[^]Cost is inclusive of taxes and duties as our Company will not be able to avail input tax credit for the same. No freight and insurance is applicable on civil works.

III. Purchase of plant and machinery

Our Company has identified the plant and machinery it intends to purchase and install for the Proposed Expansion, which mainly include CNC machines, precision measuring center, vertical turret, sealed quench furnace and other equipments (“**Plant and Machinery**”) which helps in pre-machining, gear cutting, heat treatment, finishing, and inspection. The details of costing of such Plant And Machinery are set forth below. The estimated total cost for the purchase of Plant and Machinery is ₹ 1,088.18 million, comprising indigenous Plant and Machinery aggregating ₹ 851.39 million and imported Plant and Machinery aggregating ₹ 236.79 million.

List of imported Plant and Machinerics

Sr. No.	Particulars	Name of supplier/ vendor	Date of purchase order/ quotation and its validity	Cost per unit ⁽²⁾ (₹ million)	Units	Estimated cost ⁽²⁾ (₹ million)
1	CNC Gear Shaping Machine (7-Axis) ST40A	NIDEC Machine Tool Corporation (Japan)	Quotation dated May 11, 2026, with a validity up to October 31, 2026	45.78	1	45.78
2	CNC Gear Skiving Machine Model No. NEOPS – 600	Yunil Gear Machine Tech Co., Limited (South Korea)*	Quotation dated May 08, 2026, with a validity up to November 04, 2026	42.45	2	84.91
3	Precision Measuring Center - P65	Kligenberg GmBH (Germany)	Quotation dated June 01, 2026, with a validity up to October 30, 2026	82.64	1	82.64
Landed Cost ⁽¹⁾						23.47
Total						236.79

* Quotation received from Machine Tools (India) Limited on behalf of Yunil Gear Machine Tech Co., Limited.

(1) Such charges includes shipping line charges, CFS/Yard charges, transport charges, loading and unloading charges, duties, taxes for which credit is not available, custom duty, and other logistics over the base quoted price.

(2) For overseas quotations exchange rate is calculated at 1 JPY = ₹ 0.60, 1 USD = ₹ 96.00, and 1 Euro = ₹ 111.00 (Source: Cost Vetting Rreport).

(3) The prices above do not include insurance, packaging charges, installation charges which will be paid directly by our Company either through Contingencies, general corporate purpose or through internal accruals.

List of Indigenous Machineries

(₹ in millions)

Sr. No.	Particulars	Name of supplier/ vendor	Date of purchase order/ quotation and its validity	Units	Cost per unit	Estimated cost
1.	CNC Facing & Centering Model	Windsor Machines Limited	Quotation dated May 19, 2026, with a validity up to November 19, 2026	2	3.20	6.40
2.	Vertical Turret with Turn Mill Centre Model - 40M	Ace Designers Limited (part of Ace Micromatic Group)	Quotation dated May 13, 2026, with a validity up to October 30, 2026	4	8.52	34.08
3.	Vertical Turret Lathe Model - 30 Plus	Ace Designers Limited (part of Ace Micromatic Group)	Quotation dated May 07, 2026, with a validity up to October 31, 2026	2	4.73	9.45
4.	Lathe - Fanuc with standard features and accessories	LMW Limited	Quotation dated May 18, 2026, with a validity up to November 18, 2026	5	2.95	14.75
5.	LL20TML5 CNC Turnmill Centre - Fanuc with standard features and accessories	LMW Limited	Quotation dated May 07, 2026, with a validity up to November 07, 2026	5	3.45	17.25
6.	CNC Vertical Machining Center Model "ACER" Fanuc	Ace Designers Limited (part of Ace Micromatic Group)	Quotation dated June 05, 2026, with a validity up to October 30, 2026	3	4.45	13.35
7.	CNC Gear Hobbing Machine – LC 500	Liebherr Machine Tools India Private Limited	Quotation dated August 21, 2026, with a validity up to February 21, 2027	2	36.00	72.00
8.	SU-GM Gear Deburring Chamfering Machine SCT3	Grind Master Machines Private Limited	Quotation dated May 27, 2026, with a validity up to October 31, 2026	2	4.40	8.80
9.	WESMAN Sealed Quench Furnace of 1500 kg gross batch capacity along with all accessories	The Wesman Engineering Company Private Limited	Quotation dated December 30, 2025, with a validity up to November 30, 2026	4	25.48	101.92
10.	Single Tank Ultrasonic Washing For Gear and Ring Gear	Kelley Engineering Works	Quotation dated May 28, 2026, with a validity up to October 31, 2026	1	1.23	1.23
11.	Conveyorised Pressure jet washing & drying Machine for the washing of Various Gears & shafts	Gayatri Automation Systems Private Limited	Quotation dated May 21, 2026, with a validity up to October 31, 2026	1	3.73	3.73
12.	Airless Indexing Table Type Shot Peening Machine, Model	Surface Finishing Equipment Company	Quotation dated May 28, 2026, with a validity up to October 30, 2026	1	4.25	4.25
13.	CNC Gear Hobbing Machines – LC 280	Liebherr Machine Tools India Private Limited	Quotation dated August 21, 2026, with a validity up to February 21, 2027	4	28.50	114.00

(₹ in millions)

Sr. No.	Particulars	Name of supplier/ vendor	Date of purchase order/ quotation and its validity	Units	Cost per unit	Estimated cost
14.	CNC Gear Grinding Machines- LGG 280	Liebherr Machine Tools India Private Limited	Quotation dated August 28, 2026, with a validity up to February 28, 2027	2	105.70	211.40
15.	CNC Gear Grinding Machine LGG 500	Liebherr Machine Tools India Private Limited	Quotation dated August 31, 2026, with a validity up to February 28, 2027	1	116.96	116.96
16.	Internal Grinding Machine Model BGI 300 CNC (Single Spindle) with Fanuc 0i TF Plus (3- Axis) having AC servo motors and rotary encoders in the wheel head infeed axis & also in the Work Head (Z-axis) slide, AC Servo motor for Live work, including standard and following accessories	Bestek Engineering Private Limited	Quotation dated May 07, 2026, with a validity up to October 31, 2026	4	7.68	30.72
17.	CNC External Wheel Head Grinding Machine Model BGE 350x600 CNC with Fanuc 0i TF Plus CNC System having AC servo motors and rotary encoders in the wheel head infeed axis & also in the table (Z Axis) slide, Ac servo motor for work head along with standard accessories	Bestek Engineering Private Limited	Quotation dated May 07, 2026, with a validity up to October 31, 2026	4	8.90	35.60
18.	Auto Straightening	Pegasys Machines Private Limited	Quotation dated May 26, 2026, with a validity up to October 31, 2026	1	8.60	8.60
19.	LL20TL7 CNC Lathe - Fanuc with standard features and accessories	LMW Limited	Quotation dated May 18, 2026, with a validity up to November 18, 2026	2	2.95	5.90
20.	CONTOURECORD 1600G-12 Lite Machine Characteristics and Features	QS Metrology Private Limited	Quotation dated August 26, 2026, with a validity up to November 26, 2026	1	1.56	1.56
21.	Duramax - ZEISS CNC Coordinate Measuring Machine (CMM) in cantilever design	Carl Zeiss India (Bangalore) Private Limited	Quotation dated May 07, 2026, with a validity up to September 30, 2026	1	5.69	5.69
22.	Advanced Portable Surface Roughness Tester	Mitutoyo South Asia Private Limited	Quotation dated May 18, 2026, with a validity up to November 30, 2026	1	0.54	0.54
23.	Optical Brinell Hardness Tester Model AI-B-3000-O	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to	1	0.23	0.23

(₹ in millions)

Sr. No.	Particulars	Name of supplier/ vendor	Date of purchase order/ quotation and its validity	Units	Cost per unit	Estimated cost
			November 22, 2026			
24.	Automatic Millipore Model QS-Optical-XYX	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to November 22, 2026	1	1.68	1.68
25.	Millipore Test Apparatus	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to November 22, 2026	1	0.41	0.41
26.	Abrasive Cutting Mc QS-100C	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to November 22, 2026	1	0.25	0.25
27.	Automatic Polishing head QS-DPVA	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to November 22, 2026	1	0.26	0.26
28.	Automatic Hot Mounting Machine QSM-145A	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to November 22, 2026	1	0.30	0.30
29.	Computer Controlled Electronic Servo Tensile Testing Machine model QS-1000HW	Qualitech Systems	Quotation dated May 26, 2026, with a validity up to September 30, 2026	1	1.58	1.58
30.	Inverted Metallurgical Microscope GX53 Standard Set	IR Technology Services Private Limited	Quotation dated May 27, 2026, with a validity up to October 31, 2026	1	2.62	2.62
31.	Automatic indentation Testing System for MICRO Vickers measurements	IR Technology Services Private Limited	Quotation dated July 30, 2026, with a validity up to October 30, 2026	1	6.25	6.25
32.	Magnetic Particle Inspection Equipment Model "AHD- 1060"	ITW India Private Limited (Magnaflux Division)	Quotation dated May 18, 2026, with a validity up to November 18, 2026	2	2.34	4.69
33.	5 Axes CNC Hob, Shaper and Skiving Cutter Regrinding Machine	Kennametal India Limited (WIDMA Machining Solutions Group)	Quotation dated May 11, 2026, with a validity up to November 11, 2026	1	15.00	15.00
Total						851.39

(1) Cost is exclusive of taxes and duties as our Company will be able to avail input tax credit for the same and exclusive of freight and insurance which will be on actual basis. We will utilise the mentioned costs from general corporate purposes or from existing internal accruals of our Company.

The proposed Plant and Machinery are intended to enhance our machining capabilities, improve operational efficiency and support higher production throughput. Upon installation and commissioning of the proposed Plant and Machinery, our aggregate installed machining capacity is expected to increase from 3,260,652 units per annum to 4,232,652 units per annum, representing an increase of 29.81% over our existing installed machining capacity, after giving effect to the acquisition of the erstwhile D.S. Engineers. Further, it adds following benefits to our existng portfolio:

Machined components being the downstream stage of our value chain, enable enhanced value addition.

While forged components constitute the core intermediate products manufactured by us, machining operations add significant value by transforming such forgings into finished or near-finished precision components that are ready for direct use in customers' assemblies. Machined components generally command higher realizations compared to forged-only products due to the additional processing, precision engineering, quality control and technical expertise involved. By undertaking machining activities in-house, we are able to offer integrated manufacturing solutions to our customers, reduce dependence on third-party processors, improve operational efficiencies and strengthen customer relationships. Further, the supply of fully machined components enables us to participate in a larger portion of our customers' procurement spend, thereby enhancing revenue per component and improving overall profitability.

Upgradation from shaving to mirror like precision:

The Proposed Expansion includes machineries that are used to get isotrophic finishing (mirror-like precision) which further boost us to move up in the value chain. we are increasingly transitioning from conventional gear shaving processes to the manufacture of isotrophic finished precision components. While gear shaving is generally suitable for products used in applications with relatively moderate precision requirements, such as tractors, isotrophic finishing enables the production of components with superior surface finish, tighter tolerances and enhanced performance characteristics. The ability to manufacture this precision components allows us to cater to higher-value applications, including electric vehicles (EVs), export-oriented products and other advanced automotive and industrial segments where stringent quality, noise, vibration and durability requirements are critical. Such products are typically supplied to OEMs who require components manufactured to exacting technical specifications and global quality standards.



Aligns with our Company's focus on export market:

Historically, we have supplied our products to customers in international markets, Our revenue from direct exports amounted to ₹ 83.31 million, ₹ 37.62 million and ₹ 0.76 million in Fiscals 2026, 2025 and 2024, respectively. The transition from conventional shaving processes to isotrophic precision finishing is also aligned with our Company's strategic focus on expanding its presence in export markets. Export customers and global OEMs typically require components with stringent dimensional tolerances, superior surface finish, enhanced durability and compliance with international quality standards. We believe that this capability enhancement will support our efforts to deepen relationships with existing export customers, acquire new customers in regulated and quality-conscious markets, and increase the share of revenue derived from exports.

Ability to manufacture larger diameter gears & shaft and precision components

The Proposed Expansion will significantly enhance our capability to manufacture larger diameter gears and precision machined parts for applications across wind energy, heavy engineering and other industrial sectors. The proposed facility is planned to be equipped with machining infrastructure capable of processing gears ranging from over upto 600 mm in diameter and 100 kg in weight, together with automated gear inspection systems. These enhanced capabilities are expected to enable the manufacture of high-precision products, including internal ring gears, transmission gears, shafts

and ground gears, while expanding our addressable product portfolio and enabling us to cater to larger, more complex and higher value-added components.

IV. Utilities: *Electrification / Other Utility*

Our Company estimates an expenditure of ₹ 39.28 million towards electrification and other utilities. The electrification works (the “**Electrification**”) comprise the procurement and installation of a diesel generator, transformer, power distribution equipment and an electric counterbalance truck, while the other utility works (the “**Other Utility**”) comprise the procurement and installation of fire safety equipment and systems. The details of costing of such Electrification and Other Utility are set forth below:

(₹ in million)

Sr. No.	Particulars	Name of supplier/ vendor	Date of purchase order/ quotation and its validity	Units	Cost per unit	Estimated cost
1	Power Distribution – PCC Panel with Switchgears and LT (Low Tension) Distribution Panels	JS Engineers	Quotation dated September 03, 2026, with a validity up to December 31, 2026	1	9.14	9.14
2	3,150 KVA, 11 / 0.433 KV Transformer	Mehi Power Transformers	Quotation dated August 25, 2026, with a validity up to December 31, 2026	1	5.13	5.13
2	Diesel Generator Set 750 kVA.	Generac Captiva Private Limited	Quotation dated May 07, 2026, with a validity up to December 31, 2026	1	6.18	6.18
3	Electric Counterbalance Truck E50 with capacity of 5.0T Nominal Lead Acid battery	Kion India Private Limited	Quotation dated May 07, 2026, with a validity up to November 03, 2026	2	4.99	9.98
4	Fire Safety	New Tech Fire Solution	Quotation dated April 01, 2026, with a validity up to October 01, 2026	-	8.85	8.85
Total						39.28

(1) Cost is exclusive of taxes and duties as our Company will be able to avail input tax credit for the same and exclusive of freight and insurance which will be on actual basis. We will utilise the mentioned costs from general corporate purposes or from existing internal accruals of our Company.

V. Miscellaneous & Contingencies

Our Company envisages that there might be price fluctuations and the currently estimated project cost may increase on account of factors beyond our control, including increase in cost of Civil & Structural Work, Plant and Machinery and associated transportation or other charges or taxes. Further, it shall include pre-operative expenses related to regulatory approvals related to the Proposed Expansion. The total cost for miscellaneous expense and contingencies, as certified by the Cost Vetting Report, is estimated at ₹ 41.44 million, which is approximately 3.00% of total estimated cost excluding Land.

Other confirmations

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually provide civil work service / supply the machinery and equipment at the same costs. We are yet to place orders for any of the Civil & Structural Work, Plant and Machinery of the Proposed Expansion. Further, for risk arising out of the Objects, see “*Risk Factors - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities Machined Components at our Manufacturing Unit III, which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.*” on page 43. The Proposed Expansion which may be subject to the risk of unanticipated delays in implementation, cost overruns

and other risks and uncertainties.

Further, the Objects include orders for Civil & Structural Work, Site Development and Purchase of Plant and Machinery which have not yet been placed. There can be no assurance that we would be able to avail Civil & Structural Work, Site Development Work / procure Plant and Machinery at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. Some of the quotations mentioned above do not include cost of freight, insurance (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards general corporate purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

No second-hand or used equipment is proposed to be purchased out of the Net Proceeds.

None of the vendors from whom we have procured quotations of Civil & Structural Work, Site Development Work, Electrification and Other Utility and Plant and Machineries are related or connected to our Company, Promoters, Directors, Key Managerial Personnel, Senior Management and members of the Promoter Group. Our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel and members of the Promoter Group do not have any interest in the proposed Civil & Structural Work, Site Development Work, Electrification and Other Utility and Plant and Machineries.

Proposed schedule of implementation

The detailed proposed schedule of implementation of the Proposed Expansion, as per the Cost Vetting Report is set forth below:

Sr. No.	Particulars	Estimated schedule of commencement	Estimated schedule of completion [^]
1.	Acquisition of land	Completed	
2.	Civil Works & building construction	January 2027	December 2027
3.	Orders for Plant and Machinery	January 2027	September 2027
4.	Arrival of Plant and Machinery	October 2027	December 2027
5.	Commissioning of Plant and Machinery	January 2028	February 2028
6.	Trial run of Plant and Machinery	February 2028	March 2028
7.	Commercial Production	April 2028	

[^]For the risks associated with not meeting the expected schedule of implementation, including commercial production, see "Risk Factors - We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. This includes partial funding of capital expenditure requirements of our Company towards expansion of our production capabilities Machined Components at our Manufacturing Unit III, which may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties" on page 43.

Government Approvals

We require the approvals stated in the table below at various stages of the Proposed Expansion, as indicated below. Such approvals are granted on commencement or completion of various activities, as applicable. All such approvals shall be procured as and when they are required in accordance with applicable law. While the normal operations of our Company are ongoing, the Proposed Expansion will be undertaken in various stages post receipt of these approvals, in compliance with applicable law, the status of the requisite approvals is provided below, as per Cost Vetting Report:

Sr. No.	Approval Description	Authority	Stage when it is Required	Current Status
1.	Power Load (In-Principle Approval)	Punjab State Power Corporation Ltd (PSPCL)	Before commencement of electrical installation / procurement of power infrastructure	Approval for case load of partial load 2350 KW and partial demand of 2000 KvA of electricity obtained, which is valid until cancelled
2.	NOC For Use of Land For Industrial Purposes	Greater Mohali Area Development Authority	Before commencement of construction activities	Approval Received

Sr. No.	Approval Description	Authority	Stage when it is Required	Current Status
	(CLU)	(GMADA) Punjab		
3.	Consent To Establish	Punjab Pollution Control Board	Before commencement of construction and installation of Plant and Machinery	Application has been made on August 10, 2026
4.	Building Plan Approval	Director of Factories, Punjab	Before commencement of civil construction	Yet to Apply
5.	No Objection Certificate from Fire Authority	Punjab Directorate of Fire Services	Before commissioning / occupancy of the facility	Yet to Apply
6.	Consent To Operate	Punjab Pollution Control Board	Before commencement of commercial production / operations	After Commencement of the manufacturing operations
7.	Factory License	Department Of Labour, Punjab	Before commencement of manufacturing operations	Factory licence for Manufacturing Unit III, which is valid until December 31, 2029 (permitting employment of up to 500 workmen and a connected power load of up to 1,000 kW), which is proposed to be amended.
8.	Ground Water (Borewell) Approval	Punjab Water Regulation And Development Authority	Valid until March 11, 2027	

For details of the existing approvals, licences and registrations obtained in relation to Manufacturing Unit III, where the Proposed Expansion is proposed to be undertaken, see “*Government and Other Statutory Approvals – Material Approvals in relation to our Company’s business - Manufacturing Unit III*” on page 465.

2. Pre-payment/ re-payment, in part or full, of certain outstanding borrowings availed by our Company

Our Company have entered into various financing arrangements with banks, and financial institutions. The loan facilities entered into by our Company include borrowings in the form of, *inter alia*, term loans, working capital loan, cash credit, letter of credit and bank guarantee. For further details of these financing arrangements including indicative terms and conditions, see “*Financial Indebtedness*” on page 418. As of June 30, 2026, our aggregate outstanding borrowings stood at ₹ 1,335.79 million. We propose to utilise an estimated amount of ₹ 950.00 million from the Net Proceeds towards repayment/ prepayment, in part or in full, of all or a portion of certain borrowings availed by our Company, comprising 71.11%, of our total outstanding borrowings as of June 30, 2026. We intend to utilise the entire amount earmarked for this object during Fiscals 2027 in relation to repayment / prepayment of certain outstanding borrowings of our Company, including for payment of any pre-payment penalties and accrued interest thereon, which will be subject to receipt of necessary approvals.

The repayment/ prepayment will help us to reduce outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio, reduce our interest outflow and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that any improvement in debt-equity ratio 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 these borrowings and the terms of repayment/ prepayment, the aggregate outstanding borrowing amounts may vary from time to time.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowings will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) maturity profile and the remaining tenor of the loan, (iii) any conditions attached to the borrowings, restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, or relating to the terms of repayment, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, the amount of the loan outstanding.

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.

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The following table sets forth details of certain borrowings and interest accrued thereon availed by our Company which are outstanding as on June 30, 2026, out of which we may repay/ prepay, all or a portion of any or all of the borrowings from the Net Proceeds:

S. No	Name of the lender	Date of sanction letter(s)	Nature of borrowing	Purpose	Date of first disbursement	Amount sanctioned (in ₹ millions)	Outstanding amount as on June 30, 2026 (in ₹ millions)	Tenure	Interest rate	Prepayment conditions/ penalty, if any	Whether utilized for purpose mentioned
1.	Bajaj Finance Limited	August 21, 2024	Term Loan	For Capital Expenditure (plant & machinery)	September 02, 2024	50.00	35.42	73 months	8.45%	2% of the amount proposed to be prepaid.	Yes
2.	Bajaj Finance Limited	August 24, 2023	Term Loan	For Capital Expenditure (plant & machinery)	August 30, 2023	85.00	55.25	74 months	7.95%	2% of the amount proposed to be prepaid.	Yes
3.	Bajaj Finance Limited	December 19, 2025	Term Loan	For Capital Expenditure (plant & machinery)	December 24, 2025	100.00	100.00	86 months	8.45%	2% of the amount proposed to be prepaid.	Yes
4.	Bajaj Finance Limited	April 16, 2025	Term Loan	For Capital Expenditure (plant & machinery)	April 29, 2025	100.00	98.33	74 months	8.45%	2% of the amount proposed to be prepaid.	Yes
5.	Bajaj Finance Limited	August 04, 2021	Term Loan	For Capital Expenditure (plant & machinery)	August 08, 2021	175.00	27.11	66 months	8.75%	2% of the amount proposed to be prepaid.	Yes
6.	Bajaj Finance Limited	November 25, 2022	Term Loan	For Capital Expenditure (plant & machinery)	November 30, 2022	50.00	19.20	62 months	8.75%	2% of the amount proposed to be prepaid.	Yes
7.	HDFC Bank Limited	April 04, 2025	Term Loan	For Solar Plant	June 30, 2025	19.00	13.94	60 Months	7.75%	2% of the amount proposed to be prepaid.	Yes
8.	HDFC Bank	July 23, 2024	Term Loan	For Solar Plant	August 30, 2024	25.70	15.60	60 Months	7.34%	2% of the amount proposed to be prepaid.	Yes
9.	HDFC Bank	March 14, 2023	Term Loan	For Capital Expenditure (plant & machinery)	November 30, 2023	150.00	88.25	72 months	6.68%	2% of the amount proposed to be prepaid.	Yes
10.	Bajaj Finance Limited	May 21, 2021	Term Loan	For Capital Expenditure and Take over existing term loan	June 22, 2021	50.00	14.55	74 Months	9.70%	2% of the amount proposed to be prepaid.	Yes
11.	Canara Bank	March 14, 2023	Term Loan	For Capital Expenditure (plant	June 30, 2023	250.00	144.70	72 months	8.25%	2% of the amount proposed to be prepaid.	Yes

S. No	Name of the lender	Date of sanction letter(s)	Nature of borrowing	Purpose	Date of first disbursement	Amount sanctioned (in ₹ millions)	Outstanding amount as on June 30, 2026 (in ₹ millions)	Tenure	Interest rate	Prepayment conditions/ penalty, if any	Whether utilized for purpose mentioned
				& machinery)							
12.	Canara Bank	April 29, 2026	Cash Credit	For working capital requirements	April 29, 2026	366.00	239.18	Repayable on demand	8.00%	N.A.	Yes
13.	HDFC Bank	April 07, 2026	Cash Credit & Working Capital Demand Loan	For working capital requirements	April 07, 2026	384.00 [^]	157.48	Repayable on demand	8.00%	N.A.	Yes
	Total					1,009.01					

*In respect of the aforesaid loans, the date of disbursement is the date of the most recent disbursement of the relevant facility, as such facilities are revolving in nature and the facility is renewed from time to time.

[^]Including sub-limit of working capital demand loan of ₹ 337.00 million which has been sanctioned at the interest rate of 7.60% per annum.

Note:

1. In accordance with Para 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate to be obtained from the statutory auditor or a chartered accountant, holding a valid certificate issued by the Peer Review Board of the ICAI, certifying the utilization of loans for the purposes aforesaid, our Company, has obtained the requisite certificate from our Statutory Auditor, M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), for the loans utilised, by way of their certificate dated September 21, 2026.
2. For the purposes of the Offer, our Company has obtained necessary consents from and made the requisite intimations to the 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.

No portion of the Net Proceeds proposed to be utilised towards repayment/prepayment of borrowings or loans shall, whether directly or indirectly, be routed to, or otherwise utilised for the benefit of, the Directors, Promoters or members of the Promoter Group.

3. General Corporate Purposes:

The Net Proceeds will first be utilised for the objects as set out above. Subject to this, our Company will have flexibility in utilizing the balance Net Proceeds, aggregating to ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the aggregate of the gross proceeds from the Issue, in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Such general corporate purposes may include, but not restricted to, the following:

- Contingencies and miscellaneous expense related to Proposed Project;
- Working capital requirements;
- further capital expenditure;
- funding growth opportunities;
- servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “*General Corporate Purposes*” and the business requirements of our Company, and other considerations, from time to time.

Our Company will not utilize the amount earmarked for general corporate purposes towards any of the Objects.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds.

4. Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting commission (if any), selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. Except for (i) the listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, fees and expenses of the statutory auditors and fees and expenses of the legal counsel to the Offer which shall be solely borne by our Company; all costs, fees and expenses (including all applicable taxes), directly attributable to the Offer with respect to the Offer shall be shared by the Promoter Selling Shareholder, on a *pro rata basis*, in proportion to the number of Equity Shares offered and sold by the Promoter Selling Shareholder through the Offer for Sale. Our Company agrees to advance the cost and expenses of the Offer and our Company will be reimbursed, by the Promoter Selling Shareholder for her proportion of such costs and expenses upon successful completion of the Offer. The Promoter Selling Shareholder agrees that such payments,

expenses and taxes, will be deducted from the proceeds from the sale of Offered Shares, in accordance with applicable law and as disclosed in the Offer documents, in proportion to her Offered Shares. Notwithstanding anything contained herein or in any other documentation relating to the Offer, it is clarified that, in the event that the Offer is withdrawn or not completed for any reason, all the costs and expenses (including all applicable taxes) directly attributed to the Offer shall be exclusively borne by our Company and the Promoter Selling Shareholder in a proportionate manner, except as may be prescribed by SEBI or any other regulatory authority.

The estimated Offer related expenses are as follows:

Activity	Estimated Expenses ⁽¹⁾	As a percentage of the total estimated Offer expenses ⁽¹⁾	As a percentage of the total Offer size ⁽¹⁾
	(₹ in million)	(%)	(%)
Fees payable to Book Running Lead Managers (inclusive of underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Others including but not limited to:			
(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses;	[●]	[●]	[●]
(ii) Printing and distribution of stationery;	[●]	[●]	[●]
(iii) Advertising and marketing expenses;	[●]	[●]	[●]
(iv) Fees payable to legal counsel to the Offer;	[●]	[●]	[●]
(v) Fees payable to the Statutory Auditors;	[●]	[●]	[●]
(vi) Fees payable to the industry report provider			
(vii) Fees payable to the independent practicing company secretary			
(viii) Fees payable to the independent chartered engineer			
(ix) Fees payable to other advisors to the Offer, including but not limited to Cost Vetting Report provider and Monitoring Agency; and	[●]	[●]	[●]
Miscellaneous expenses including [●]	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

Notes:

1. To be incorporated in the Prospectus after finalisation of the Offer Price. Offer expenses are estimates and are subject to change. Offer expenses include goods and services tax, where applicable.
2. Selling commission payable to the SCSBs on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for Retail Individual Investors*	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	[●] % 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 charges shall be payable by our Company to the SCSBs on the Bid cum Application Forms directly procured by them.

3. *Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Investors x with bids above ₹ [●] million would be ₹ [●] plus applicable taxes, per valid application.*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ [●] million (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Non-Institutional Bidders and (ii) Qualified Institutional Bidders, as applicable

4. *Selling commission of Retail Individual Investors using the UPI mechanism and Non-Institutional Investors 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 & bank account provided by some of the Registered Brokers which are members of Syndicate (including their sub-Syndicate Members) would be as follows:*

Portion for RIIs*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Investors*	[●]% of the Amount Allotted (plus applicable taxes)

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling commission payable to the Syndicate / sub-Syndicate Members will be determined:

- (i) *For Retail Individual Investors and Non-Institutional Investors, on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.*
- (ii) *For Non-Institutional Investors (above ₹ [●] million), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.*

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission 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.

5. *Uploading Charges:*

- (i) *payable to Members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate members);*
- (ii) *payable to SCSBs on the QIB Portion and Non-Institutional Bidders (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ [●] per valid application (plus applicable taxes).*

The selling commission and bidding charges payable to Syndicate (including their sub-Syndicate Members) will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Notwithstanding anything contained above the total uploading charges payable under this clause will not exceed overall maximum cap of ₹ [●] million (plus applicable taxes) and in case if the total uploading charges exceeds ₹ [●] million (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of (i) Retail Individual Bidders and (ii) Non-Institutional Bidders, as applicable.

6. *Selling commission/ uploading charges payable to the Registered Brokers on the portion for Retail Individual Investors (up to ₹ 200,000) procured through UPI Mechanism and Non-Institutional Investors which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

Portion for RIIs*	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Investors*	₹ [●] per valid application (plus applicable taxes)

* Based on valid applications

Notwithstanding anything contained above the total Selling commission/ uploading charges payable to the Registered Brokers under this clause will not exceed overall maximum cap of ₹ [●] million (plus applicable taxes) and in case if the total Selling commission/ uploading charges exceeds ₹ [●] million (plus applicable taxes) then Selling commission/ uploading charges will be paid on pro-rata basis for portion of (i) Retail Individual Investors and (ii) Non-Institutional Investors, as applicable.

7. *Uploading charges/ Processing fees for applications made by RIBs (up to ₹ 200,000) and Non-Institutional Bidders (for an amount more than ₹ 200,000 and up to ₹ 500,000) using the UPI Mechanism would be as under:*

Members of the Syndicate / RTAs / CDPs/ Registered Brokers (uploading charges)*	₹ [●] per valid application (plus applicable taxes)
Sponsor Bank(s)	₹ [●] processing fees for applications made by Retail Individual Investors will be Nil for each valid Bid cum application form.* The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

** The total uploading charges/ processing fees payable to members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹ [●] million (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ [●] million, then the amount payable to members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ [●] million.*

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular.

Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers will not exceed ₹ [●] million (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ [●] million (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank(s).

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any financial institutions / banks. See, “Risk Factors - The Net Proceeds from the objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected” on page 65.

Bridge Financing

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. Additionally, we have not entered into any bridge finance arrangements that will be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the proposed project requirements until the completion of the Offer. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our proposed project will be repaid from the Net Proceeds of the Fresh Issue.

Interim Use of Funds

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described in this section, our Company may 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 may be approved by our Board. No lien on any nature shall be created on these underlying funds pending the deployment and utilisation of the funds towards the Objects of the Offer. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

Monitoring Utilization of Funds

Our Company will appoint a monitoring agency to monitor utilization of proceeds from the Fresh Issue, including the proceeds proposed to be utilised towards general corporate purposes, prior to filing of the Red Herring Prospectus with the RoC, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds, and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Further, our Company shall within forty-five days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on our website as well as submitting the same to the Stock Exchanges. Our Company will disclose and continue to disclose, the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such fiscals as required under applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilised, till the time any part of the Gross Proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised 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 quarterly results. Our Company shall, for the purpose of quarterly reports to be issued by the Monitoring Agency, provide an item-by-item description for all the expense heads under each object of the Offer until the Gross Proceeds have been utilised in full. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

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 utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects as stated above. The statement shall be certified by the statutory auditor of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations and such certification shall be provided to the Monitoring Agency.

Variation in Objects of the Offer

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, and the 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 through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act, 2013, and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in an English national daily newspaper, one in a Hindi national daily newspaper and a Punjabi daily newspaper (Punjabi being the regional language of Punjab, where our Registered and Corporate Office is located), in accordance with the Companies Act and applicable rules. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such

terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the provisions of the Companies Act and the SEBI ICDR Regulations. See “*Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval*” on page 37.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Equity Shares proposed to be sold by the Promoter Selling Shareholder in the Offer for Sale, neither our Promoters, nor members of our Promoter Group, Directors, Key Managerial Personnel or members of Senior Management will receive any portion of the Offer Proceeds and there are no material existing or anticipated transactions in relation to utilization of the Offer Proceeds with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel or members of Senior Management. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects as set out above.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Floor Price is [●] times of the face value of the Equity Shares and the Cap Price is [●] times of the face value of the Equity Shares. The Cap Price shall be minimum [●]% of the Floor Price and shall not exceed [●]% of the Floor Price.

Bidders should also see “*Risk Factors*”, “*Our Business*”, “*Summary of Restated Financial Information*”, “*Summary of Pro Forma Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 26, 253, 80, 421, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for the Offer Price are:

Integrated manufacturing capabilities, advanced engineering expertise, strong and diversified product portfolio and quality assurance systems

- We operate an integrated manufacturing platform across our four Manufacturing Units, with capabilities spanning forging, heat treatment, precision machining, gear cutting, grinding, induction hardening, inspection and sub-assembly operations. Our installed forging capacity has increased from approximately 3,600 MT per annum in 2004 to approximately 32,100 MT per annum as of Fiscal 2026, supported by advanced engineering, testing and quality assurance infrastructure.
- Our Company specializes in the manufacture of bull gears and holds an estimated 17.4% share based on value and 18.4% share based on volume of the Bull Gears market in Fiscal 2026, reflecting its longstanding presence and established position within the tractor segment (*Source: CRISIL Report*).

Extensive and diverse customer base with long-standing and established customer relations with global and domestic OEM customers

- We serve a diversified customer base, primarily comprising OEMs and aggregate manufacturers, across tractors and agriculture equipment, commercial vehicles, off-highway vehicles and industrial applications.
- A significant portion of our revenue is derived from long-standing customer relationships and repeat business. As of March 31, 2026, our top five and top ten customers (excluding the erstwhile D.S. Engineers) have been associated with us for an average period of 18.50 years and 12.22 years, respectively. Further, during Fiscal 2026, customers with relationships of more than 10 years contributed 79.31% of our revenue from sale of products, demonstrating the strength and longevity of our customer relationships.

Significant entry barriers due to technical experience, high capital expenditure and established customer relationships

- The manufacturing of hydraulic parts, axle and chassis components, reduction drive components, and transmission gears and shafts is characterized by significant entry barriers. Our IATF 16949-certified, forge-to-finished-component manufacturing model integrates forging, heat treatment and precision machining across more than 300 machines, enabling greater control over quality, process consistency and delivery timelines.
- With capacity utilisation ranging from 70% to 100% across our Manufacturing Units, compared with the forging industry average of approximately 60%, our Company is positioned as a single-point supplier capable of addressing the integrated sourcing requirements of global OEMs, particularly as they increasingly seek to diversify their supply chains through China Plus One sourcing strategies in India. (*Source: CRISIL Report*).

Experienced Promoters and management team, supported by a committed employee base

- Our Company has been operating under the leadership and guidance of our Promoters, Vineet Chauhan and Sahender Singh Chauhan, who also serve as the Managing Director and Executive Chairman and Whole-Time Director respectively, together possessing over 41 years of experience in the metal and forging industry.

- Our Company is supported by a dedicated management team with relevant technical and industry expertise. The experience of our Promoters, combined with our technical capabilities and industry understanding, positions us to pursue opportunities arising from forging and manufacturing infrastructure in India.

For details, see “Our Business— Competitive Strengths” on page 264.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Information and Pro Forma Financial Information. For further details, see “Summary of Restated Financial Information”, “Pro Forma Financial Information” and “Other Financial Information” on pages 80, 406 and 415, respectively.

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

1. Basic and diluted earnings per Equity Share (“EPS”), as adjusted for change in capital:

Financial Year ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2026	5.61	5.61	3
March 31, 2025	3.51	3.51	2
March 31, 2024	3.24	3.24	1
Weighted Average	4.51	4.51	
Simple Average	4.12	4.12	
On pro forma basis (March 31, 2026)	5.91	5.91	

Source:

- (i) The figures disclosed above are derived from the Restated Financial Information for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 and Pro Forma Financial Information for the Financial Year ended March 31, 2026.

Notes:

- (i) The ratios have been computed as below:
- Basic earnings per Equity Share (₹) = Restated profit after tax for the year/period divided by weighted average number of Equity Shares during the years/period as adjusted for sub-division.
 - Diluted earnings per Equity Share (₹) = Restated profit after tax for the year/period divided by weighted average number of dilutive Equity Shares during the years/period as adjusted for sub-division.
- (ii) Basic and diluted earnings per equity share (₹): Basic and diluted earnings per share are computed in accordance with Ind AS 33 – ‘Earnings per Share’ notified under the Companies (Indian Accounting Standards) Rules, 2015.
- (iii) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year]/[Total of weights].
- (iv) Simple average = Aggregate of year-wise EPS divided by the number of years included.
- (v) Number of shares are adjusted by increase in number of shares through sub-division of shares pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026.

2. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹ 2 each:

Particulars	Basic / Diluted EPS	P/E at the Floor Price (no. of times)*	P/E at the Cap Price (no. of times)*
On restated basis			
Based on basic and diluted EPS for the Financial Year ended March 31, 2026.	5.61	[●]	[●]
Weighted average basic and diluted EPS	4.51	[●]	[●]
Simple average basic and diluted EPS	4.12	[●]	[●]
On pro forma basis			
Based on basic and diluted EPS for the Financial Year ended March 31, 2026.	5.91	[●]	[●]

*To be updated upon finalisation of the Price Band and populated in the Prospectus to be filed with the RoC.

3. Industry Peer Group Price /Earnings (P/E) and Enterprise Value / Earnings Before Interest, Taxes, Depreciation and Amortization (EV/EBITDA) ratio

Based on the peer group information (excluding our Company), details of the highest, lowest and industry average P/E and EV/EBITDA ratio are set forth below:

Particulars	Peer Group Company Name	P/E ratio (Diluted)	EV/EBITDA ratio
Highest	Ramkrishna Forgings Limited	182.56	43.82
Lowest	MM Forgings Limited	30.82	14.70
Average		79.18	25.64

Source:

(i) All the financial information for listed industry peers mentioned above is on consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results as available of the respective company for the financial year ended March 31, 2026 submitted to stock exchanges or on company's website as available.

Note:

- (i) The industry high and low has been considered from the industry peer set provided later in this section.
- (ii) The average has been calculated as the arithmetic average of P/E ratio and EV/EBITDA ratio of all industry peers set disclosed in this section.
- (iii) P/E Ratio has been computed based on the closing market price of equity shares on NSE on August 25, 2026 divided by the Diluted EPS (on consolidated basis unless otherwise available only on standalone basis) based on financial results of the respective company for the financial year ended March 31, 2026 submitted to Stock Exchanges.
- (iv) EV / EBITDA has been computed based on the Enterprise Value divided by EBITDA. Enterprise Value is calculated as Market Cap as at August 25, 2026 plus long-term borrowing and short-term borrowing and EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and Depreciation & Amortization Expenses reduced by Other Income.

4. Return on Net Worth ("RoNW"):

Financial Year ended	RoNW (%)	Weight
March 31, 2026	20.07%	3
March 31, 2025	15.71%	2
March 31, 2024	17.20%	1
Weighted Average	18.14%	
On pro forma basis (March 31, 2026)	21.10%	

Source:

(i) Financial information for the Company is derived from the Restated Financial Information for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024 and Pro Forma Financial Information for the Financial Year ended March 31, 2026.

Notes:

- (i) Return on Net Worth (%) = Restated Profit after tax attributable to equity shareholders of the Company, divided by closing net worth for the years/period.
- (ii) 'Net worth': 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.
- (iii) Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights

5. Net Asset Value ("NAV") per Equity Share of face value of ₹ 2 each:

Financial Year ended	NAV (₹)
As on March 31, 2026	27.95
As on March 31, 2025	22.36
As on March 31, 2024	18.83
On pro forma basis (As on March 31, 2026)	28.02
After the Offer	

Financial Year ended	NAV (₹)
- At the Floor Price	[●]
- At the Cap Price	[●]
Offer Price ^(iv)	[●]

Source:

- (i) Financial information for the Company is derived from the Restated Financial Information for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024 and Pro Forma Financial Information for the financial year ended March 31, 2026.

Notes:

- (i) Net Asset Value per Equity Share = closing Net worth as per the Restated Financial Information for the years/ number of Equity Shares outstanding as at the end of years as adjusted for sub-division.
- (ii) 'Net worth': 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.
- (iii) Closing number of Equity Shares are adjusted by increase in number of Equity Shares through sub-division pursuant to a resolution passed by our Board dated January 23, 2026, and a resolution passed by our Shareholders dated February 16, 2026.
- (iv) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

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6. Comparison of Accounting Ratios with listed industry peers

Following is the comparison of our accounting ratios with our peer group companies listed in India and the industry average as identified in accordance with SEBI ICDR Regulations:

Name of the Company	Face value (in ₹ per share)	Current market price on August 25, 2026 (in ₹) ⁽²⁾	EPS (in ₹)		P/E Ratio (in times) ⁽⁶⁾	RoNW (in %) ⁽⁷⁾⁽⁸⁾	NAV per Equity Share (in ₹) ⁽⁵⁾	E.V. / EBITDA (in times) ⁽¹⁰⁾	RFO (₹ in million) ⁽¹⁾	Market Capitalisation (₹ in million) ⁽⁹⁾
			Basic ⁽³⁾	Diluted ⁽⁴⁾						
Our Company	2.00	[●]	5.61	5.61	[●]	20.07%	27.95	[●]	4,204.83	[●]
Our Company (Pro forma)	2.00	[●]	5.91	5.91	[●]	21.10%	28.02	[●]	4,587.26	[●]
Peer Group										
Happy Forgings limited	2.00	2,151.10	31.99	31.92	67.39	14.17%	225.56	43.82	15,463.36	202,957.28
Ramkrishna Forgings Limited	2.00	721.10	3.97	3.95	182.56	2.21%	179.39	24.68	42,380.77	130,842.87
MM Forgings Limited	10.00	629.95	20.44	20.44	30.82	10.13%	200.90	14.70	15,898.73	30,414.99
RACL Geartech Limited	10.00	1,511.10	42.04	42.04	35.94	13.89%	288.59	19.36	4,899.40	18,450.53

Source:

- (i) Financial information for the Company is derived from the Restated Financial Information and the Pro Forma Financial Information for the year ended March 31, 2026.
- (ii) All the financial information for listed industry peers mentioned above is on consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results as available of the respective company for the year ended March 31, 2026 submitted to stock exchanges or on company's website as available.

Notes:

1. RFO = Total revenue from operations.
2. Closing price on August 25, 2026 has been taken as the Last Traded Price (LTP) as on August 25, 2026 at NSE.
3. Basic EPS refers to the basic EPS sourced from the annual report/ financial results of the respective company for the year ended March 31, 2026 as Adjusted for Bonus Issue/sub-division (if any).
4. Diluted EPS refers to the diluted EPS sourced from the annual report/ financial results of the respective company for the year ended March 31, 2026 as Adjusted for Bonus Issue/sub-division (if any).
5. Net Asset Value per Equity Share for the year ended March 31, 2026 = Closing Net worth as per respective Financial Statements for the year ended March 31, 2026 / Number of equity shares outstanding as at the end of year ended March 31, 2026 as Adjusted for Bonus Issue/sub-division (if any).
6. P/E Ratio has been computed based on the closing market price of equity shares on NSE on August 25, 2026 divided by the Diluted EPS for the financial year ended March 31, 2026.
7. Return on Net Worth (%) = Net Profit after tax attributable to shareholders of the Company, as per Restated Financial Information for the year ended March 31, 2026/ Closing net worth for the year ended March 31, 2026 as per the Restated Financial Information.
8. 'Net worth': Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
9. Market Capitalization has been computed based on Number of equity shares outstanding as at March 31, 2026 as Adjusted for Bonus Issue/sub-division (if any) multiplied by closing price as computed in Note 2 above.
10. EV / EBITDA has been computed based on the Enterprise Value divided by EBITDA. Enterprise Value is calculated as Market Cap as at August 25, 2026 plus long-term borrowing and short-term borrowing and EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and Depreciation & Amortization Expenses reduced by Other Income.

For further details of non-GAAP measures, see the section “*Other Financial Information*” on page 415, to have a more informed view.

Rationale for selection of Listed Industry Peers

The peers of our Company have been selected on the basis of the following criteria: (i) Sector and Business Profile: Peer companies should be engaged in the manufacture and supply of forged and/or precision-machined components to automotive original equipment manufacturers (“**OEMs**”), either directly or through suppliers and auto ancillary companies catering to such OEMs; (ii) End-Market Exposure: Listed component manufacturing companies that derive a majority or significant portion of their revenue from operations from supplying components to the agriculture and commercial vehicle end-sectors have been considered as peers; and (iii) Comparable size: listed component manufacturing companies having a comparable scale of operations/market capitalisation, have been considered as peers.

Key Performance Indicators (“KPIs”)

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been used historically by our Company to understand and analyze our business performance. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational metrics, to make an assessment of our business performance and make an informed decision. 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.

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated September 21, 2026 and certified by our Chief Financial Officer, Vijay Kumar Sharma, on behalf of the management of our Company by way of certificate dated September 21, 2026. The management and the members of our Audit Committee have confirmed that the KPIs disclosed below have been identified and disclosed in accordance with the SEBI ICDR Regulations and the Industry Standards on Key Performance Indicators Disclosures in the Draft Offer Document and Offer Document (“**KPI Standards**”). Further, the management and members of our Audit Committee have verified the details of all KPIs pertaining to our Company and confirmed that the KPIs pertaining to our Company, as disclosed below, have been identified from the selected data as defined in KPI Standards (which also includes the data disclosed to investors at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus) and have been subject to verification and certification by M/s Ashwani K Gupta & Associates, Chartered Accountants (with FRN 003803N), pursuant to certificate dated September 21, 2026, which has been included as part of the “*Material Contracts and Documents for Inspections*” beginning on page 541.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see “*Our Business*”, and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 253 and 421, respectively. We have described and defined the KPIs, as applicable, in the section “*Definitions and Abbreviations – Key Performance Indicators*” on page 18.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of Directors of our Company), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; and (ii) complete utilisation of the proceeds of the Offer as disclosed.

Explanation for the KPI

The following table provides the rationale for our key performance indicators that have a bearing on arriving at the basis for the Offer Price:

KPI	Explanation for the KPI
<i>Financial KPIs</i>	
GAAP Measures	
Revenue from Operations	Revenue from operations represents the scale of our business as well as provides information regarding our overall financial performance.
Profit After Tax	Profit after tax provides information regarding the overall profitability of the business.

KPI	Explanation for the KPI
Operating Cash Flows	Operating cash flows provides how efficiently our company generates cash through its core business activities.
Non-GAAP Measures	
Growth in Revenue from Operations	Growth in Revenue from Operations provides information regarding the growth of our business for the respective period.
Gross Profit	Gross Margin represents the profitability on our products before accounting for indirect expenses. It reflects our ability to manage raw material and direct costs and to manage pricing strategy effectively.
Gross Profit Margin	Gross Margin (%) is the ratio of gross margin to revenue from operations. It helps in assessing the profitability on our products relative to revenue generated.
EBITDA	EBITDA provides a comprehensive view of our financial health. It facilitates evaluation of the year-on-year performance of our business and excludes other income.
EBITDA Margin	EBITDA Margin (%) is an indicator of the profitability of our business and assists in tracking the margin profile of our business and our historical performance.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability of our business as well as to compare against the historical performance of our business.
Total Debt to Equity Ratio	It is a measure of the extent to which a Company can cover their debt and represents a Company's debt position in comparison to their equity position. It helps evaluate a Company's financial leverage. Total Debt to Equity Ratio (Gearing Ratio) is calculated as Total Debt (excluding lease liabilities) divided by Total Equity.
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.
Net Fixed Asset Turnover	Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.
Net Working Capital days	Net Working Capital Days describes the duration it takes for us to convert our working capital into revenue.
Operational KPIs	
Installed Capacity	Installed capacity measures a company's maximum potential output of respective products, indicating its manufacturing scale.
Capacity Utilization	It refers to the extent to utilization of installed production capacity. It indicates the efficiency of resource use and is calculated as the actual production as a percentage of the installed capacity.
Number of SKUs	This metric indicates Number of products offered and sold by the Company during that respective period/year.
Employee count	This metric indicates shows employee strength of our Company.

Details of our KPIs as of and for the for the Fiscals 2026, 2025 and 2024, is set out below:

Particulars	Unit of measurement	As of and for the Fiscals		
		2026	2025	2024
Financial KPIs				
Revenue from Operations ⁽¹⁾	(In ₹ million)	4,204.83	3,463.13	3,210.91
Growth in Revenue from Operations ⁽²⁾	(In %)	21.42%	7.86%	-
Gross Profit ⁽³⁾	(In ₹ million)	1,976.75	1,601.47	1,389.00
Gross Profit Margin ⁽⁴⁾	(In %)	47.01%	46.24%	43.26%
EBITDA ⁽⁵⁾	(In ₹ million)	762.89	570.33	489.18

Particulars	Unit of measurement	As of and for the Fiscals		
		2026	2025	2024
EBITDA Margin ⁽⁶⁾	(In %)	18.14%	16.47%	15.24%
Profit After Tax ⁽⁷⁾	(In ₹ million)	412.17	258.18	238.14
PAT Margin ⁽⁸⁾	(In %)	9.80%	7.46%	7.42%
Total Debt to Equity Ratio ⁽⁹⁾	(in times)	0.60	0.72	0.75
RoE ⁽¹⁰⁾	(In %)	22.29%	17.06%	18.84%
RoCE ⁽¹¹⁾	(In %)	20.18%	17.28%	18.79%
Net Working Capital days ⁽¹²⁾	(In days)	102	107	96
Fixed Asset Turnover Ratio ⁽¹³⁾	(In times)	1.87	1.71	1.86
Operating Cash Flows ⁽¹⁴⁾	(In ₹ million)	562.20	348.11	348.62
Operational KPIs				
Forging				
Installed Capacity ⁽¹⁵⁾	(in MT)	32,100.00	28,050.00	20,100.00
Capacity Utilization ⁽¹⁶⁾	(In %)	78.72%	66.37%	82.92%
Machining				
Installed Capacity* ⁽¹⁵⁾	(in units)	21,98,172.00	20,65,572.00	21,84,672.00
Capacity Utilization ⁽¹⁶⁾	(In %)	88.95%	78.07%	72.67%
Number of SKUs ⁽¹⁷⁾	(in number)	719	635	607
Employee count ⁽¹⁸⁾	(in number)	1,082	1,033	890

* Includes installed capacity of Bull Gears, Gear & Shafts and Precision Machined Parts.

As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

Notes:

The above financial information has been extracted from the Restated Financial Information (to the extent available).

Our Company has acquired Net Assets of proprietorship named "D.S. Engineers" with effect from April 01, 2026. The entity/business unit is added in our Pro Forma Financial Information in accordance with applicable accounting standards. All metrics presented in this section exclude the data relating to "D.S. Engineers".

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Profit after Tax means profit after tax for the year as appearing in the Restated Financial Information.
3. Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Information.
4. Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
5. Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchases of stock-in-trade and Change in Inventory.
6. Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
7. EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and depreciation & amortization expenses reduced by other income.
8. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
9. PAT Margin (%) is calculated as Profit after tax for the year/period as a percentage of Revenue from Operations.
10. Total Debt to Equity Ratio is calculated as total borrowings (excluding lease liabilities) divided total equity less revaluation surplus available to the equity shareholders of the Company.
11. RoE (Return on Equity)(%) is calculated as Profit after Tax for the year / period divided by Average Shareholder's fund.
12. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs minus other income) divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing (excluding lease liabilities) & Short-Term Borrowing and Deferred Tax Liability/(Asset).
13. Net Working Capital Days is calculated as Net working capital as at the end of the year divided by revenue from operations multiplied by number of days in a year. Working Capital is calculated as Current Assets minus Current Liabilities (excluding short term borrowing).
14. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by sum of property, plant & equipment, intangible assets, ROU Asset and capital work in progress.
15. Installed Capacity refers to the aggregate installed capacity of respective process of all the manufacturing facilities taken together as of the last date of the relevant year/period, assuming all machines are running for 300 days.
16. Capacity Utilization has been calculated as Actual production divided by Installed capacity during the respective year/period.
17. Number of SKUs means number of products offered and sold by the Company during the respective year/period. Products are differentiated based on SKUs maintained by the Company which varies for different product with size, complexity, variants, etc. It excludes traded products and sale of scrap.
18. Employee count has been calculated as number of employees on payroll of the Company in respective year/period.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain 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. Some of these KPIs are not defined under Ind AS and are not presented in accordance with 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 metrics should not be considered in isolation or construed as an alternative to Ind AS measures 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 investors 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 measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business. See *“Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Financial Information prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus”* on page 66.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see sections titled *“Our Business”* and *“Management's Discussion and Analysis of Financial Condition and Results of Operations”* starting on pages 253 and 421, respectively. We have described and defined the KPIs, as applicable, in *“Definitions and Abbreviations – Technical and Industry Related Terms or Abbreviations”* on page 16. Bidders are encouraged to review the Ind AS financial measures and not to rely on any single financial or operational metric to evaluate our business.

7. Comparison of KPIs based on additions and dispositions to our business

The impact of all material acquisitions or dispositions of assets or business undertaken by our Company during the periods covered by the KPIs, i.e., Fiscals 2026, 2025 and 2024, is reflected in the KPIs disclosed in this Draft Red Herring Prospectus. We acquired the erstwhile D.S. Engineers, with effect from April 01, 2026 as a going concern on a slump sale basis together with all assets and liabilities of the business undertaking. This Draft Red Herring Prospectus includes the Pro Forma Financial Information to illustrate the impact of the Slump Sale Agreements undertaken as if the acquisition had taken place as on April 01, 2025 for the purpose of Pro forma statement of profit and loss for the year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026, for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of our Company to reflect the hypothetical impact of the transaction. Further, for details regarding acquisitions and dispositions made our Company in the last three Fiscals, see *“History and Certain Corporate Matter – Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years”* on page 313.

Comparison of KPIs as at and for the Financial Year ended March 31, 2026 after considering impact of the acquisition of the erstwhile D.S. Engineers:

(in ₹ million, unless otherwise indicated)

Particulars	Unit of measurement	As at and for the Financial Year ended March 31, 2026	
		Our Company (Pre-acquisition)	Our Company (Post acquisition)^
Financial performance indicators			
Revenue from Operations	(In ₹ million)	4,204.83	4,587.26
Growth in Revenue from Operations	(In %)	21.42%	N.A.
Gross Profit	(In ₹ million)	1,976.75	2,175.69
Gross Profit Margin	(In %)	47.01%	47.43%
EBITDA	(In ₹ million)	762.89	825.69
EBITDA Margin	(In %)	18.14%	18.00%
Profit After Tax	(In ₹ million)	412.17	434.56
PAT Margin	(In %)	9.80%	9.47%
Total Debt to Equity Ratio	(in times)	0.60	0.63

Particulars	Unit of measurement	As at and for the Financial Year ended March 31, 2026	
		Our Company (Pre-acquisition)	Our Company (Post acquisition)^
RoE	(In %)	22.29%	23.51%
RoCE	(In %)	20.17%	21.63%
Net Working Capital days	(In days)	102	87
Fixed Asset Turnover Ratio	(In times)	1.87	1.92
Operating Cash Flows	(In ₹ million)	562.20	N.A.
Operating performance indicators			
Forging			
Installed Capacity	(in MT)	32,100.00	32,100.00
Capacity Utilization	(In %)	78.72	78.72
Machining*			
Installed Capacity*	(in units)	2,198,172.00	3,060,972.00
Capacity Utilization	(In %)	88.95	90.67
Number of SKUs	(in number)	719	719
Employee count	(in number)	1,082	1,305

N.A. – Not Available

* Includes installed capacity of bull gears, gear & shafts and Precision Machined Parts.

^The financial information of our Company has been prepared after the consolidation of the acquisition as disclosed under section titled “Pro Forma Financial Information” on page 406.

8. Comparison of KPIs with our peers listed in India

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size / business portfolio /product & service profile/customer profiles/operating environment/profitability/geographic presence etc., on a whole with that of our business. Set forth below is a comparison of our KPIs with our listed peer group companies:

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(in ₹ millions, unless otherwise indicated)

Particulars	Unit of measurement	Jai Parvati Forge Limited			Happy Forgings limited			Ramkrishna Forgings Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial performance indicators										
Revenue from Operations ⁽¹⁾	(In ₹ million)	4,204.83	3,463.13	3,210.91	15,463.36	14,088.95	13,582.36	42,380.77	40,341.07	37,045.45
Growth in Revenue from Operations ⁽²⁾	(In %)	21.42%	7.86%	-	9.76%	3.73%	-	5.06%	8.90%	-
Gross Profit ⁽³⁾	(In ₹ million)	1,976.74	1,601.47	1,389.00	9,145.28	8,172.28	7,616.41	20,760.23	20,345.58	18,429.88
Gross Profit Margin ⁽⁴⁾	(In %)	47.01%	46.24%	43.26%	59.14%	58.00%	56.08%	48.99%	50.43%	49.75%
EBITDA ⁽⁵⁾	(In ₹ million)	762.89	570.33	489.18	4,706.89	4,066.98	3,875.37	6,248.50	5,584.47	7,722.20
EBITDA Margin ⁽⁶⁾	(In %)	18.14%	16.47%	15.24%	30.44%	28.87%	28.53%	14.74%	13.84%	20.85%
Profit After Tax ⁽⁷⁾	(In ₹ million)	412.17	258.18	238.14	3,016.29	2,674.36	2,429.84	717.97	3,315.50	2,828.81
PAT Margin ⁽⁸⁾	(In %)	9.80%	7.46%	7.42%	19.51%	18.98%	17.89%	1.69%	8.22%	7.64%
Total Debt to Equity Ratio ⁽⁹⁾	(in times)	0.60	0.72	0.75	0.15	0.12	0.09	0.71	0.66	0.42
RoE ⁽¹⁰⁾	(In %)	22.29%	17.06%	18.84%	15.17%	15.45%	18.69%	2.27%	11.69%	14.30%
RoCE ⁽¹¹⁾	(In %)	20.18%	17.28%	18.79%	16.63%	16.97%	21.45%	5.63%	6.75%	16.47%
Net Working Capital days ⁽¹²⁾	(In days)	102	107	96	223	213	173	89	105	111
Fixed Asset Turnover Ratio ⁽¹³⁾	(In times)	1.87	1.71	1.86	1.15	1.37	1.56	1.03	1.16	1.40
Operating Cash Flows ⁽¹⁴⁾	(In ₹ million)	562.20	348.11	348.62	4,446.68	2,923.32	1,894.39	8,397.55	325.48	6,210.55
Operating performance indicators										
Forging										
Installed Capacity ⁽¹⁵⁾	(in MT)	32,100.00	28,050.00	20,100.00	148,000	127,000	120,000	70,350	70,350	56,100
Capacity Utilization ⁽¹⁶⁾	(In %)	78.72%	66.37%	82.92%	59%	57%	58%	62.01%	67.31%	87.44%
Machining										
Installed Capacity ⁽¹⁵⁾	(in units)	21,98,172.00	20,65,572.00	21,84,672.00	68,000 in MT^	57,000 in MT^	51,000 in MT^	24,000 in MT^	24,000 in MT^	24,000 in MT^
Capacity Utilization ⁽¹⁶⁾	(In %)	88.95%	78.07%	72.67%	82%	83%	87%	109.88%	135.59%	135.55%
Casting										
Installed Capacity* ⁽¹⁵⁾	(in units)	-	-	-	-	-	-	62,400	33,600	12,000
Capacity Utilization ⁽¹⁶⁾	(In %)	-	-	-	-	-	-	41.71%	N.A.	N.A.
Number of SKUs ⁽¹⁷⁾	(in number)	719	635	607	N.A.	N.A.	N.A.	NA	NA	NA
Employee count ⁽¹⁸⁾	(in number)	1,082	1,033	890	3,512	3,171	3,017	N.A.	2,776	2,554

(in ₹ millions, unless otherwise indicated)

Particulars	Unit of measurement	Jai Parvati Forge Limited			Happy Forgings limited			Ramkrishna Forgings Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
	(in number)									

Particulars	Unit of measurement	Jai Parvati Forge Limited			MM Forgings Limited			RACL Geartech Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial performance indicators										
Revenue from Operations ⁽¹⁾	(In ₹ million)	4,204.83	3,463.13	3,210.91	15,898.73	15,251.81	15,630.66	4,899.40	4,150.68	4,095.22
Growth in Revenue from Operations ⁽²⁾	(In %)	21.42%	7.86%	-	4.24%	(2.42)%	-	18.04%	1.35%	-
Gross Profit ⁽³⁾	(In ₹ million)	1,976.75	1,601.47	1,389.00	8,772.48	8,632.38	8,458.26	3,464.40	2,945.62	2,944.86
Gross Profit Margin ⁽⁴⁾	(In %)	47.01%	46.24%	43.26%	55.18%	56.60%	54.11%	70.71%	70.97%	71.91%
EBITDA ⁽⁵⁾	(In ₹ million)	762.89	570.33	489.18	2,799.80	2,960.76	2,928.30	1,069.00	850.12	958.79
EBITDA Margin ⁽⁶⁾	(In %)	18.14%	16.47%	15.24%	17.61%	19.41%	18.73%	21.82%	20.48%	23.41%
Profit After Tax ⁽⁷⁾	(In ₹ million)	412.17	258.18	238.14	986.66	1,218.62	1,350.40	489.50	237.74	394.01
PAT Margin ⁽⁸⁾	(In %)	9.80%	7.46%	7.42%	6.21%	7.99%	8.64%	9.99%	5.73%	9.62%
Total Debt to Equity Ratio ⁽⁹⁾	(in times)	0.60	0.72	0.75	1.11	1.18	1.03	0.64	1.35	1.37
RoE ⁽¹⁰⁾	(In %)	22.29%	17.06%	18.84%	10.59%	14.51%	18.48%	16.91%	11.02%	21.17%
RoCE ⁽¹¹⁾	(In %)	20.18%	17.27%	18.79%	8.69%	11.19%	14.18%	12.86%	10.54%	16.30%
Net Working Capital days ⁽¹²⁾	(In days)	102	107	96	143	145	128	194	205	176
Fixed Asset Turnover Ratio ⁽¹³⁾	(In times)	1.87	1.71	1.86	1.11	1.13	1.51	1.42	1.27	1.32
Operating Cash Flows ⁽¹⁴⁾	(In ₹ million)	562.20	348.11	348.62	2,296.87	1,816.21	1,486.67	918.50	563.00	352.92
Operating performance indicators										
Forging										
Installed Capacity ⁽¹⁵⁾	(in MT)	32,100	28,050	20,100	NA	NA	NA	NA	NA	NA
Capacity Utilization ⁽¹⁶⁾	(In %)	78.72%	66.37%	82.92%	NA	NA	NA	NA	NA	NA
Machining*										
Installed Capacity ⁽¹⁵⁾	(in units)	2,198,172	2,065,572	2,184,672	NA	NA	NA	NA	NA	NA
Capacity Utilization ⁽¹⁶⁾	(In %)	88.95%	78.07%	72.67%	NA	NA	NA	NA	NA	NA
Casting										
Installed Capacity ⁽¹⁵⁾	(in units)	-	-	-	-	-	-	-	-	-

Particulars	Unit of measurement	Jai Parvati Forge Limited			MM Forgings Limited			RACL Geartech Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Capacity Utilization ⁽¹⁶⁾	(In %)	-	-	-	-	-	-	-	-	-
Number of SKUs ⁽¹⁷⁾	(in number)	719	635	607	NA	NA	NA	1600+	900+	900+
Employee count ⁽¹⁸⁾	(in number)	1,082	1,033	890	NA	2,297	2,054	1200+	811	670

NA – Not available

* Includes capacity of bull gears, gear & shafts and precision machined parts for our Company and ring rolling for Ramkrishna Forgings Limited.

As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

Financial performance indicators have been extracted from the computed based on Restated Financial Information.

All the financial information for listed industry peers mentioned above is on consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results / Investor Presentation as available of the respective company for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 submitted to stock exchanges or on company's website as available.

Notes in relation to our Company:

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
3. Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchases of stock-in-trade and Change in Inventory.
4. Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
5. EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and depreciation & amortization expenses reduced by other income.
6. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
7. Profit after Tax means profit after tax for the year as appearing in the Restated Financial Information.
8. PAT Margin (%) is calculated as Profit after tax for the year/period as a percentage of Revenue from Operations.
9. Total Debt to Equity Ratio is calculated as total borrowings (excluding lease liabilities) divided total equity less revaluation surplus available to the equity shareholders of the Company.
10. RoE (Return on Equity)(%) is calculated as Profit after Tax for the year / period divided by Average Shareholder's fund.
11. RoCE (Return on Capital Employed)(%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs minus other income) divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing (excluding lease liabilities) & Short-Term Borrowing and Deferred Tax Liability/(Asset).
12. Net Working Capital Days is calculated as Net working capital as at the end of the year divided by revenue from operations multiplied by number of days in a year. Working Capital is calculated as Current Assets minus Current Liabilities (excluding short term borrowing).
13. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by average of opening sum of property, plant & equipment, intangible assets, ROU Asset and capital work in progress.
14. Operating cash flows means net cash generated from operating activities as mentioned in respective financial statements.
15. Installed Capacity refers to the aggregate installed capacity of respective product of all the manufacturing facilities taken together as of the last date of the relevant year/period, assuming all machines are running for 365 days.
16. Capacity Utilization has been calculated as Actual production divided by Installed capacity during the respective year/period or mentioned in respective report/investor presentation.
17. Number of SKUs means number of products offered and sold by the Company during the respective year/period. Products are differentiated based on SKUs maintained by the Company which varies for different product with size, complexity, variants, etc. It excludes traded products and sale of scrap.
18. Employee count has been calculated as number of employees on payroll of the Company in respective year/period.

9. Weighted average cost of acquisition (“WACA”), floor price and cap price

- a) Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plan and issuance of Equity Shares pursuant to a bonus issue) 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 our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”).

Our Company has not issued any Equity Shares or convertible securities (excluding issuance of bonus shares), 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 our Company (calculated based on the pre-Offer capital before such transaction), 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, bonus issuances) based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group, Promoter Selling Shareholder or other shareholders with rights to nominate directors 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, in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)

Details of secondary sales / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, the Promoter Selling Shareholder having the right to nominate director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”) are as follows:

Date of transfer	Name of transferee	Name of transferor	Number of equity shares	Percentage of Pre-Offer share capital (%)	Nature of consideration	Nature of transaction	Weighted Average Cost per Equity Share	Total consideration (₹ in million)
October 03, 2025	Dharmender	Subey Singh	1,035,000	7.04%	Cash	Transfer	4.83	5.00
	Total Cost (₹ in million)							5.00
	Total Number of Equity Shares after subdivision of the face value of Equity Shares							5,175,000
	Weighted Average Cost of Acquisition (₹)							0.97*

*adjusted for subdivision of the face value of Equity Shares

- c) Price per share based on the last five primary or secondary transactions;

Since there have been Secondary Issuances by our Company during the 18 months preceding the date of filing of this Draft Red Herring Prospectus (as disclosed above), the requirement to disclose information based on the last five primary or secondary transactions, irrespective of the size of such transactions, involving our Promoters, members of the Promoter Group, Promoter Selling Shareholder, or Shareholders having the right to nominate director(s) on the Board of the Company, within three years prior to the date of filing of this Draft Red Herring Prospectus, is not applicable.

10. Weighted average cost of acquisition (“WACA”), floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share (₹)	Floor Price (₹) i.e. ₹ [●]#/-	Cap Price (₹) i.e. ₹ [●]#/-
Weighted average cost of acquisition of Primary Issuance	NA	[●] times	[●] times

Past transactions	Weighted average cost of acquisition per Equity Share (₹)	Floor Price (₹) i.e. ₹ [●]#/-	Cap Price (₹) i.e. ₹ [●]#/-
Weighted average cost of acquisition of Secondary Transactions	0.97	[●] times	[●] times

To be included on finalisation of Price Band.

* As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

11. Justification for Basis for Offer Price

- (a) The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last eighteen months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios as at and for the Fiscals 2026, 2025, and 2024.

[●]*

*To be included on finalisation of Price Band

- (b) The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last eighteen months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Offer.

[●]*

*To be included on finalisation of Price Band

12. The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] will be determined by our Company, in consultation with the Book Running Lead Managers, 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-mentioned information along with "Risk Factors", "Our Business", "Summary of Restated Financial Information", "Summary of Pro Forma Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 26, 253, 80, 86 and 421, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 26 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Statement of special tax benefits (under direct and indirect tax laws) together with the report available to the Company and its shareholders

Date: September 21, 2026

To,

Board of Directors

Jai Parvati Forge Limited

Village Bhagwanpur,
Barwala Road Tehsil Dera Bassi,
District SAS Nagar, Mohali,
Punjab – 140 507, India;

Beeline Capital Advisors Private Limited

B 1311-1314, 13th Floor,
Shilp Corporate Park, Rajpath Rangoli Road,
Thaltej Ahmedabad, Bodakdev,
Ahmadabad City, Gujarat, India, 380054

and

Monarch Network Capital Limited

G Block, Laxmi Tower,
B Wing, 4th Floor, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051.
Maharashtra, India

(Beeline Capital Advisors Private Limited, Monarch Network Capital Limited and any other book running lead manager which may be appointed, are referred to as the “**Book Running Lead Managers**” or “**BRLMs**” in relation to the Offer.)

Dear Sir/Madam,

Sub: Proposed initial public offering of equity shares of face value of ₹ 2 each (the “Equity Shares”) of Jai Parvati Forge Limited (the “Company”) through a fresh issue of Equity Shares and Offer for sale of the Equity Shares by Selling Shareholders (the “Offer”)

Sub.: Statement of possible Special Tax Benefits available to the Company, and its shareholders prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the “SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shared of face value of 2 each of the Company.

At the request of the Company, we, Ashwani K Gupta & Associates, Chartered Accountants, (FRN: 003803N), are the statutory auditors of the Company, appointed in accordance with section 139 of the Companies Act, 2013, as amended. We refer to the proposed initial public offering of equity shares (the “**Offer**”) of the Company. We enclose herewith the statement (the “**Annexure**”) showing the current position of special tax benefits available to the Company, to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 2025, (“**Act**”) the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “**GST Act**”), the Customs Act, 1962 (“**Customs Act**”) and the Customs Tariff Act, 1975 (“**Tariff Act**”) (collectively the “**Taxation Laws**”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the tax year 2026-27 for inclusion in the Draft Red Herring Prospectus (“**DRHP**”) for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 2025. Hence, the ability of the

Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the **Annexure**. Any benefits under the taxation laws other than those specified in Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the Annexure have not been examined and covered by this statement.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Taxation Laws and their interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain special tax benefits in future;
- The conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met;

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the SEBI ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its Shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**").

We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

This certificate may be relied upon by the Company, the Book Running Lead Managers, and the legal counsel appointed in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in the draft red herring prospectus, red herring prospectus and prospectus or any other documents in connection with the Offer (collectively, the "**Offer Documents**"). We also consent to the submission of this certificate as may be necessary to any regulatory or statutory authority and/or for the records to be maintained by the Book Running Lead Managers in connection with the Offer and in accordance with applicable law. This certificate may be disclosed by the Book Running Lead Managers, if required, (i) by reason of any law, regulation or order 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 have carried out our work on the basis of Restated Financial Statements and other documents, information in the public domain and information made available to us by the Company, which has formed substantial basis for this Statement.

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. We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory/ statutory authority, the Stock Exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

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, Prospectus, the Preliminary International Wrap/Offering Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India (“SEBI”), the Registrar of Companies, Punjab and Chandigarh at Chandigarh (“ROC”) and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the Offer or in any other documents in connection with the Offer.

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Offer Documents.

For Ashwani K Gupta & Associates
Chartered Accountants
(Registration No. 003803N)

Munish Goel
Partner
Membership No. 553043
Place: Panchkula
Date: September 21, 2026
UDIN: 26553043SELYFR6128

Annexure to the statement of special tax benefits available to Jai Parvati Forge Limited (“Company”) and the shareholders of the company (“Shareholders”)

Statement Of Tax Benefits

Statement of possible tax benefits available to the Company and its Shareholders under the Income Tax Act 2025, the Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the applicable states' Goods and Services Tax Acts and other applicable tax laws

I. Special tax benefits available to the Company

A. Direct Tax

1. Lower corporate tax rates on income of domestic companies – Section 200 of the Act

As per Section 200 of Income Tax Act 2025 wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions.

- (1) Irrespective of anything contained in this Act but subject to the provisions of Parts A, B, E and this Part (other than section 199 and 201) of this Chapter, the income-tax payable for a tax year shall be at the rate of 22%, at the option of a person being a domestic company, in respect of the total income of such person computed in the following manner: —
 - a) Without any deduction under
 - I. Section 45(2) or 47(1)(b); or
 - II. Chapter VIII other than provisions of section 146 or 148: or
 - III. Sections specified in section 205(1)(a) to (g);
 - b) Without set off of any loss carried forward or depreciation from any earlier tax year; if such loss or depreciation is attributable to any of the deductions referred to in clause (a);
 - c) Without set off of any loss or allowance for unabsorbed depreciation deemed so under section 116, if such loss or depreciation is attributable to any of the deductions referred to in clause (a) .
- (2) Where the person fails to satisfy the requirements contained in sub-section (1) in any tax year, the option shall become invalid in respect of the said tax year and subsequent years and other provisions of the Act shall apply, as if the option had not been exercised for such tax year and for subsequent years.
- (3) The loss and depreciation referred to in sub-section (1)(b) and (c) shall be deemed to have been given full effect to and no further deduction for such loss or depreciation shall be allowed for any subsequent year.
- (4) In case of a person, having a Unit in the International Financial Services Centre, which has exercised option under sub-section (5), the requirements contained in sub-section (1) shall be modified to the extent that the deduction as referred to in section 147 shall be available to such Unit subject to fulfilment of the conditions contained in that section.
- (5) The provisions of this section shall not apply unless the option is exercised by the person in such manner as may be prescribed on or before the due date specified under section 263(1) for furnishing the return of income and such option once exercised, shall apply to subsequent tax years.
- (6) Once the option under this section has been exercised for any tax year, it shall not be subsequently withdrawn for the same or any other tax year.
- (7) In case of a person, being a domestic company, where the option exercised by it under section 201 has been rendered invalid due to violation of the conditions contained in section 205(2)(b) or (c) or (d), such person may exercise the option under this section.

Note: The Company has opted for the lower tax rate benefit for the Financial Year 2019-20 relevant to Assessment Year 2020-21 under Section 200 and the necessary declaration has already been filed with the tax authorities.

2. Deduction in respect of employment of new employees Section 146 of the 2025 Act

Subject to fulfilment of prescribed conditions specified in subsection (3) of Section 146 of the 2025 Act, the Company is entitled to claim deduction, under the provisions of Section 146 of the 2025 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.

However, the Company has not availed any benefit under the above section.

3. Deduction in respect of intercorporate dividends Section 148 of the 2025 Act

Up to 31st March, 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“DDT”), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1st April, 2020 is liable to tax in the hands of the shareholder. The Company is required to deduct Tax Deducted at Source (“TDS”) at applicable rate specified under the 2025 Act read with applicable Double Taxation Avoidance Agreement (if any). With respect to a resident corporate shareholder, a section 80M was inserted in the 1961 Act (i.e. Sec 148 of the 2025 Act) to remove the cascading effect of taxes on inter-corporate dividends. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 263 of the 2025 Act. The 2025 Act retains the mechanism to avoid cascading taxation on inter corporate dividends through Section 148 of the 2025 Act.

However, the Company has not availed any benefit under the above section.

B. Indirect Tax

1. Benefits under the Customs Act, 1962

The Export Promotion Capital Goods (EPCG) Scheme enables the import of capital goods at zero customs duty for pre-production, production, and post – production activities, provided there is an export obligation.

II. Special tax benefits available to the Shareholders

There are no special tax benefits available to the shareholders of the Company for investing in the shares of the Company.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Gears, Shafts and Precision Components Industry Report' dated September, 2026 prepared by CRISIL Intelligence ("CRISIL Report"). The CRISIL Report has been exclusively commissioned, and paid for, by our Company pursuant to an engagement letter dated January 31, 2026, for the purpose of this Offer for the purpose of confirming our understanding of the industry in which we operate. The CRISIL Report relied upon is not an extract, and while certain excerpts of the CRISIL Report may have been re-ordered by us for the purposes of presentation, no portion of the CRISIL Report containing information material to or bearing any material impact on investors' decision-making has been modified, omitted or excluded from this Draft Red Herring Prospectus. A copy of the CRISIL Report shall be made available on the website of our Company at www.jaiparvatiforge.com. This has also been included in "Material Contracts and Documents for Inspection – Materials Documents" on page 541.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

For further information, 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' and 'Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, which has been commissioned and paid for by the Company, for the purpose of this Offer.' on pages 20 and on page 65, respectively.

Module-I: Macroeconomic overview of the Indian economy

Review of Real GDP growth over fiscals 2023-2026 and outlook for fiscals 2026-2031

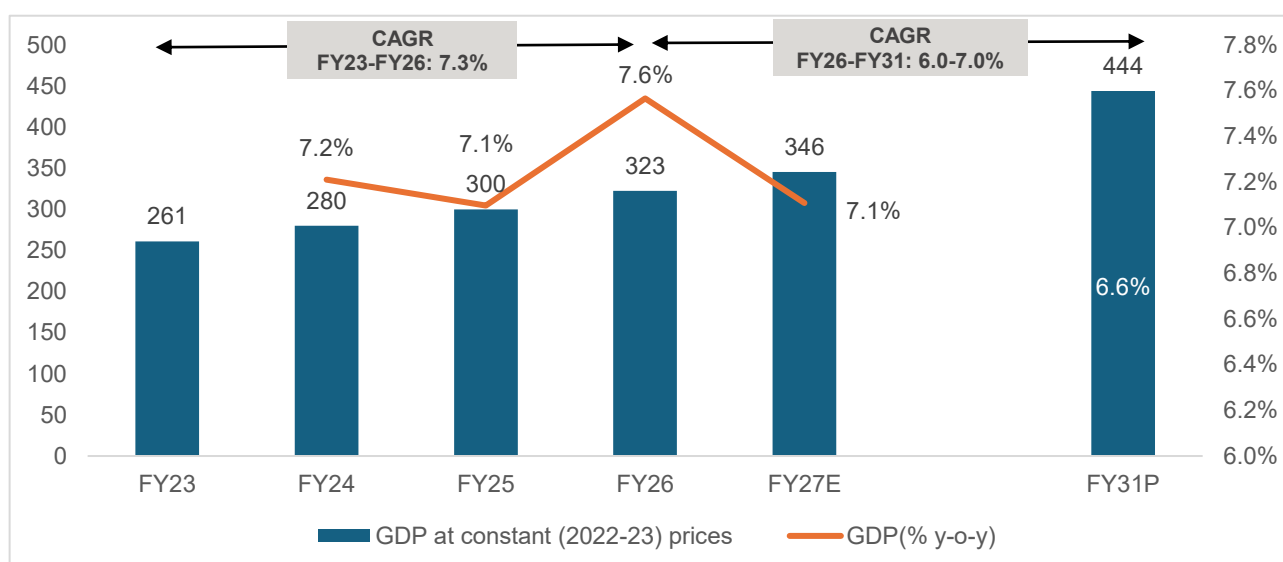
According to the IMF's April 2026 database, India has become the sixth largest economy from the previous fourth place ranking, falling behind UK and Japan. The decline is driven by the depreciation of Indian rupee against the US dollar and a downgrade revision of GDP. Despite this India continues to be among the world's fastest growing major economy with real GDP growth projection between 6-7% outpacing its global peers.

The Indian economy is estimated to have logged a CAGR of 7.3% between fiscals 2023 and 2026, driven by benign crude oil prices, soft interest rates and low current account deficit. However high growth and low inflation redefine the growth momentum in fiscal 2026. Inflation remains below the lower tolerance level; unemployment is on declining trajectory and export performance continue to improve. Further, the financial environment remains supportive, with readily available credit and low interest rate. Also, the domestic demand remains strong supported by robust private consumption

According to the National Statistics Office's (NSO) Second advance estimates (SAE), India's real gross domestic product (GDP) growth at 7.6% in fiscal 2026 slightly higher than First Advance Estimates (FAE) of 7.4%. The GDP growth accelerated by private consumption where growth revised upward to 7.7% from 7% previously. Further growth is supported by tax relief, rate cuts by RBI, and direct benefit transfers (which have crossed 4 lakh crore).

The real GDP growth is projected to be 7.1% and estimated potential growth rate is also expected to be 7% as per economic survey for 2025-26. Growth will be supported by robust private consumption and a mild pick-up private investment. The positive effects on private consumption from fiscal support includes tax cuts, GST cuts, unconditional cash transfers by states, lower interest rates and benign inflation will spill over into the next fiscal. The private investment sentiment witnessed improvement with a recovery in private capex underway, driven by emerging sectors such as green hydrogen, semiconductor, battery manufacturing and data centres are the key growth areas. The central government's capex thrust will continue, with budgetary or effective capex budgeted to grow 22.1% in next fiscal compared with 6% in the revised estimates for this fiscal.

India's GDP growth trend and outlook

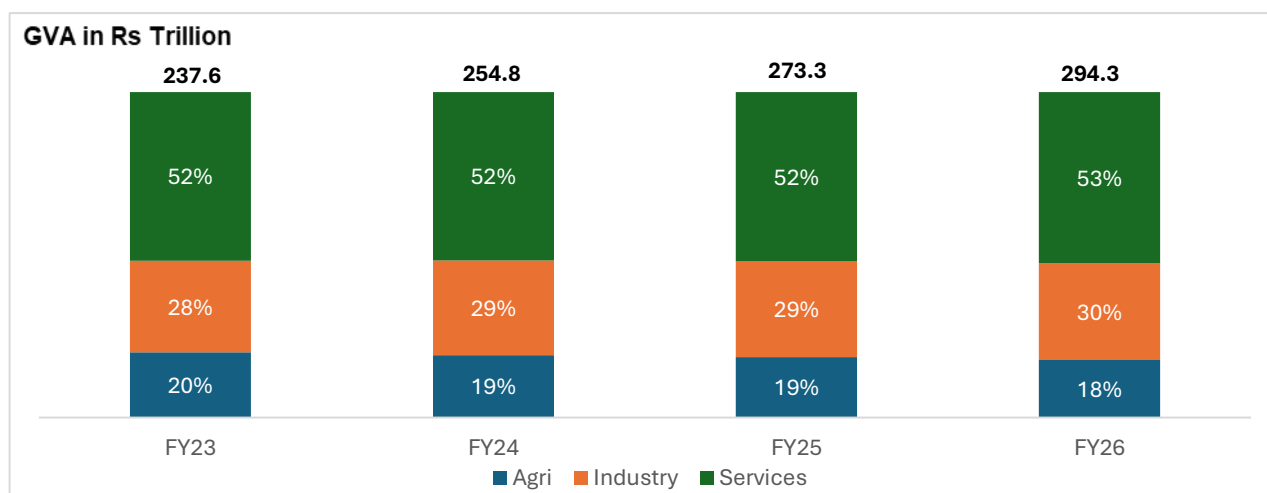


Note: E – Estimated, P – Projected

Source: National Statistical Office (NSO), International Monetary Fund (IMF), Crisil Intelligence estimates

Moreover, CRISIL forecast assumes normal monsoon and crude oil prices at USD 75-80 per barrel. However the ongoing conflict in Middle east poses significant risks to the global economy and could adversely impact India's GDP projections and surge in commodity prices, if the conflicts continue further. Reports of possibility of El Niño condition forming beyond August 2026 according to the National Oceanic and Atmospheric Administration, remain monitorable for the rural economy.

Share of sector in GVA at constant prices



Note: GVA at basic prices (constant 2022-23 prices)

Source: RBI; CRISIL Intelligence

India's Gross Value Added (GVA) at constant prices has demonstrated consistent and robust expansion, growing from Rs 237.6 trillion in fiscal 2023 to Rs 294.3 trillion in fiscal 2026. This absolute growth of Rs 56.7 trillion over a four-year period underscores a resilient macroeconomic environment and steady overall economic progress.

A notable structural trend during this period is the steady expansion of the industrial sector, whose share in total GVA increased from 28% in fiscal 2023 to 30% in fiscal 2026. This moderate but consistent growth in share reflects a strengthening manufacturing base and points toward ongoing industrialization and capacity expansion within the broader economy.

The Indian economy continues to solidify its service-oriented structure, with the services sector maintaining its dominance and increasing its share from 52% in fiscal 2023 to 53% by fiscal 2026. Meanwhile, the agricultural sector's share moderated from 20% in fiscal 2023 to 18% in fiscal 2026. This declining reliance on primary sector activities, alongside the growth in industry and services, is indicative of a broader structural transformation. It aligns with the trajectory of developing economies transitioning toward higher-value sectors.

Industry sector recorded highest growth at 9.3% backed by services at 8% and the Agri sector at 3.1% during the fiscal 2023 to fiscal 2026. Industry growth reached 8.8% in fiscal 2026 compared to 8.3% in fiscal 2025, driven by growth in manufacturing sector which is expected to grow 11.5% in fiscal 2026 vs 9.3% in fiscal 2025. Electricity (1.5% vs 2.9%) and mining (4.1% vs 11.7%) are expected to soften, partly impacted by an early monsoon. Construction, the most labour-intensive sector, likely saw growth soften but remained healthy at 7.1% in fiscal 2026 compared with 7.3% in fiscal 2025.

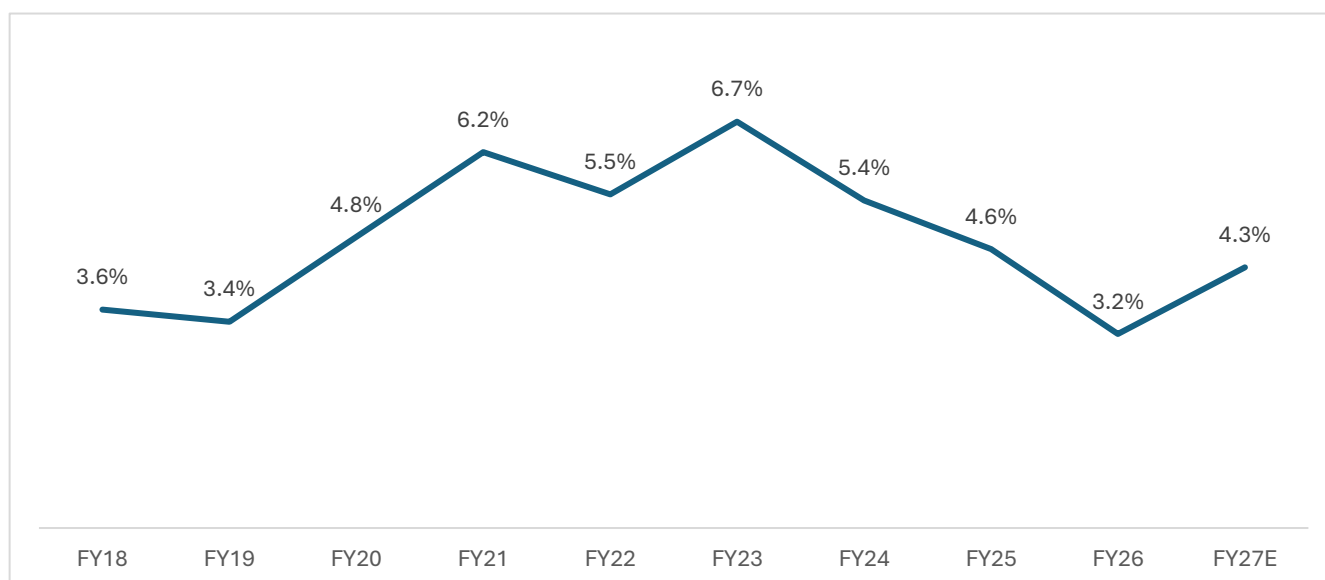
Agriculture and allied GVA growth were revised down to 2.4% in fiscal 2026 from 3.1% during the fiscal 2023 to fiscal 2026. Overall services growth projections were broadly steady at 9% in fiscal 2026 compared with 7.9% in fiscal 2025. But services sub-sectors such as THTC services and public administration services saw large revisions.

Review and Outlook of Consumer Price Inflation (CPI)

Inflation based on the revised Consumer Price Index (CPI) series, with 2024 as the base year, decreased to 3.2% in fiscal 2026 from 4.6% in the previous fiscal as food inflation further normalized even as fuel inflation remained healthy and core inflation was unchanged.

The overarching decline in the CPI was largely driven by the normalization of food inflation. While certain sub-segments like vegetables, spices, fruits and nuts, and oils and fats exerted upward pressure at times, the broader food basket stabilized significantly in FY26, pulling the headline number down. Fuel inflation remained stable and healthy during this period, providing a predictable operating environment for logistics and transportation sectors.

CPI trend



E- Estimated

Source: Ministry of Statistics and Programme Implementation (MOSPI), RBI, CRISIL Intelligence

Outlook on inflation

If the global fuel prices continue to surge, a prolonged crisis will have significant upward pressure on transportation sector, particularly petrol, diesel, Compressed Natural Gas (CNG) and airfare.

CRISIL expects CPI inflation to rise to 4.3% on average in fiscal 2027. While food prices are expected to remain healthy, the expected heatwaves this summer, as well as the possibility of El Niño conditions coinciding with India's southwest monsoon season, also pose a risk to food prices and reviewing.

Review of Per capita income

According to the revised estimates by the National Statics Office (NSO) New Series of Annual and Quarterly National Accounts Estimates with base year 2022–23, the per capita income (per capita net national income; NNI) is estimated to have grown 7.6% in fiscal 2026, compared with 7.4% in fiscal 2025 and 7.6% in fiscal 2024 as per the latest release of new series of national income with base year 2022-23.

In fiscal 2021, the per capita income declined 8.9% owing to GDP contraction, driven by the pandemic impact. The per capita income rose 7.6% in fiscal 2022 on the lower base of fiscal 2021.

According to the IMF's estimates, India's per capita income (at current prices) is expected to log a CAGR of 9.5% over calendar years 2026-2031.

Indian economy is expected to surpass the USD 5 trillion mark over the next few fiscals (2026- 2030) and inch closer to USD 7 trillion. A projected average GDP growth of 6-7% in this period (fiscal 2026- fiscal 2031) will lift its per capita income to the upper middle-income category. By fiscal 2031, India's per capita income is expected to rise to ~USD 4,420, thereby making it an upper middle-income nation.

The anticipated growth in per capita income is poised to enhance disposable income and purchasing power, thereby driving up demand for personal vehicles, including two-wheelers and passenger vehicles. Further, the rising incomes are likely to fuel a trend of premiumisation in these segments, where consumers opt to upgrade to higher-end vehicles and variants, seeking enhanced feature and quality

Review of Index of Industrial Production (IIP)

The Index of Industrial Production (IIP) marginally increased to 4.1% in March 2026 compared to 3.9% in March 2025 amid the critical input shortage of crude, petroleum products and natural gas in the first month of the West Asia conflict. Manufacturing and electricity slowed, while mining expanded. The IIP slowdown indicates the first wave of the energy shock and global trade disruptions. It ties in with the manufacturing PMI (Purchasing Managers' Index) moderating in March 2026, albeit remaining in expansion zone.

Worst hit were sectors most dependent on energy or other critical inputs from West. These included chemical products and construction inputs, which feeds into other sectors. Some export-oriented sectors such as textiles and electronics faced the twin impact of input cost pressures and global trade disruptions. However, sustained strength in heavyweights such as automobiles and machinery supported headline IIP growth, driven by strong domestic demand.

The coming quarters, expected to foresee the downside and upside risks to growth due to combination of factors such as higher prices and tighter supply of critical inputs due to the ongoing conflict in West Asia has imposed downside risks to industrial output. With gas (natural and liquefied gas) availability under pressure, the government has tried to ration supplies to industries. However, those with heavy dependence on gas and derivatives as key inputs could see disruptions in their output.

Other key challenges faced by manufacturers are surge in energy prices over the past three fiscals, a favourable input cost environment and improving domestic demand allowed firms to expand their margins steadily by 18-19%. That trend is now reversing. Rising input costs are emerging as a key pressure point, and uneven pricing power across firms may limit their ability to fully pass through costs.

Healthy domestic demand scenario, though, provides support currently. The uncertainty due to the continuing turmoil in West Asia is not only casting a shadow over India's macroeconomic outlook but if extended, can also delay business decisions and deter the recovery in private investments

Review of geopolitical risks and their impact on Automotive

The Auto manufacturers and suppliers particularly sectors such as casting and forging rely on piped natural gas (PNG) and Liquefied Natural Gas for heat intensive processes. A rise in LNG prices or supply constraints, raises input costs for auto component manufacturers and can lead to increased vehicle prices.

In March 2026 severe LNG supply restriction to regions of Europe and Asia following attacks on critical energy infrastructure in the Middle east and disruption in the strait of Hormuz. The Iranian missile strikes on Qatar's LNG infrastructure, the largest LNG facility in the world caused extensive damage to several LNG trains.

The International Energy Agency (IEA) has marked this disruption as a severe threat to global energy security, with the potential for prolonged shortages that will restructure global energy trade routes.

Iran -US -Israel conflict

US and Israeli strikes on Iran triggered severe restriction on shipping through the strait of Hormuz, the world's most critical oil chokepoint. Daily vessel transits reduced up to 95%. Container rates from North Asia to UK rose 37% m-o-m in March 2026 while North Asia to US west coast increased 13%. Intra -Asia routes saw freight cost double (from USD 30-40/mt to USD 60-80/mt). Iran has threatened to block the strait of Hormuz in response to US sanctions and military actions. If shipping is continued to be impacted through this route, it could have significant impacts on global oil supplies.

Impact on key raw material and components

The Gulf cooperation Council accounts for 8.3% of global aluminium production. Logistical constraint through Hormuz have impeded exports, while physical damage to regional smelters (eg-Qatar, Bahrain) further reduced availability.

European Aluminium flagged double digit spikes in metal and electricity prices which directly impact the Aluminum casing, heat exchangers and EV structures. With overseas supply tight, China is ramping up exports of semi-finished and finished aluminium products (up 11.9% and 28.4% y-o-y in Jan-Feb 2026 respectively)

Escalating tensions tied to the Iran war are introducing both indirect and direct disruption risk to high-tech supply chains.

The Middle East supports critical supply chains associated with semiconductor manufacturing and electronics production, creating potential risks for automotive electronics and component availability

Petrochemical supply chains support the production of critical electronic materials used in automotive semiconductors, printed circuit boards, sensors and electronic control units. Volatility in these raw materials may increase the cost of automotive electronics and disrupt component availability

Shipping and logistics disruptions

Rising uncertainties in the middle east have pushed global crude oil prices USD 80-85 per barrel compared to USD 62.7 per barrel in December 2025. Although Iran accounts for around 4.5-5% of the global crude oil supply, the key risk remains blockade of the Strait of Hormuz, as 20% of crude oil trade passes through the strait of Hormuz. The strait of Hormuz is strategically significant, and disruption can materially impact global energy trade by delaying supplies, raising shipping costs and lifting the price of energy globally.

Nearly a fifth of the seaborne global petroleum product transits through this narrow channel that links the Persian Gulf to the Gulf of Oman and the Arabian Sea.

Spike in spot LNG prices

Physical disruption of shipping routes through the Strait of Hormuz through which ~20% of global and 53-58% of India's LNG transits has created a critical supply bottleneck and heightened procurement risks. Production outages at Qatar's LNG facilities have directly reduced global supply availability, creating immediate tightness in the spot market. Direct attacks on Qatar's LNG facilities in March 2026, have severely disrupted global energy supply chain and triggered a long term supply shortage across Europe and Asia region.

Qatar accounts for ~45% of India's LNG import basket, representing the most concentrated exposure in India's import portfolio. Elevated geopolitical tensions have driven up war-risk insurance premiums for vessels transiting risk-laden zones, significantly increasing the delivered cost of LNG to India.

The combination of Qatari production disruptions and shipping constraints has reduced the volume of LNG available in the spot market globally. Spot LNG prices have surged from \$10 per MMBtu to nearly \$25 per MMBtu within days of situation escalating, reflecting both immediate supply shock and broader market uncertainty.

Crude oil prices surge on critical transit disruptions

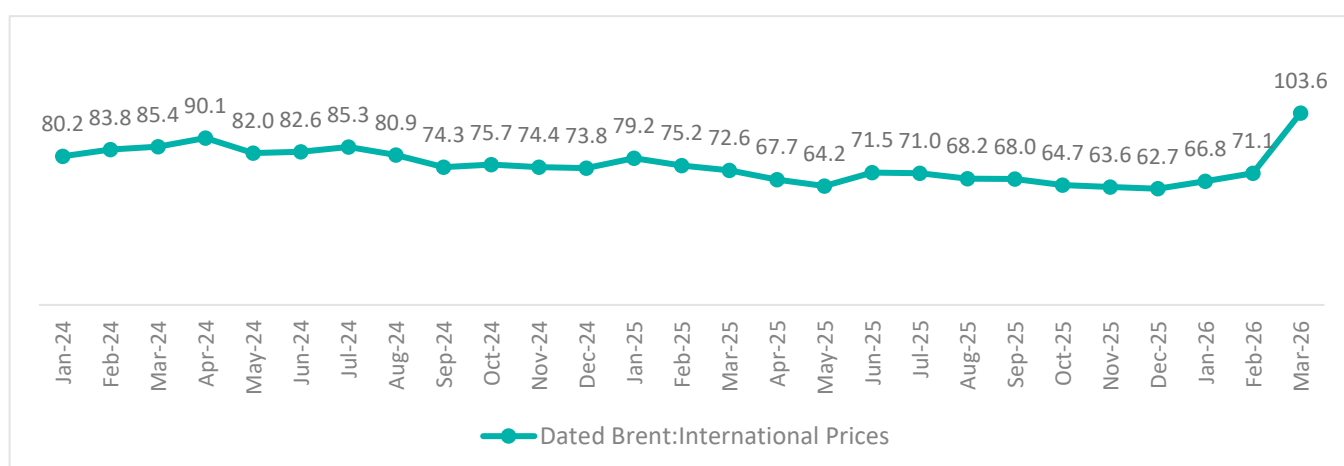
In March 2026, crude oil prices jumped 45% to an average of USD103.6/barrel, as Middle East tensions sparked fears of supply disruption. The risk of interruptions to oil flows, especially through the critical Strait of Hormuz, prompted investors to add a premium to crude prices, fueling a significant price surge.

Crude oil prices in Q1 FY2027 are estimated at USD95-100/barrel significantly compared to USD 67.8/barrel in Q1 FY2026. A sharp rise in crude oil prices led by near term supply tightness and transit constraints amid partial rerouting. However, as supply and transit conditions gradually normalize, prices are expected to be average USD 82-87/barrel for the full fiscal year 2027.

In CY2025 crude oil prices averaged USD 69.1 /bbl with moderation in demand growth due to imposition of tariff creating trade uncertainty coupled with steady supplies especially from non-OPEC nations. Output from OPEC nation increased notably in phased manner in second quarter of CY2025 keeping supplies high and dragging prices further. OPEC+ completely reserved cuts ~2-2 mbpd by September 2025 and announced moderate hikes in December 2025. While the prices surged temporarily when US imposed sanctions on Russia in 1st quarter of the CY2025 and due to geopolitical uncertainty in Middle east in June 2025, it came back to equilibrium level of ~USD65-70/bbl range.

The upside and downside risk to the prices rely on OPEC's decision of cut reversal and global demand growth in turn impacted by interest rates, tariff wars etc. The global crude oil demand is expected to increase by 0.5-1.5 mbpd in CY2026 with projected growth of 2.7%, slightly higher than 2025 level. The global demand will largely be driven by aviation fuels, LPG and petrochemicals in medium term while shift to alternate fuels and EV penetration to weigh on the traditional transport fuel demand. The latest increase in trade tensions signals a prolonged period of uncertainty, particularly due to the unstable global regulatory landscape. This affects multiple areas simultaneously, including domestic and international policies, such as electric vehicle subsidies and tariffs, which are creating an uncertain environment

Brent Crude prices (USD/barrel)



Sources: CRISIL Intelligence

In fiscal 2026, Crude oil prices declined to \$70/bbl from \$79/bbl in fiscal 2025 with moderation in demand growth due to imposition of tariffs creating trade uncertainties coupled with steady supplies especially by Non-OPEC nations. Output from OPEC nations increased notably in 2nd quarter of 2025 keeping the supplies high and dragging prices further. OPEC+ completely reversed the voluntary cuts of ~2.8-3.0 mbpd by Dec 2025, and announced pause to further hikes in 1st quarter of 2026. While prices surged temporarily when US imposed sanctions on Russia in 1st quarter of the year and due to geopolitical uncertainties in Middle East in June, it came back to equilibrium levels of ~65-70/bbl range. The global crude oil demand is majorly driven by aviation fuel while shift to alternative fuel and EV Penetration to weigh on the traditional transport fuel demand.

The outlook reflects current supply and transit disruption, any incremental impact on oil could sustain upward pressure on the prices. On the other hand, an improvement in transit conditions, particularly through the Strait of Hormuz, could help moderate prices. In the short term, prices are likely to remain volatile due to geopolitical risks and uncertainty surrounding the duration of the current disruptions.

CRISIL Intelligence expects crude oil prices remain within the range of \$103-108 per barrel in April 2026, as uncertainties around middle east continue leading to production disruptions in key oil producing nations and supply side constraints

especially through Strait of Hormuz impacting more than 20% of the world crude oil sea borne trade. In our view, it will take several weeks for global oil supply and trade scenario to normalize after the conflict ends.

Impact of Government Policies

PLI scheme provides boost to industrial investments in the short-to-medium term

The PLI scheme aims to make India's manufacturing globally competitive by removing sectoral obstacles and creating economies of scale. The scheme, implemented from 2022 to 2029, has already shown significant results:

The PLI scheme aims to make India's manufacturing globally competitive by removing sectoral obstacles and creating economies of scale. The scheme, implemented from 2022 to 2029, has already shown significant results:

~Rs 2 lakh crore in realised investments across 14 sectors as of September-2025

Rs 18.7 lakh crore in revenue generated

~12.6 lakh jobs created directly and indirectly

The scheme provides time-bound incentives to companies, rewarding them 5-15% of their annual revenue for achieving pre-decided targets for production, exports and capital expenditure. The scheme has led to a revival in capital expenditure and is expected to boost economic growth and create more employment opportunities.

The automobile and auto component sector saw a sharp increase in the allocation in the past few years—from Rs 2.63 crore in fiscal 2024 to Rs 346.87 crore in fiscal 2025 to Rs 2,818.85 crore for fiscal 2026.

The Union budget 2026-27 has increased the PLI scheme allocation for automobile and auto component to Rs 5,939.87 crore, a major rise from the revised 2025-26 estimates of Rs 2,091.26 crore. This surge supports 82 approved applicants in accelerating manufacturing and advanced automotive technology (AAT) and EVs.

Budgeted incentives for each sector under the PLI scheme

SECTOR	SEGMENT	FY26 Revised Estimates (RE) (Rs crore)	FY27 Budget Estimates (BE) (Rs crore)
Electronics	Electronic manufacturing and hardware	6,960	1,345
Pharma	Pharmaceuticals	2,300	2,250
Automobile	Advance chemistry cell (ACC) battery	13	86
	Automobiles and auto components	2,091	5,940
Textile	Textile	400	405
White goods	Air conditioners and LED lights	304	1004
Steel	Specialty steel	193	380

Source: PIB, budget documents, Crisil Intelligence

PLI Auto scheme promotes manufacturing of advanced automotive technology vehicles and components. It attracted Rs 35,657 crore in investment and created 48,974 jobs till September 2025.

Atmanirbhar Bharat campaign

The Atmanirbhar Bharat Abhiyan or the self-reliant India campaign was launched in May 2020 amid the Covid-19 pandemic, with a special and comprehensive economic package of Rs 20 trillion, equivalent to 10% of the country's GDP.

The stimulus package announced by the government under the scheme consisted of five tranches, intended to boost businesses, including Micro, Small and Medium Enterprises (MSMEs), help the poor (including farmers), boost agriculture, expand the horizons of industrial growth, and bring in governance reforms in the business, health, and education sectors.

The mission emphasizes the importance of encouraging local products and aims to reduce import dependence through substitution and enhance compliance and quality requirements to meet international standards and gain global market share. The mission will support in bolstering manufacturing activity in the upcoming EV sector by prioritising domestic production to reduce import dependency, adopt technological innovation and create job opportunities in the country.

The government has also rolled out other reforms, such as supply chain reforms for agriculture, rational tax systems, simple and clear laws, capable human resources and a strong financial system. These reforms will further promote business, attract investment and strengthen the Make in India initiative.

Make in India

The 'Make in India' initiative was launched in September 2014 to give a push to manufacturing in India and encourage FDI in manufacturing and services. The objective of the initiative was to increase the share of manufacturing in GDP to 25% by 2020 by boosting investment, fostering innovation and intellectual property. It also aimed to build best-in-class infrastructure for manufacturing across sectors, including but not limited to automobile, auto components, aviation, biotechnology, chemicals, defence manufacturing, electrical machinery, electronic systems, food processing, mining, oil and gas, pharmaceuticals, renewable energy, thermal power, hospitality and wellness.

In the Union Budget 2025-2026, the government announced the National Manufacturing Mission, covering small, medium and large industries to bolster the 'Make in India' initiative, providing policy support, execution road maps and a governance and monitoring framework for central ministries and states. The mission will also support clean tech-related manufacturing. The aim is to improve domestic value addition and build an ecosystem for solar photovoltaic (PV) cells, electric vehicle (EV) batteries, motors and controllers, electrolyzers, wind turbines, very high voltage transmission equipment and grid scale batteries.

The 'Make in India' initiative has been a catalyst for the auto industry, drawing substantial investments from domestic and foreign sources. This influx of investment has been facilitated by a range of supportive policies and incentives, including the PLI scheme and a reduced GST rate on electric vehicles (EVs). Notably, the GST Council, in a meeting held in September 2025, reaffirmed the continuation of the lower GST rate for EVs. This decision offers a significant tax advantage for EVs over their conventional petrol and diesel counterparts, which are subject to a much higher GST rate. Although the GST 2.0 framework did not introduce further reductions in GST rates for EVs, the existing lower rate continues to provide a considerable incentive, promoting the adoption of electric vehicles in India.

Supply chain diversification trend in global manufacturing and procurement policies

The supply chain diversification strategy has reshaped global manufacturing and sourcing patterns, driven by the need to reduce over-dependence on a single country. While China continues to be a critical node in global manufacturing, recent geopolitical tensions, pandemic-induced disruptions and rising labour costs have compelled companies to explore alternative destinations to ensure operational continuity and cost efficiency. The objective of the strategy is not to replace China entirely but to complement existing operations by expanding into countries such as India, Vietnam, Indonesia and Mexico. This shift is helping companies to access new markets, leverage favourable trade agreements and reduce exposure to policy-related uncertainties.

For India, the supply chain diversification strategy presents a medium-to-long-term opportunity to integrate more deeply into global value chains. With its large and skilled labour force, improving infrastructure and government-backed initiatives, such as the PLI scheme and make in India, the country is well-positioned to absorb incremental investments from multinational corporations looking to diversify. In sectors such as electronics, pharmaceuticals, textiles and automotive components, several companies have already begun to relocate or expand production into India.

This has translated into rising foreign direct investment (FDI) inflows, new manufacturing partnerships and greater emphasis on domestic sourcing, thereby boosting the country's industrial ecosystem. Further, this trend aligns with India's broader economic strategy of import substitution, employment generation and becoming a global manufacturing hub. Over the next few years, the supply chain diversification strategy is expected to strengthen India's role as a strategic alternative in global manufacturing. Continued policy support, regulatory simplification and timely execution of infrastructure projects will be key to sustaining investor confidence and capitalising on this evolving global realignment.

Increased focus on foreign trade agreement

India is actively negotiating and reviewing bilateral trade agreements with major global economies to boost its trade prospects.

India signed a trade and economic partnership agreement with the European Free Trade Association (EFTA) on March 10, 2024, and the India-UAE bilateral investment treaty came into effect on August 31, 2024.

It is also in the process of reviewing its 2009 trade agreement with the Association of Southeast Asian Nations (ASEAN) to make it more equitable and aligned with current economic realities.

India and the UK signed a landmark FTA in July 2025 to improve bilateral trade and investment flows. The agreement is expected to double trade between the two nations—currently valued ~USD 60 billion—by 2030. Under the deal, India will gain near-complete duty-free access for its exports to the UK, especially in key sectors, such as textiles, gems and jewellery, engineering goods and processed foods. In return, the UK will benefit from phased tariff reductions on high-value goods such as automobiles, Scotch whisky, medical devices and premium food products. The FTA also introduces streamlined customs procedures and a special mobility pathway for Indian professionals.

Beyond goods trade, the agreement includes provisions on digital trade, services, intellectual property and government procurement. A key highlight is the social security pact that exempts Indian professionals from double contributions for up to three years, benefiting around 75,000 workers. The deal is also aligned with sustainability and ESG goals, featuring cooperation on clean energy and green technology. The India-UK FTA is a strategic milestone that strengthens India's trade diversification strategy, complements the supply chain diversification trend and reinforces its position in global supply chains.

India -EU (European Union) Free Trade Agreement (FTA)

The India-EU FTA, also known as the Broad-based Trade and Investment Agreement (BTIA), aims to liberalise trade in goods, services and investment between India and the 27-member European Union. The negotiations were launched in CY2007, but progress was slow due to various challenges and disagreements.

On 17th June 2022, the European union relaunched negotiation with India for FTA. The negotiations for India-EU FTA have made significant progress and concluded on 27th January 2026. The FTA covers 25% of global GDP and targets to double bilateral trade to USD 250 billion within a decade. The trade deal will potentially support manufacturing and service sector between India and EU. Reduction over 90% of tariff expected to double EU goods exports to India.

The India-EU FTA is expected to have a notable impact on trade and investment between the two regions. According to Industry estimates, the agreement could increase bilateral trade by up to 20% and attract significant investment into India. Overall, the India-EU FTA has the potential to be a game-changer for trade and investment between the two regions.

Unites States (US)-India Bilateral Trade Agreement

US and India announced framework for an interim trade agreement in February 2026, affirming countries' commitment to the broader U.S.-India Bilateral Trade Agreement (BTA) negotiations launched in February 2025, which will include additional market access commitments and support more resilient supply chains.

The Interim agreement between the US and India showcase a common commitment to reciprocal and balanced trade based on mutual interest and concrete outcomes.

Under this interim agreement, India will eliminate or reduce tariffs on all U.S. industrial goods and a wide range of U.S. food and agricultural products.

India intends to purchase \$500 billion of U.S. energy products, aircraft and aircraft parts, precious metals, technology products, and coking coal over the next 5 years. India and the United States will significantly increase trade in technology products, including Graphics Processing Units (GPUs) and other goods used in data centres, and expand joint technology cooperation.

The US will apply a reciprocal tariff rate of 18 percent on originating goods of India, including textile and apparel, leather and footwear, plastic and rubber, organic chemicals, home décor, artisanal products, and certain machinery, and, subject to the successful conclusion of the Interim Agreement, will remove the reciprocal tariff on a wide range of goods including generic pharmaceuticals, gems and diamonds, and aircraft parts. India will also receive a preferential tariff rate quota for automotive parts.

The United States and India agree to strengthen economic security alignment to enhance supply chain resilience and innovation through complementary actions to address non-market policies of third parties, as well as cooperation on inbound and outbound investment reviews and export controls.

Foreign Direct Investment (FDI)

FDI plays a pivotal role in economic growth, aiding development and shaping the economic landscape. Through the FDI route, international corporations can invest in India, capitalising on the investment incentives offered by the Indian government, including tax incentives and relatively competitive labour costs. This fosters job creation, offers various additional advantages and facilitates the acquisition of technological expertise from global peers.

There are two FDI routes in India—the government route and the automatic route. The automatic route allows foreign investors to invest in sectors without requiring a prior approval from the Indian government. Under this route, investors are only required to notify the Reserve Bank of India (RBI) within a specified time frame. While the government route mandates prior approval from the Indian government or relevant authorities for investments in India.

The automobile (including auto components) industry is one of the largest, fastest-growing sectors in India, with a significant contribution to the country's GDP. The sector has attracted significant FDI over the years, driven by government policies, a large domestic market and skilled workforce.

Summary of FDI in key Indian sectors

SECTOR	FDI CAP	ROUTE
Automobile and auto components	100%	Automatic
Airports - greenfield projects	100%	Automatic
Satellites - manufacturing and operation, satellite data products and ground segment and user segment	74%	Government
Hospitals sector	100%	Automatic
Defense	74%	Automatic Government route up to 100% if resulting in access to modern technology

Source: Department for Promotion of Industry and Internal Trade DPIIT, PIB

FDI to India almost doubled to USD 83.6 billion in fiscal 2022 from USD 45.15 billion in fiscal 2015. Over the past decade (April 2014 to September 2024), total FDI inflows amounted to USD 709.84 billion, accounting for 68.69% of the overall FDI inflow in the past 24 years. This robust inflow of investments underscores India's pivotal role in shaping the global economic landscape. FDI inflows have received an impetus, with India gaining the eighth position in the list of the world's largest FDI recipients in 2022 from 12th in 2018, according to the World Investment Report 2024. From 2000 to 2024, a total FDI inflow of USD 991 billion was recorded. FDI equity inflow in the manufacturing sector rose from USD 98 billion in 2004-2014 to USD 165 billion in 2014-2024, demonstrating a 69% increase. The FDI inflow grew to USD 81.04 billion in fiscal 2025 from USD 71.28 billion in fiscal 2024 marking 14% growth. Based on quarterly numbers, FDI inflows rose to USD 25.9 billion in the second quarter of fiscal 2026, compared to USD 21.1 billion in the same quarter of fiscal 2025.

PM E-Bus

As the world's fastest-growing major economy, India is rapidly transforming its transportation sector with a focus on electric vehicles (EVs), particularly electric buses (e-buses). The government's initiatives, such as the Faster Adoption and Manufacturing of Electric Vehicles (FAME) scheme, the Production-Linked Incentive (PLI) scheme for Advanced Chemistry Cell (ACC) batteries, and the National Electric Bus Programme (NEBP), have been instrumental in driving this growth. As of early 2025, over 12,000 e-buses have been deployed or tendered through Convergence Energy Services Limited (CESL) under various state transport undertakings (STUs).

Import Duty Structure for E-Buses and Components

The Indian government has implemented a tiered import duty structure to promote domestic manufacturing and reduce dependence on imports. The current duties, as per the Union Budget 2025-26 and the Central Board of Indirect Taxes and Customs (CBIC) notifications, are as follows:

Sr. No.	Description	Effective Rate of Custom Duty
1	CBU of Buses	20% + 20% AIDC
2	SKD (Semi-Knocked Down) of Buses	20% BCD + 5 AIDC
3	CKD (Completely Knocked Down) of Buses	15% BCD
4	Second-hand Buses	20% BCD + 20% AIDC
5	Lithium-ion battery cells	20% BCD + 10% SWS

Source: SIAM, Customs

BCD: Basic Customs Duty; AIDC: Agriculture Infrastructure and Development Cess; SWS: Social Welfare Surcharge

These duties are expected to rise once the ACC battery manufacturing plants under the PLI scheme become fully operational. The government has also imposed phased manufacturing programs (PMP) for EVs and components to gradually increase local value addition.

Subsidies and Incentive Framework

The Indian government offers various subsidies and incentives to promote the adoption of e-buses. The FAME-II scheme provides subsidies up to ₹50 lakh per e-bus, depending on the bus length and battery size. The scheme targets 7,090 new e-buses under the NEBP led by CESL, with cities like Delhi, Mumbai, Bengaluru, and Surat being major beneficiaries.

The PLI scheme for ACC battery manufacturing, with an outlay of ₹18,100 crore, incentivizes domestic battery cell production, crucial for reducing import dependence. Key winners include Reliance New Energy, Ola Cell Technologies, and Rajesh Exports, with over 30 GWh of cumulative capacity expected by 2026.

State-level incentives, such as those offered by Maharashtra, Gujarat, and Tamil Nadu, provide additional support for EV manufacturing plants. Delhi's EV policy (2023-2026) provides operational subsidies for buses under DTC and DIMTS contracts.

Localization Mandates and Technology Transfer

The Ministry of Heavy Industries (MHI) has mandated a minimum 50% domestic value addition for e-buses availing FAME subsidies. Manufacturers are expected to localize key components such as chassis, traction motors, control units, and battery packs. Industry players, such as Olectra Greentech, JBM Auto, and PMI Electro Mobility, are collaborating with global partners for technology sharing while expanding local manufacturing footprints.

However, challenges persist, including limited domestic battery cell manufacturing, forcing imports from China and Korea. The lack of standardized battery management systems (BMS) affects interoperability, high financing costs and uncertain resale value deter private sector adoption.

Key Challenges in India's E-Bus Sector

- **Infrastructure Deficit:** Limited depot charging facilities and grid integration hinder the widespread adoption of e-buses.
- **Cost Barriers:** Despite subsidies, e-bus costs are 1.5 to 2 times higher than diesel, making them less competitive.
- **Supply Chain Dependence:** India's reliance on imported critical EV components, such as cells and semiconductors, poses a significant challenge.
- **Technology Gaps:** The need for indigenous battery chemistry suited for India's climate and the lack of standardized BMS affect the sector's growth.
- **Operational Model Constraints:** Delays in STU payments and tender complexities slow deployment and hinder the sector's progress.

Jawaharlal Nehru National Solar Mission

The Jawaharlal Nehru National Solar Mission (JNNSM) is one of India's flagship renewable energy programs launched in 2010 by the Government of India under the National Action Plan on Climate Change. Implemented by the Ministry of

New and Renewable Energy, the mission was designed to transform India into a global solar power leader by rapidly expanding solar generation capacity, reducing solar power costs, promoting domestic manufacturing, and improving energy access.

Initially targeting 20 GW of solar capacity by 2022, the ambition was later scaled up significantly as solar tariffs fell and demand increased. The mission supports utility-scale solar parks, rooftop solar systems, off-grid solutions, and solar manufacturing, creating a comprehensive ecosystem across generation, transmission, and supply chains.

JNNSM has significantly reduced solar tariffs in India, boosted installed capacity, attracted global investment. And strengthened India's position in the renewable energy transition while improving long-term energy security and sustainability.

Solar Rooftop Subsidy Scheme

The Solar Rooftop Subsidy Scheme is a central government initiative to promote installation of rooftop solar systems for residential consumers across India. It is implemented by the Ministry of New and Renewable Energy under the Government of India, and recently strengthened through the PM Surya Ghar: Muft Bhijli Yojana.

- The scheme provides financial subsidies to households installing grid-connected rooftop solar systems. The objective is to:
- Reduce electricity bills for middle- and low-income households
- Increase adoption of renewable energy
- Reduce pressure on distribution companies
- Support India's clean energy and climate commitments

Eligible households can install rooftop solar panels and receive a direct subsidy transfer to their bank accounts after installation and inspection.

Key features

- Central Financial Assistance (CFA) available for systems up to a specified capacity
- Higher subsidy support for smaller systems to encourage mass adoption
- Consumers can export surplus electricity to the grid
- Electricity bills are adjusted based on net consumption
- Installation through registered vendors
- Technical approval and inspection by local Discom
- Subsidy credited directly to beneficiary's account
- Access to collateral-free loans via banks
- Standardized technical specifications for quality control

The Solar Rooftop Subsidy Scheme has accelerated residential solar adoption in India by lowering the upfront cost barrier for households. By providing direct financial assistance, the scheme reduces payback periods and makes rooftop solar financially attractive for middle- and lower-income consumers. It has helped decrease household electricity bills, reduced peak demand pressure on DISCOMs, and promoted decentralized power generation. The initiative has also stimulated growth in the rooftop solar installation ecosystem, creating employment opportunities for vendors, technicians, and

manufacturers. Environmentally, it contributes to lower carbon emissions and reduced reliance on fossil fuels, supporting India's broader clean energy and climate objectives while strengthening long-term energy security.

Solar Energy Subsidy Scheme

The Solar Energy Subsidy Scheme refers to government-backed financial support programs designed to promote the adoption of solar power across residential, commercial, and institutional segments. These schemes are primarily implemented by the Ministry of New and Renewable Energy under the Government of India, with support from the state governments and DISCOMs.

The scheme provides Central Financial Assistance (CFA) to reduce the upfront cost of installing solar systems, particularly rooftop solar for households. The objective is to:

- Promote clean and renewable energy
- Reduce electricity costs for consumers
- Lower dependence on fossil fuels
- Support India's climate and energy security goals

Under recent reforms such as PM Surya Ghar: Muft Bhijli Yojana, eligible residential consumers can receive direct subsidies credited to their bank accounts after installation and approval.

Key features

- Subsidy for residential rooftop systems (typically up to a certain kW capacity)
- Direct Benefit Transfer (DBT) of subsidy amount
- Net metering facility allowing export of surplus electricity to the grid
- Standardized technical guidelines and empaneled vendors for quality and assurance
- Financing support through public sector banks

The scheme has reduced the payback period of rooftop solar systems, making them more financially viable for households. It has encouraged decentralized energy generation. Reduced stress on conventional power infrastructure, created employment in installation and maintenance services, and contributed to carbon emission reduction. Over time, it strengthens energy independence at both household and national levels while supporting India's renewable energy transition.

UDAY Scheme (Ujwal DISCOM Assurance Yojana)

UDAY scheme was launched in 2015 by the Government of India to address the severe financial stress faced by the state-owned electricity distribution companies (DISCOMs). The scheme aimed to improve the operational and financial efficiency of DISCOMs by restructuring their debt and enforcing reforms in billing, metering, and tariff rationalization.

UDAY was designed as a financial turnaround and reform package where:

- State governments took over 75% of DISCOM debt and issued bonds to reduce interest burdens.
- DISCOMs committed to operational improvements and loss reduction targets.
- Tariff revisions were encouraged to reflect actual costs of power supply.

Initially, UDAY reduced interest costs and temporarily improved DISCOM financial health. However, structural challenges such as delayed tariff hikes, rising power purchase costs, and operational inefficiencies limited long-term

success. Despite mixed outcomes, UDAY highlighted the importance of financial discipline and structural reforms in strengthening India's power distribution sector and enabling renewable energy integration.

Infrastructure

Infrastructure is not just a sector in India; it is a macro-economic growth strategy. Public capital expenditure on roads, railways, ports, power, and digital infrastructure acts as both a short-term demand stimulus and a long-term supply-side reform.

Contribution to GDP Growth: Government spending on highways, rail corridors, and urban transport immediately boosts aggregate demand through construction activity, steel, cement, and labour employment. This supports GDP growth, especially during private investment slowdowns. Programs such as the National Infrastructure Pipeline (Rs.100+ lakhs crore planned investment) and PM Gati Shakti aim to coordinate investments across sectors to reduce inefficiencies and duplication.

Employment Generation: Infrastructure project creates direct employment (construction, engineering project management) and indirect employment (raw materials, transportation, services). The construction sector alone contributes significantly to non-agriculture employment, especially for semi-skilled labour.

Logistics and Competitiveness: Initiatives like Bharatmala Pariyojana and Sagarmala Programme aim to reduce logistics costs, improve export competitiveness, and boost manufacturing under Make in India.

Crowding-In Private Investment: Improved roads, ports, power supply, and digital connectivity reduce business risk and attract private domestic and foreign investment. Infrastructure stability supports sector like:

- Manufacturing
- E-commerce
- Renewable energy
- Real estate and urban development

Infrastructure acts as both a demand stimulus (short-term growth driver) and a supply-side reform (long-term productivity enhancer). It strengthens India's growth trajectory, improves global competitiveness, supports industrialization, and enhances regional economic integration.

Government's focus on infrastructure

The national infrastructure pipeline (NIP) for fiscal 2019-2025 is a government initiative to develop infrastructure across the country and provide world-class services to its citizens. The total capital expenditure in infrastructure sectors in India during fiscals 2020 to 2025 was projected at Rs 111 lakh crore.

The Union Finance Ministry announced on 27th January 2026 second pipeline of 852 infrastructure projects focusing highways to be done in Public -Private partnership (PPP) with the target cost ~ Rs 17 trillion. The government is transitioning towards NIP 2.0 with a three-year project pipeline fiscal 2025 to fiscal 2027 focused on projects majorly in roads and power sectors.

The highest number of projects expected to come under the Union Ministry of Road Transport and Highway (MoRTH)-108 projects, with an estimated cost Rs ~8.76 trillion as per data provided by ministry. In addition to that, MoRTH will also take up investment in access-controlled highways to build a high-speed quadrilateral of expressway.

Gati Shakti

The PM Gati Shakti National Master Plan (NMP) is a government-led transformative initiative aimed at overhauling India's infrastructure development framework. By removing bottlenecks and enabling multimodal connectivity across road, rail, ports, airports, and logistics infrastructure, the initiative is designed to reduce project delays, cut logistics costs and improve the ease of doing business.

The initiative aims to support the manufacturing ecosystem by improving last-mile connectivity to industrial parks, economic zones, freight corridors and export hubs.

According to the roadmap outlined by the government, infrastructure investments under the Gati Shakti initiative are expected to peak during fiscal 2026-2028, aligning with rising demand from industrial expansion and urbanisation. Sectors such as logistics, warehousing, energy and transport are set to benefit from improved connectivity and time-bound project implementation. In the long run, the initiative is expected to play a catalytic role in strengthening India's global competitiveness, improving trade efficiencies and reducing logistics costs from the current 13-14% of GDP to global benchmarks of 8-9%.

Key highlights of Union Budget 2026-27

- The government plans to significantly ramp up public capital expenditure, aiming to reach ₹12.2 lakh crore by the financial year 2026-27. This substantial increase in public investment is expected to drive growth, create jobs, and improve the country's infrastructure.
- The revised tax slabs as well as increased tax rebate limit under the new tax regime, announced during the previous budget, have been maintained, continuing to support middle class consumption.
- The agriculture sector contributes significantly to rural economy, employing 55% of the population. The union budget 2026-27 focuses on four pillars for strengthening agriculture, enhance productivity, improving quality, building climate resilience and supporting sustained farmer income.
- To encourage private sector participation in infrastructure development, the government will establish an Infrastructure Risk Guarantee Fund. This fund will provide a safety net for private developers, mitigating risks associated with infrastructure projects during the development and construction phases.
- India Semiconductor Mission (ISM) 2.0- A new initiative to boost semiconductor production, focusing on equipment and materials, design, and supply chain development.
- The Electronics Components Manufacturing Scheme outlay increased to ₹40,000 crore.
- Dedicated Rare Earth Corridors to be established in Odisha, Kerala, Andhra Pradesh and Tamil Nadu to promote mining, processing, research and manufacturing.
- The Ministry of Road Transport and Highways continued to receive the highest capex allocation (Rs 2.9 lakh crore) followed by the Ministry of Railways (Rs 2.8 lakh crore), rising 8.1% (vs 4.7%) and 10.3% (vs 0%) respectively, next fiscal, reflecting continued commitment to create infrastructure. The two ministries cumulatively have a 46.3% share in capex next fiscal.
- The Self-Reliant India Fund will receive an additional allocation of ₹2,000 crore. This fund will continue to provide vital support to micro-enterprises, ensuring they have access to the risk capital needed to sustain and grow their businesses.

Impact of GST

GST reforms to accelerate consumption and support domestic sales:

- The government of India has revamped the goods and services tax (GST) structure with three slabs—5%, 18% and 40%
- In the automobile industry, electric vehicles will continue to be taxed at 5%, while other segments have undergone a rate revision to either 18% or 40% (see tables below)

Consumption driven goods:

CATEGORY	ITEMS	OLD GST RATE	NEW GST RATE
Consumer electronics	Air conditioners, dishwashing machines, televisions over 32 inches, monitors, projectors	28%	18%
Food items	Packaged namkeens, sauces, pasta, instant noodles, chocolates, coffee, preserved meat, cornflakes, butter, and ghee	12-18%	5%
Daily usage items	Hair oil, soap bars, shampoos, toothbrushes, toothpaste, tableware, kitchenware, and other household articles	12-18%	5%

Source: Press release document by MoF dated 3 September 2025

Lower GST on consumer goods, food, and daily-use items to reduce expenditure for households, leaving them with more money to spend. This is likely to boost overall consumption, especially in price-sensitive rural and semi-urban areas

Higher demand for essentials will increase goods movement, which will benefit small commercial vehicles (SCVs) and light commercial vehicles (LCVs) for last-mile deliveries and intermediate commercial vehicles (ICVs) for mid-mile distribution

CATEGORY	ITEMS	OLD GST RATE	NEW GST RATE
Agriculture	Tractors, harvesters, sprinklers, drip systems, pumps	12%	5%

Source: Press release document by MoF dated 11 September 2025

The reduction in GST on agricultural inputs such as seeds, fertilisers, and farm equipment will lower costs for farmers, improving affordability

Lower GST on medical, healthcare and insurance services will reduce household expenses on essential services, effectively increasing disposable income

This is likely to moderately increase consumption

GST for vehicle pricing

CATEGORY	OLD GST RATE	NEW GST RATE
Buses	28%	18%
LCVs — goods	28%	18%
Medium and heavy commercial vehicles (MHCV) — goods	28%	18%

Source: Press release document by MoF dated 11 September 2025

CATEGORY	OLD GST RATE	NEW GST RATE
Two-wheelers ≤350cc	28%	18%
Three wheelers	28%	18%
Off road vehicles	28%	18%
Small cars (petrol/LPG/CNG)	28% + 1% cess	18%
Small car (diesel)	28% + 3% cess	18%
Larger/luxury cars/SUVs/big cars	28% + 17% cess	40%
Larger/luxury cars/SUVs/big cars	28% + 20% cess	40%
Larger/luxury cars/SUVs/big cars	28% + 22% cess	40%
PV- EV	5%	5%

Source: Press release document by MoF dated 11 September 2025

- Lower GST led to reduction in prices of two-wheelers, making it affordable for youth and professional and lower middle-class households

- Two-wheelers are the primary mode of transport in rural and semi-urban areas. The price reduction will directly benefit farmers, small traders and daily wage earners
- It is expected to boost the saving of the consumers through reduced cost and EMIs for two-wheeler loans, thus providing a fillip to vehicle demand
- By reducing the effective rate on small cars to 18% and capping larger vehicles at 40%, the government has simplified what was earlier a mix of GST plus compensation cess
- Cars in the affordable segment became cheaper, encouraging first time buyers and increasing household mobility
- No more cess on any of these car categories. The compensation cess (which added up significantly in luxury/large vehicle segment) is removed under the new structure
- Reduced GST is expected to drive higher car sale, and it will provide an added push to industry sales, supporting PV industry and the auto component industry

The auto component industry is also set to benefit from the revised GST rates, which will simplify the tax structure and reduce compliance burdens for manufacturers, dealers and suppliers. Previously, disparate GST rates of 18% and 28% on various auto parts led to disputes and complexities. The new rates will lower input costs for manufacturers, reduce working capital requirements and drive demand for new vehicles.

CATEGORY	OLD GST RATE	NEW GST RATE
Auto component	28%	18%

Source: PIB.gov published on 8 September 20

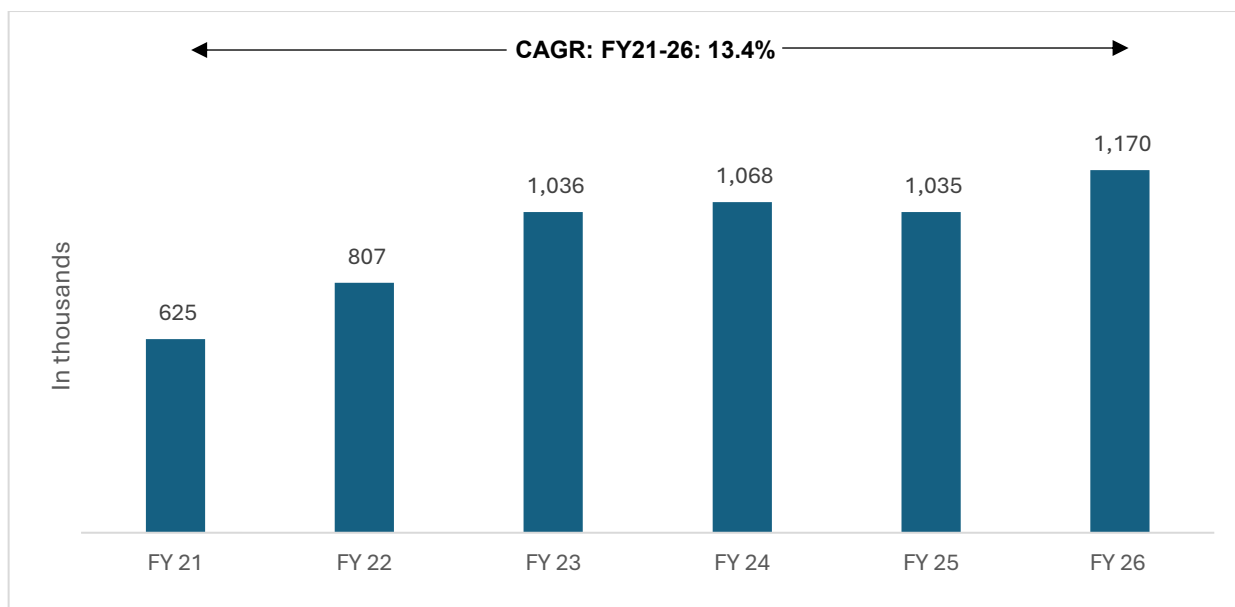
Module II- Review and Outlook of end-use industries

Review and outlook of the Indian commercial vehicle industry

Historic Production Development (FY 21-26)

India is the third-largest commercial vehicle market in the world, with total production volumes recording 1.17 million units in fiscal 2026. The volumes have consistently been over 1 million units over the past four fiscals, indicating healthy demand in the market, albeit steadily. The market logged a CAGR of 13.4% over the past five years, driven by an e-commerce surge in the country and the increasing number of infrastructure development projects. The industry particularly in fiscal 2026, grew at 13% over fiscal 2025 and this underscores the sector's resilience and its critical role as a barometer for India's broader macroeconomic expansion and industrial activity.

Historic Production trend in the CV industry (domestic and exports)



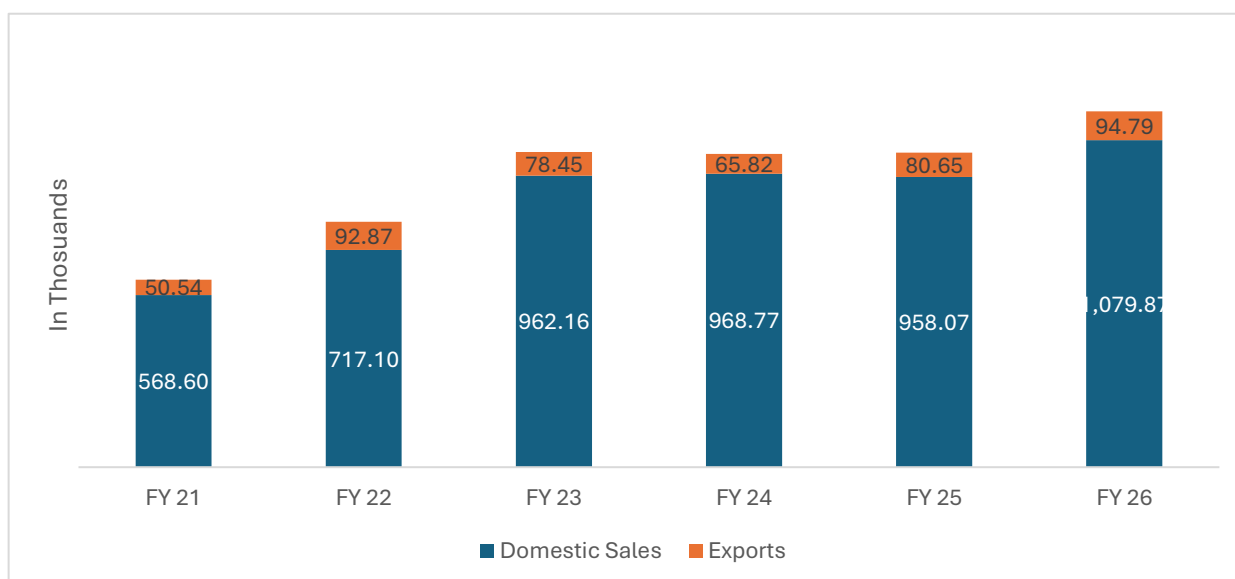
Note: Data includes domestic sales and exports of LCV – light commercial vehicles, IMHCV – intermediate medium and heavy commercial vehicles and buses, and excludes Daimler

Source: SIAM, Crisil Intelligence

Exports, which form 8% of the overall CV industry rose to 94,793 in fiscal 2026 from 50,538 units in fiscal 2021 at a CAGR of 13.4%. The growth was led by increasing demand for Indian commercial vehicles in emerging markets, strategic investment in localisation of products and rising competitiveness of Indian OEMs on cost and quality parameters.

After consecutive drops in fiscals 2023 and 2024 on the high base of fiscal 2022, industry exports rose at a healthy pace of 22.5% in fiscal 2025 and further grew by 17.5% in fiscal 2026.

Split by domestic sales and exports



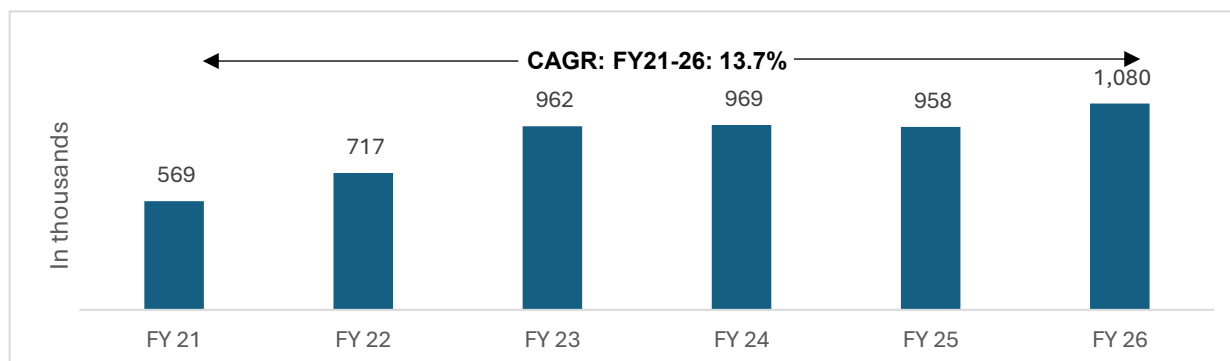
Note: Analysis excludes Daimler as the data for the company is not available in SIAM

Also please note that there will be a slight mismatch between the numbers in the above chart and production numbers which is due to inventory

Source: SIAM, Crisil Intelligence

Domestic Sales

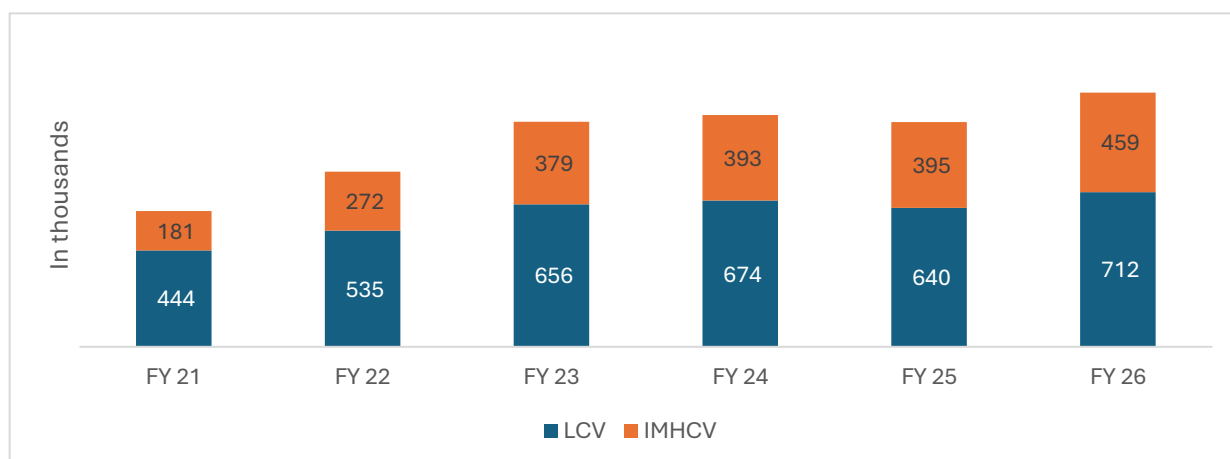
The domestic segment, which contributes more than 90% of the industry logged a CAGR of 13.7% between fiscals 2021 and 2026. The industry witnessed a 20.76% drop in fiscal 2021, led by Covid-induced restrictions. However, the segment rebounded at a CAGR of 13.7% between fiscals 2021 and 2026, with resumption in economic activity and improved mobility.



Note: Analysis excludes Daimler as the data for the company is not available in SIAM

Source: SIAM, Crisil Intelligence

Production split by segment



Note: Analysis excludes Daimler as the data for the company is not available in SIAM and includes buses of the respective segments

Source: SIAM, Crisil Intelligence

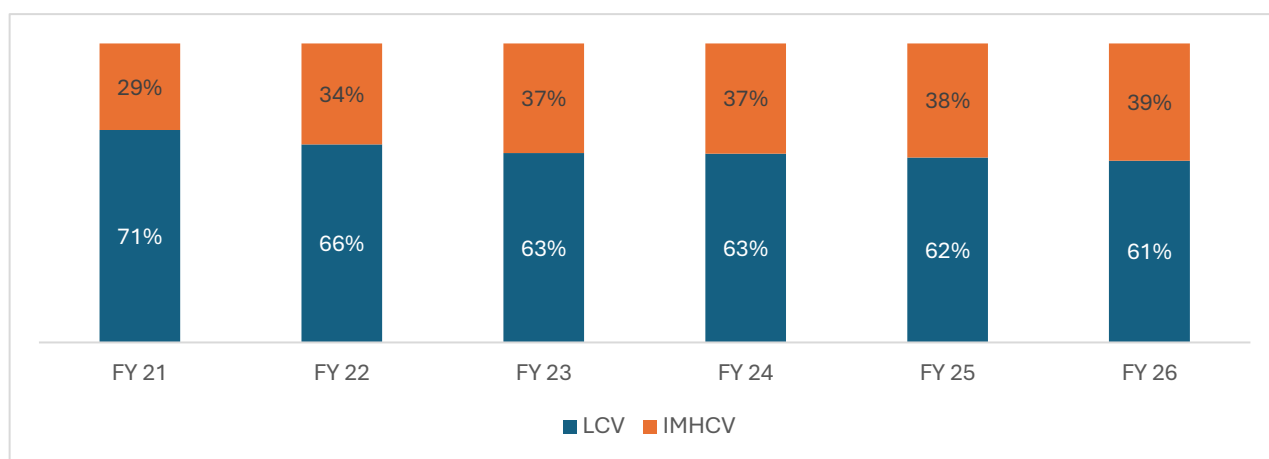
The market is broadly split into LCV (gross vehicle weight less than 7.5 tonne), IMHCV (more than 7.5 tonne).

LCV segment grew by 11.2% in fiscal 2026, after a decline in fiscal 2025 by 5%. The resurgence in FY26 was primarily underpinned by stable end-use sectors such as agriculture, e-commerce, consumer goods, and a broader revival in construction. A primary growth catalyst was the implementation of GST 2.0, which reduced vehicle acquisition costs by ₹80,000 to ₹1,00,000. This improved affordability lowered EMIs, enhanced asset quality trends, and revived lender confidence, thereby easing credit access for first-time buyers and small fleet operators. Furthermore, product interventions, including alternate fuel options and new launches like the Tata Ace LNT, Ace Pro, Ashok Leyland Saathi, and Euler models, expanded customer choice and witnessed strong pan-India traction. Demand in the sub-1 tonne and pickup categories was consistently bolstered by captive-led last-mile logistics and a healthy rabi harvest. Additionally, the discontinuation of electric three-wheeler subsidies prompted fleet operators to pivot toward electric sub-1 tonne models for intra-city deliveries, while the 3.8 tonne category steadily emerged as a standout growth segment due to its superior payload and loading area dynamics.

The IMHCV industry recorded a robust expansion of 16% in fiscal 2026, demonstrating a sharp acceleration compared to the marginal growth of 0.3% witnessed in fiscal 2025. This was supported by strong growth in ICV and MCV segments, primarily underpinned by the versatility and strong linkage with industrial, utility, and bulk material movement. Intermediate and Medium Commercial Vehicles benefited from stable tender-led demand, institutional fleet

requirements, and broad cargo relevance across e-commerce, liquid petroleum gas, containers, cement, and raw material transportation. The implementation of GST 2.0 stimulated consumption growth in fast-moving consumer goods and durables, further driving market load transportation. Additionally, a favorable agricultural outlook and an increasing preference for compressed natural gas vehicles supported this category, with the Intermediate Commercial Vehicle segment poised for accelerated growth as it increasingly caters to traditional medium commercial applications through 18 to 18.49 tonne models. Concurrently, Heavy Commercial Vehicles, including multi-axle vehicles and tractor-trailers, witnessed a structural shift toward higher gross vehicle weight configurations, particularly 48 tonne and 55 tonne models, as fleet operators prioritized payload economics and fleet productivity. Demand remained robust across core sectors, including mining, coal, steel, cement, and car carriers. Across the broader segment, the GST 2.0 framework lowered acquisition costs and equated monthly installments, unlocking replacement cycles that had been delayed by one to two years.

Production split by segment (in %)

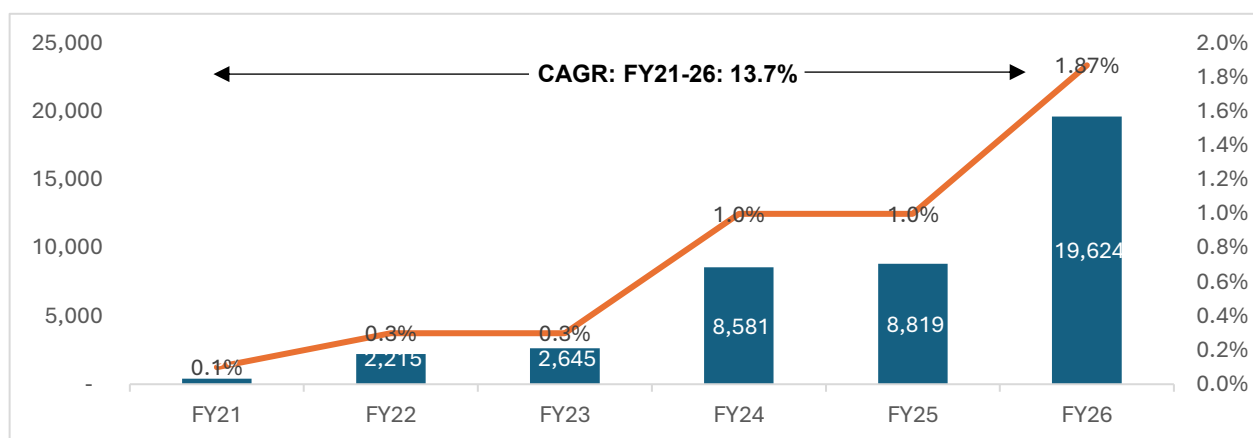


Note: Analysis excludes Daimler as the data for the company is not available in SIAM

Source: SIAM, Crisil Intelligence

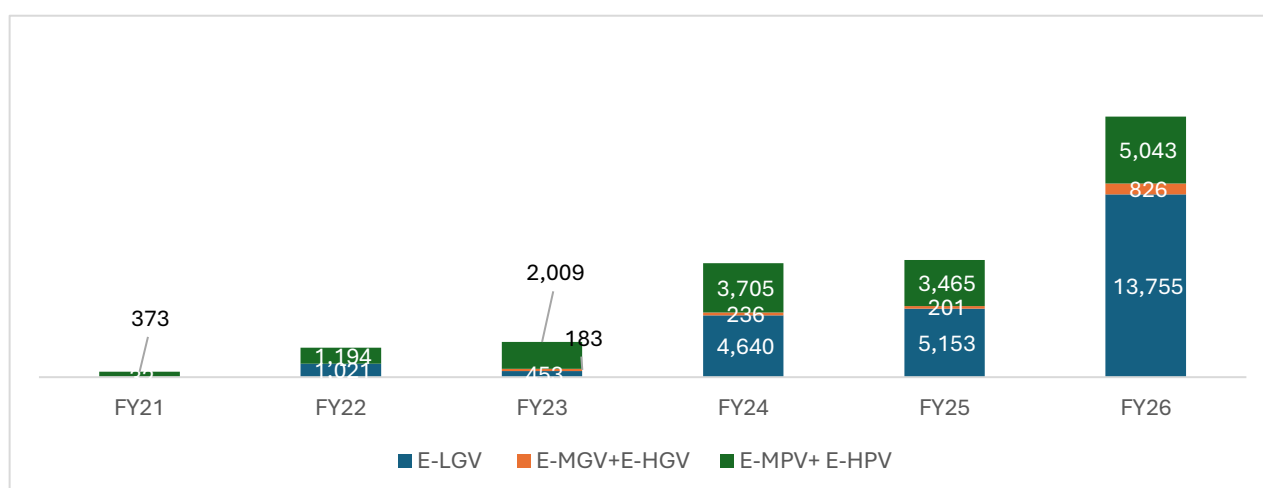
Electrification in the domestic commercial vehicle industry

Electrification in the Commercial Vehicle Industry has been on the slower side as compared to other vehicle segments due to higher up-front costs, lack of charging infrastructure on key long-distance corridors, etc. Within domestic CVs, Buses were the first segment to be electrified, followed by LCVs. During the last 5 years, EV penetration within overall CVs increased from 0.1% in fiscal 2020 to almost 1.87% by fiscal 2026.



Note: The following segments are considered under CV- Light Goods Vehicle (LGV): 0-7.5T GVW; Medium Goods Vehicle (MGV)/Medium Passenger Vehicle (MPV): 7.5-12T GVW; Heavy Goods Vehicle (HGV)/Heavy Passenger Vehicle (HPV): >12T GVW
Source: VAHAN

EV sales by segment

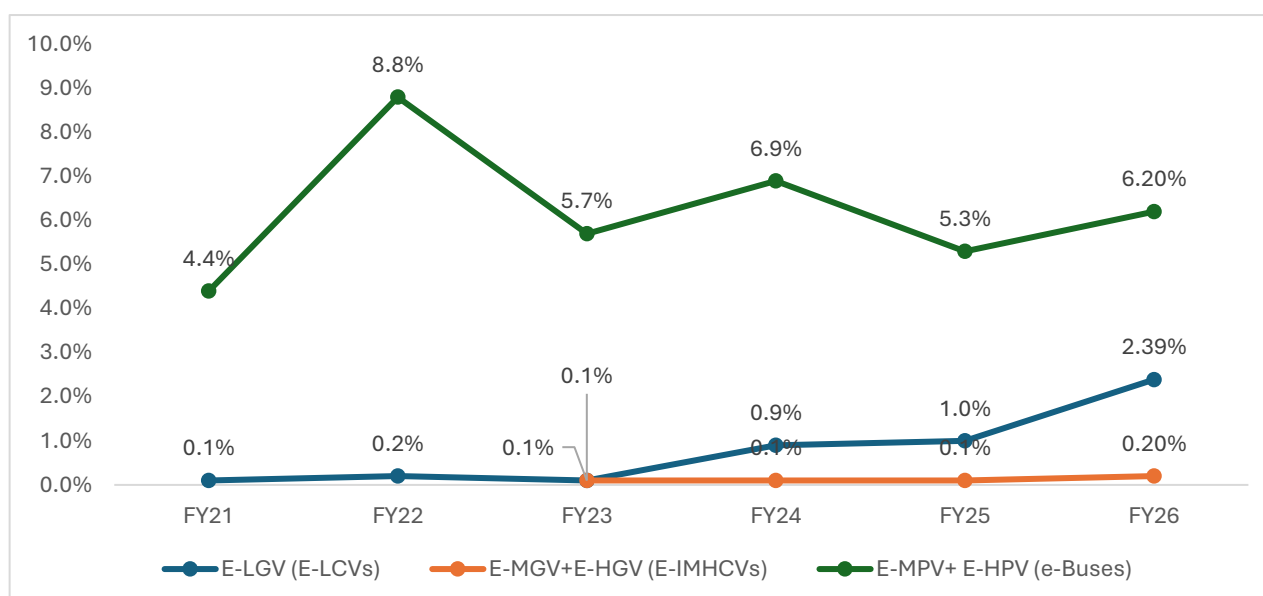


Note: Light Goods Vehicle (LGV): 0-7.5T GVW; Medium Goods Vehicle (MGV)/Medium Passenger Vehicle (MPV): 7.5-12T GVW; Heavy Goods Vehicle (HGV)/Heavy Passenger Vehicle (HPV): >12T GVW

Source: VAHAN

The electric Light Commercial Vehicle (e-LCV) segment witnessed exponential growth, with volumes surging from 5,153 units in fiscal 2025 to 13,755 units in fiscal 2026, translating to a remarkable year-on-year growth of 167%. This accelerated adoption is primarily driven by the increasingly favourable Total Cost of Ownership (TCO) for intra-city operations, alongside supportive government policies/subsidies, and the expanding charging infrastructure network. Furthermore, the aggressive push by e-commerce, quick-commerce, and FMCG companies to meet their ESG (Environmental, Social, and Governance) targets has significantly catalysed the deployment of e-LCVs in last-mile delivery fleets

EV penetration



Note: Vahan figures exclude Telangana retails

Source: SIAM, Vahan, Crisil Intelligence

Within the domestic commercial vehicle space, the bus segment emerged as the first to be electrified, led primarily by State Transport Undertakings (STUs) adopting electric buses through Gross Cost Contract (GCC) models. This early adoption was strongly supported by central and state government incentives and procurement programs, creating a structured demand base for e-buses, and via improving TCO of e-buses driven by reduction in the battery prices.

Buses have the highest penetration of EVs within the CV industry. The penetration increased to 6.2% in fiscal 2026 from 4.4% in fiscal 2021. The penetration increased to 6.2% in fiscal 2026 from 5.3% in fiscal 2025. The industry declined in fiscal 2025 and it was a predictable market correction following a policy-driven anomaly in the prior year. The 6.9% in fiscal 2024 resulted from a high-volume rush of tendering and registrations as operators moved urgently to secure FAME-II capital subsidies before the scheme's final closure in March 2024.

e-LCVs currently has a penetration of 2.4% in fiscal 2026, with an increase from 1% in fiscal 2025. The industry grew by 167% in the previous fiscal and it is expected to continue as this trend is largely driven by the suitability of LCVs for electrification, as these vehicles typically operate over shorter distances, minimizing concerns around battery range and charging infrastructure. Furthermore, electric LCVs (e-LCVs) offer a compelling value proposition for sectors like e-commerce and last-mile delivery, where they help reduce operating costs and align with broader sustainability goals

In the heavy goods vehicle segment, which includes vehicles with a GVW of over 12 tons, the adoption of electric vehicles has been slower compared to light vehicles. This is primarily due to the need for larger batteries, typically with a capacity of over 250 kWh, which significantly increases the cost of the vehicle. Furthermore, these vehicles require fast charging infrastructure, which can charge the vehicle quickly, but the charging process itself can still take a considerable amount of time, typically ranging from 1.5 to 4 hours, depending on the power capacity of the charging station.

Despite these challenges, electrification is starting to gain momentum in certain applications where intermittent charging throughout the day is feasible. For instance, OEMs are setting up charging stations suitable for heavy trucks in captive customer locations and along prominent highways. This has led to the adoption of electric vehicles in applications such as ports, mines, and specific highway routes, where trucks operate on fixed routes and in large numbers, such as mine-to-factory-to-mine routes. Several OEMs, including Montra Electric, Propel, Ravindra Energy, Blue Energy, Tata Motors, and Ashok Leyland, have launched electric models in the heavy truck space, specifically in the tippers and tractor-trailer segments.

Policies driving the adoption of EVs

The Government of India and several states together have introduced fiscal and non-fiscal incentives to support the adoption of electric mobility. These include tax breaks, subsidies and lower registration charges. Various policies have been launched to strengthen the component and charging infrastructure.

CPM e-Bus Sewa Scheme

The PM e-Bus Sewa Scheme is an initiative of the central government to promote electric mobility in public transportation. Under this scheme, the government aims to deploy 50,000 electric buses.

FAME I and II

As part of the National Electric Mobility Mission Plan 2020, the Department of Heavy Industry introduced the FAME scheme in 2015 to promote EV manufacturing and adoption.

During Phase I, it focused on creating demand for EVs through incentives and grants for various vehicle segments and supported about 2.78 lakh EVs. The FAME II scheme was approved with an outlay of Rs 10,000 crore, which was later enhanced to Rs 11,500 crore. It aimed to support 7,000 e-buses, 5 lakh electric three-wheelers, 55,000 electric four-wheelers (commercial purposes) and 10 lakh electric two-wheelers (commercial and private).

FAME II subsidy for buses dependent on battery size

Under the FAME II incentive, the government provided a subsidy of Rs 20,000 per kWh of battery used in an electric bus. These needed to be advanced batteries with specific energy density of at least 70Wh/kg and a cycle life of at least 1,000 cycles. Of the Rs 11,500 crore demand subsidy under FAME II, about 40% was for buses.

For electric small commercial vehicles (SCVs), the government provided subsidies of Rs 10,000 per kWh of battery. It also mandated a minimum range of 140 km and maximum ex-factory price of Rs 15 lakh.

PM E-DRIVE

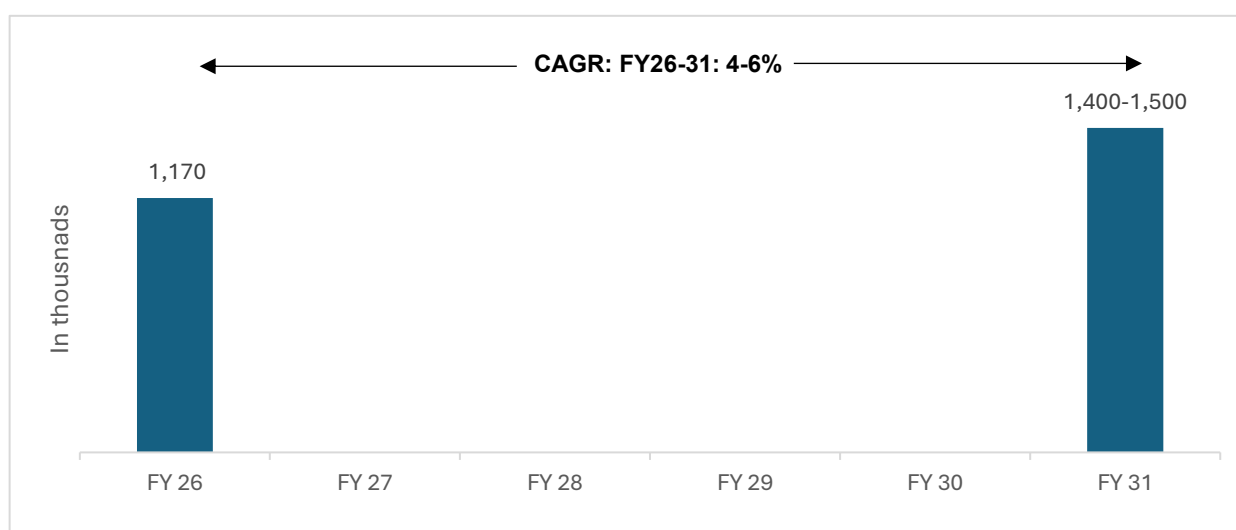
The PM E-DRIVE scheme aims to provide support for 14,028 e-buses, 2,05,392 e-three-wheelers (L5), 1,10,596 e-rickshaws and e-carts, and 24,79,120 e-two-wheelers. The scheme also supports e-trucks, e-ambulances, EV public charging stations and upgrades to testing agencies

CGST 2.0

The rationalisation of GST rates in September 2025, which reduced the tax rate on commercial vehicles from 28% to 18%, led to a 7-8% decrease in vehicle prices. Although this change does not account for potential cost savings from lower GST rates on components that automotive component manufacturers may pass on to original equipment manufacturers (OEMs), it is expected to have a positive impact on the market.

Outlook of Indian Commercial Vehicles Industry (FY26-31)

With increasing infrastructure development and rising freight demand from multiple sectors, the Indian CV industry is poised for long-term expansion, projected to grow at a CAGR of 4-6% over the next five years, from 1.17 Mn units in fiscal 2026 to $\approx 1.4-1.5$ Mn units by fiscal 2031

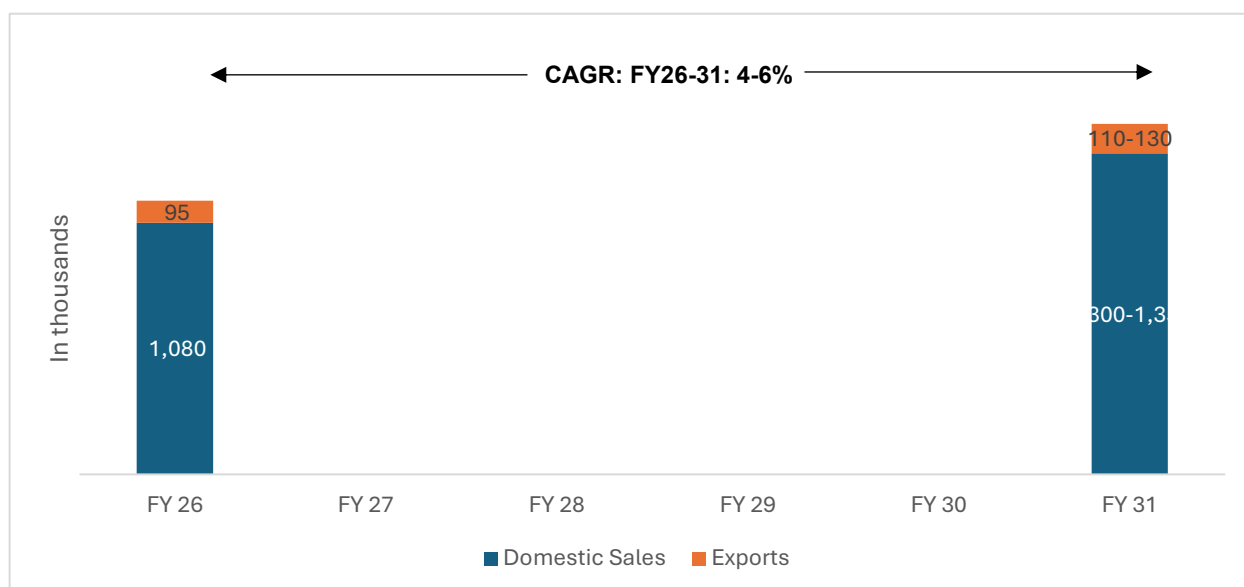


Domestic sales are expected to grow at a CAGR of 4-6% and the exports segment is expected to grow at a CAGR of 5-7% during the period between fiscal 2026 and 2031.

On the exports front, manufacturers are directing their investments into expanding presence to other Asian countries from neighbouring countries such as Bangladesh, Nepal, and Sri Lanka to Africa and the Middle East. Domestic players are also considering setting up assembly operations across multiple markets. Also, going forward, new product line-ups and technology upgradation will allow domestic players to enter relatively advanced markets of southeast Asia.

Exports from India are expected to grow steadily over the forecast period, with volumes increasing to 110,000-125,000 units by fiscal 2031 from $\sim 95,000$ units in fiscal 2026, at a CAGR of 5-7%. This growth is likely to be supported by increasing demand for Indian commercial vehicles in emerging markets, strategic investment in localisation of products and rising competitiveness of Indian OEMs on cost and quality parameters.

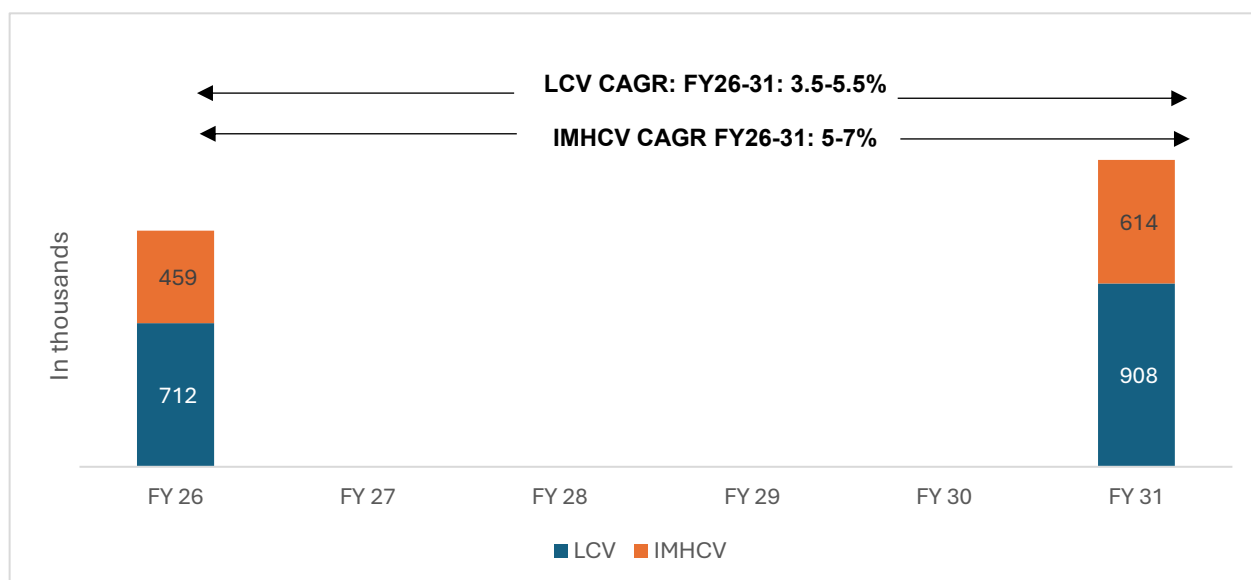
Split by domestic sales and exports



Split by vehicle segments

LCV segment including LCV buses segment, is expected to clock a CAGR of 3.5-5.5% from fiscal 2026 to 2031. During fiscals 2021 to 2026, the industry exhibited a 9.9% CAGR. Demand sustained despite the impact of the pandemic because of the expansion of e-commerce activity during the period.

In fiscal 2027, the LCV segment is projected to grow 3-5%, driven by increased economic and commercial activities. This growth is expected to be driven by replacement volumes from healthy sales over fiscals 2017 to 2019 and the resumption of government spending to usual levels. Additionally, the lowering of the repo rate, revision of GST structure and higher loan disbursements are expected to contribute to this growth.



The IMHCV segment has seen a fluctuating yet resilient performance in recent years. In fiscal 2025, growth slowed, reflecting the impact of economic headwinds and supply-side challenges, but the industry grew by 16% in fiscal 2026, indicating strong demand.

The sustained push for infrastructure development, increased logistics digitisation and policy-driven fleet modernisation is expected to shape the segment-wise trends in the coming years. The increased construction and mining activity will be supported by a 9-11% higher budgeted construction capex.

The IMHCV segment is expected to clock healthy growth with a projected CAGR of 5-7% from fiscals 2026 to 2031. Long-term IMHCV sales are likely to be driven by improving industrial activity, consistent agricultural output and the government's continued emphasis on infrastructure development, among other factors. However, volume growth may be limited by efficiencies gained from the implementation and rationalisation of the GST, the development of improved road infrastructure and the commissioning of the dedicated goods corridors. Nonetheless, the industry remains on a promising growth trajectory.

The buses segment (both LCVs and MHCVs) growth is expected to be gradual as STUs and private operators incrementally replace aging bus fleets and respond to growing urban and intercity transportation needs. Central and state-led procurement schemes are expected to boost the momentum in the segment, on the back of a stronger push for cleaner public transport. However, slower penetration of electric buses outside STUs and higher acquisition costs could result in modest growth compared with goods vehicles.

Key Growth Drivers for domestic and exports

Increasing freight rates to aid in materialization of deferred demand

In fiscal year 2026, fuel prices constituted approximately 55% of transporter costs, exerting a considerable influence on their overall profitability. During this period, diesel prices remained stable. Concurrently, freight rates also rose by an estimated 12%, signalling improved transporter profitability and heightened demand for freight services. These favourable factors are expected to boost Commercial Vehicle (CV) sales, as the industry capitalizes on the increased demand in the transportation sectors.

Easier Financing Options Enhancing Truck Sales Momentum

Access to vehicle financing has improved notably over the past few years, driven by increased participation from banks, NBFCs, and captive financing arms of OEMs. Financial institutions have started offering customized loan products with longer repayment tenures, lower EMIs, and flexible down payment structures. The government's initiatives to formalize small fleet operators and improve their creditworthiness through digital lending platforms and GST-linked profiling have also enhanced access to credit. As a result, first-time buyers and small fleet owners are finding it easier to purchase CV, thereby supporting demand growth in the sector.

Stable agricultural output

Stable agricultural output continues to serve as a critical growth driver for the broader rural economy and the CV industry. CRISIL projects a 3 to 4 % growth in agricultural gross value added over fiscal 2026 to 2031, building upon a steady 2 percent growth recorded in fiscal 2024. Moving forward, the progress and spatial distribution of monsoon rainfall will play a pivotal role in the current kharif cycle, serving as a key monitorable for rural demand, particularly for two-wheelers and tractors. To navigate climatic uncertainties such as the El Nino phenomenon, which poses inherent risks to crop yields, the government has proactively prioritized agricultural resilience. These strategic interventions are designed to mitigate weather-related disruptions, ensure long-term food security, and thereby reinforce the foundational demand for drivers within the rural ecosystem.

Healthy industrial growth

The Indian industry's gross value added (GVA) had been growing rapidly, in line with the GDP averaging ~averaging around 6% between fiscals 2020 and 2026. After consecutive weak fiscals of 2020 and 2021 due to the COVID-19 outbreak, industrial GVA is estimated to have grown by approximately 6.4% on-year in fiscal 2026. Over the next five-year period (fiscal 2026-2031), industry GVA is expected to be robust driven by the government's focus on 'Make in India' with the stated aim of the government to push up the share of Manufacturing in India's GDP from 17% to 25%. Moreover, improvement in infrastructure and higher expected corporate expenditure is likely to support the capex cycle going forward post-fiscal 2024. India's ambitious infrastructure development plans, including the Bharatmala Pariyojana and Sagarmala programs, are expected to drive commercial vehicle demand during fiscal 2026 to fiscal 2031, as the resulting increase in construction and logistics activities boosts demand for heavy and medium commercial vehicles.

Focus on infrastructure and higher mining production to bolster tipper demand

Over the next five-year period (fiscal 2026-2031), industry GVA is expected to be robust driven by the government's focus on 'Make in India' with the stated aim of the government to push up the share of Manufacturing in India's GDP from 17% to 25%. The budgeted capex allocation for infrastructure ministries for fiscal 2024 has shown a 28% increase over fiscal 2023 RE (revised estimates) to Rs. 18.6 lakh crore. Execution by the National Highways Authority of India (NHAI) will reach up to ~14-15 km/day in fiscal 2027, as against ~11 km/day in fiscal 2021, aided by the Bharatmala project. Projects such as Sagarmala and investments in various irrigation projects will further drive MHCV demand. We expect coal production to expand at ~4.5-5.5% CAGR between fiscals 2024 and 2029, while iron ore mining will also likely grow at ~3.5-4.5% CAGR during this period, aiding tipper demand.

Scrappage policy

MoRTH, in August 2018, considered incentivizing the scrapping of vehicles sold before April 2005 (15 years old). After deliberations on the modalities on implementation of the norm, the government currently aims to promote vehicle scrapping by exempting registration charges for truck purchases made after scrapping older trucks. To incentivize scrappage of older vehicles, the government has increased the registration charges for older vehicles and increased stringency of fitness tests. These will entail higher costs for owners of older vehicles. Hence, by disincentivizing the ownership of older vehicles, the government expects the scrappage of older vehicles to increase. We expect the impact of the norms to be limited on additional scrappage (apart from vehicles scrapped in the normal course of business). If, through higher incentives from the government and OEMs, transporters can be incentivized to scrap vehicles older than 15 years, we expect 6,00,000-6,50,000 MHCVs to be available for scrapping. Although translation of the same into demand for new CVs will be a monitorable based on implementation and incentivization levels.

Private final consumption expenditure (PFCE)

LCVs are primarily used for last-mile transport and redistribution of commodities. PFCE is a good indicator of domestic consumption demand, and accounts for more than 90% of the LCV goods tonnage segment. Apart from the usual freight demand, an increase in rural consumption and urban expenditure boosts demand for smaller vehicles to transport consumer goods. Moreover, a rise in consumption of non-food items, consumer durables and fast-moving consumer goods fuels demand for LCVs.

PFCE is expected to continue its momentum and clock a CAGR of 6.5-7.5% from fiscals 2025 to 2030, which is expected to support the growth of the LCV segment.

Increasing adoption of the hub-and-spoke network

The road transport industry is gradually moving towards the hub-and-spoke distribution model, wherein industries have large hubs in major regions. Goods are consolidated at these hubs and sent to several touch points (spokes) in the hinterland. This is expected to provide a continued push to LCV demand.

Impact of regulatory changes on domestic commercial vehicles sales

ADAS & AC Mandates

The Ministry of Road Transport and Highways (MoRTH) is prioritizing road safety and driver welfare, which have historically been neglected in the Indian CV space.

Starting April 1, 2026, newly introduced models of trucks and buses (N2, N3, M2, M3 categories) must be equipped with Advanced Driver Assistance Systems (ADAS). This includes Emergency Braking (AEBS), Driver Drowsiness Warning (DDAW), and Blind Spot Information Systems. This will significantly increase the BOM (Bill of Materials) cost. For fleet operators, the perceived impact is a reduction in insurance premiums and accident-related downtime, though the initial acquisition cost will rise.

All N2 and N3 category trucks must have air-conditioned cabins. This moves the market away from cowl chassis toward factory-built cabins (fully built units). It improves driver retention in a market facing a severe driver shortage.

Emission Standards: BS-VII and Beyond

While India only recently transitioned to BS-VI (OBD-II), the next leap is already on the horizon. BS-VII Norms (Expected 2026–2028) which is expected to be modeled after Euro 7, these norms will likely be fuel-agnostic (same limits for petrol and diesel). A critical addition is On-Board Monitoring (OBM), which tracks real-world emissions throughout the vehicle's life, not just at the time of sale. BS-VII will make diesel after-treatment systems (ATS) extremely complex and expensive. This is expected to trigger a segment shift where Light Commercial Vehicles (LCVs) migrate toward Electric and Heavy Commercial Vehicles (HCVs) move toward LNG or Hydrogen to avoid the high compliance costs of diesel.

CAFE/CAFC Norms for CVs

A new draft released on 28 July 2025 proposes taking fuel efficiency norms into Phase 2, where in model specific fuel efficiency norms will be replaced by CAFE norms. The proposed implementation window is from 2027 to 2032. Some of the key proposed aspects are mentioned below.

1. **Shift from per-vehicle Minimum Energy Performance (MEP) to fleet-wide CAFE standard:** Previously, every type /mode of vehicle had different efficiency requirements. But the new proposal says, efficiency targets need to be met on average across all models sold by the manufacturer cumulatively.
2. **Stricter target:** OEMs will now have to ensure 30% fleet-wide improvement in fuel efficiency compared to 2022-23 levels. Earlier fuel efficiency varied by model.
3. **Scope expanded:** Covers light, medium, and heavy-duty vehicles, across all fuels and not just diesel which was the case until now. Previously, it covered only medium and heavy-duty vehicles.
4. **Super-credits introduced:** under this concept, for every Hydrogen and EV vehicle sold, the manufacturer gets a certain number of credits,

OEMs will be forced to balance their portfolio. To meet fleet-average CO₂ targets, they will need to sell a specific percentage of Zero Emission Vehicles (ZEVs). This creates a Super Credit system where one electric truck sold can offset the emissions of multiple diesel trucks, accelerating the push for electrification by manufacturers.

Modernization: Scrappage Policy

Commercial vehicles older than 15 years must undergo mandatory fitness tests; failure results in de-registration. Government-owned CVs older than 15 years are being scrapped starting 2024–25. This policy will create a replacement cycle tailwind. As enforcement tightens inefficient CVs will need to be replaced, providing a steady platform for new vehicle demand through 2030.

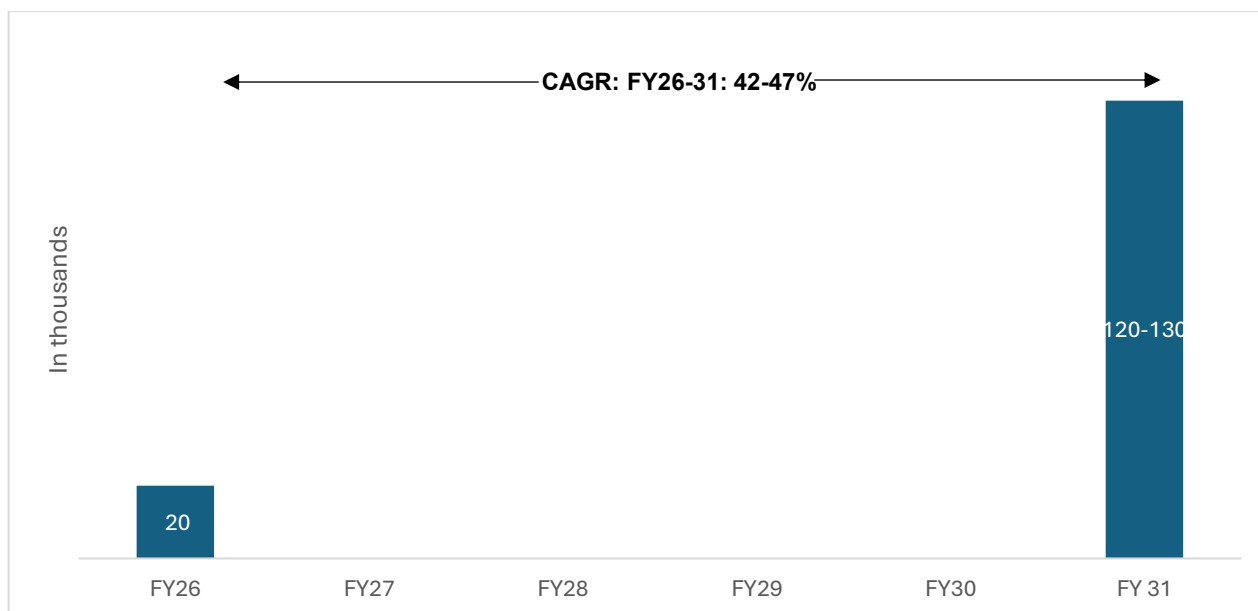
Alternative Fuels: Green Hydrogen & LNG

National Green Hydrogen Mission targets 1,000+ hydrogen-powered heavy trucks on the road by 2030. The government is incentivizing the setup of LNG stations every 200–300 km on major highways. For long-haul (1,000+ km) applications where batteries are too heavy, LNG and Hydrogen are positioned as the primary diesel alternatives.

Estimated Penetration of Electric commercial vehicles by 2030

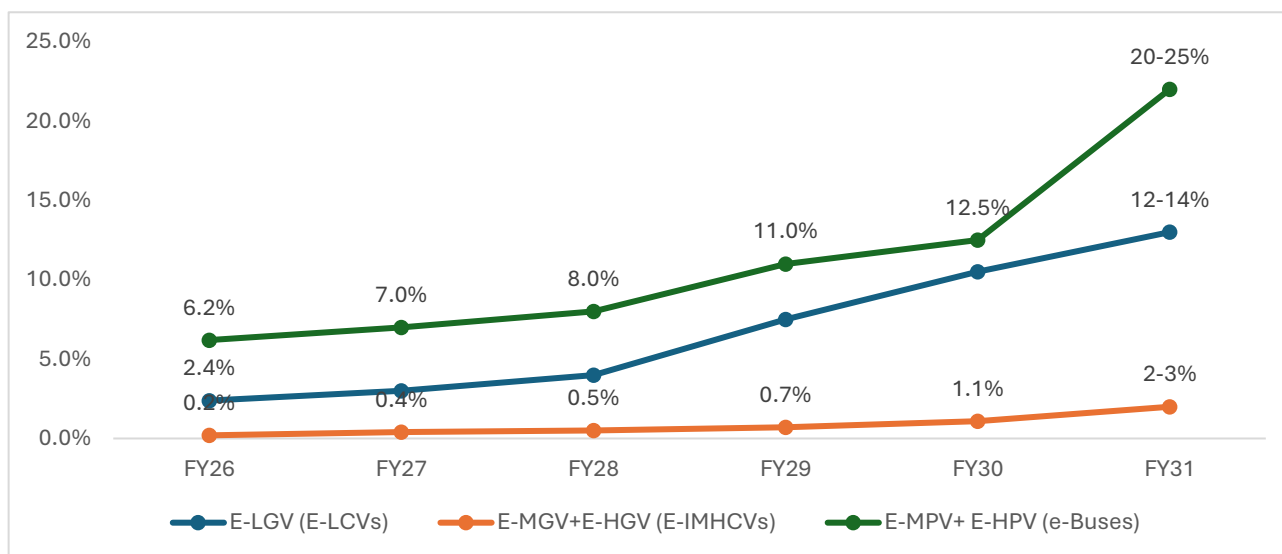
The Government of India has undertaken several steps to ensure proliferation of electric vehicles, such as Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME I and FAME II), Phased Manufacturing Program (PMP) and Production Linked Incentive (PLI) to name a few. The same has been supported by lucrative state EV policies, which a few progressive states have released.

Currently, most EVs used in the commercial segment as goods carriers are three-wheelers and LCVs, and they are picking pace. However, as the cost differential between electric and diesel vehicles start reducing, CRISIL expects new models to be launched, which will drive sales in the segment as the third-mile logistics and local distribution of goods are well suited applications for electric vehicles.



Due to the Government support through FAME and focus on quicker adoption of EVs in public transport, there has been significant increase in electric bus sales in the last couple of years. Further, through the introduction of PM eBus Sewa scheme government aims to augment the city bus operations using 10,000 e-buses through Public-Private Partnership (PPP) model across India. The Scheme will support bus operations for 10 years and would have an estimated cost of Rs.57,613 crore, out of which support of Rs.20,000 crore will be provided by the Central government. Operational profile of buses with fixed routes and regular stops makes them suitable for charging at pre-determined intervals and specific locations.

The penetration is expected to reach 20-25% in buses segment and 12-14% in LCV segment by fiscal 2031, while the penetration in IMHCV segment is still expected to be low at 2-3% by 2030. Electric bus registrations have skyrocketed in the past few years owing to adoption by STUs as well as government incentives. The price of an electric bus is considerably higher than that of a diesel-powered bus running. Thus, subsidies would be a key driving factor for electrification of STU buses. A large part of the STU intra city buses is expected to be electric by fiscal 2030.



Review and Outlook of Off-Highway Vehicles

Off-highway vehicles are engineering machines and vehicles used for construction (industrial & infrastructure), agriculture, mining, waste management, and logging activities. They are also used to prepare the ground, excavation, haulage of material, and dumping/laying in a specified manner. The various types of machines used are backhoe loaders, excavators, wheeled loaders, skid steer loaders, graders, cranes, dozers and compactors.

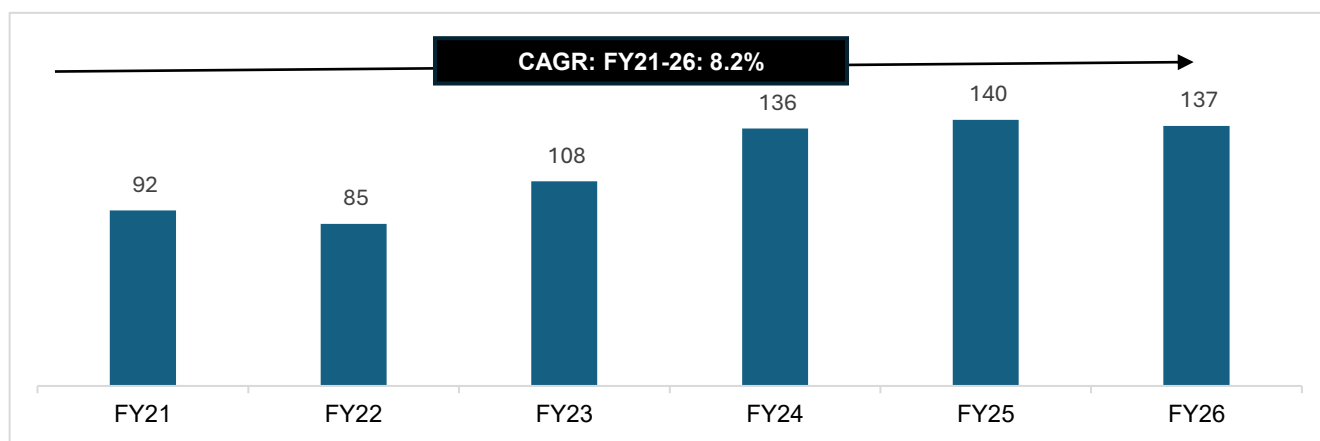
Equipment Category

Earthmoving Equipment	Material Handling Equipment	Road Construction Equipment	Material Processing Equipment	Concrete Equipment
Backhoe loaders	Pick & Carry Cranes (Hydra Cranes)	Tracked Pavers	Compressors (Automatic/Diesel/Electric Portable; Diesel Skid)	Batching Plants
Skid Steer loaders	Pick & Carry Cranes (Hydraulic Cranes)	Wheeled Pavers	Static Crushers	Self Loading Concrete Mixers
Track Loaders	Pick & Carry Cranes (Next Gen Cranes)	Single Drum Rollers (Soil Compactors)	Track Crushers	Concrete Mixers (Transit Mixers)
Wheeled Loaders	Lorry Loader Cranes	Double Drum Rollers (Tandem Compactors)	Wheeled Crushers	Stationary Concrete Pumps
Track Type Tractors/ Crawler Dozers	Truck Cranes	Pneumatic Tyre Rollers	Roll Crusher	Mobile Line Pumps
Wheeled Dozers	Crawler Cranes	Asphalt Batching Plants	Screeners (Static/Track mounted/Vibrating)	Boom Pumps
Crawler Excavators	All Terrain Cranes	Asphalt Finishers	Air Classifiers	Shotcrete
Wheeled Excavators	Rough Terrain Cranes	Milling Track	Wet Classifiers / Washing System	Slipform Pavers
Motor Graders	Fixed Tower Cranes	Milling Wheel	Grizzly Feeder	Fixed Form Pavers
Off Highway Dump Trucks	Mobile Tower Cranes		Pan Feeder	
Pipe Layers	Tele Handlers			
	Reach Stackers			

Source: ICEMA

Off-highway vehicles have an average life of about 7-8 years, depending on frequency of the usage. However, various components need to be regularly serviced and replaced and hence, after-sales service forms a critical part of the manufacturers' offering. Hirers and small contractors are the major end-users of Off-highway vehicles. Large engineering, procurement & construction (EPC) companies account for only about 10% of total demand.

Historic Production development (FY21-26)

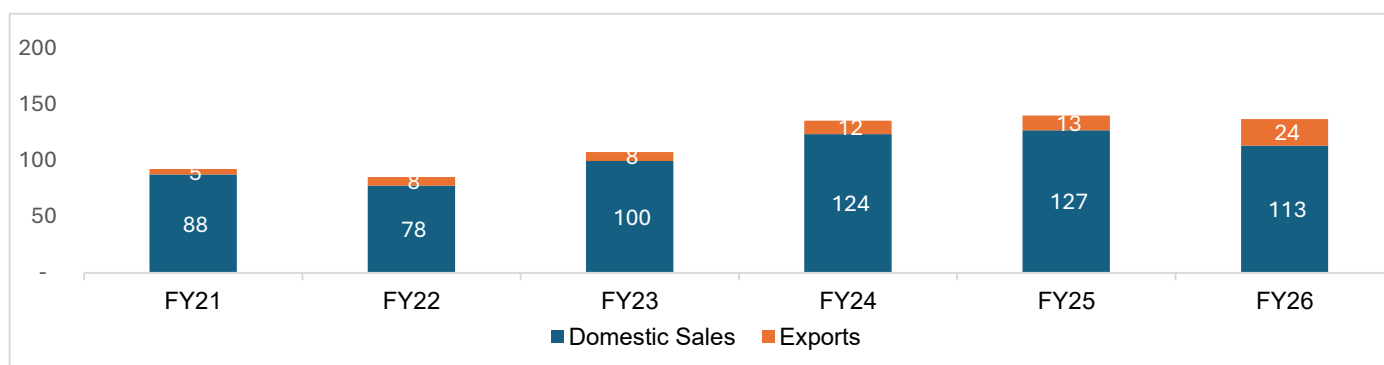


Source: Industry, ICEMA, Crisil Intelligence

The Indian off-highway vehicles industry witnessed a decline of 2% in fiscal 2026, due to project delays as well as slower infrastructure execution as factors impacting domestic demand. However, the industry registered a 80% growth in exports during the year.

Total equipment sales reached had breached the 140,000 mark in fiscal 2025, which declined to 136,995 units in fiscal 2026. The 80% growth in exports played a crucial role in supporting the industry's overall performance.

Split by Domestic Sales and Exports (FY 21-26)

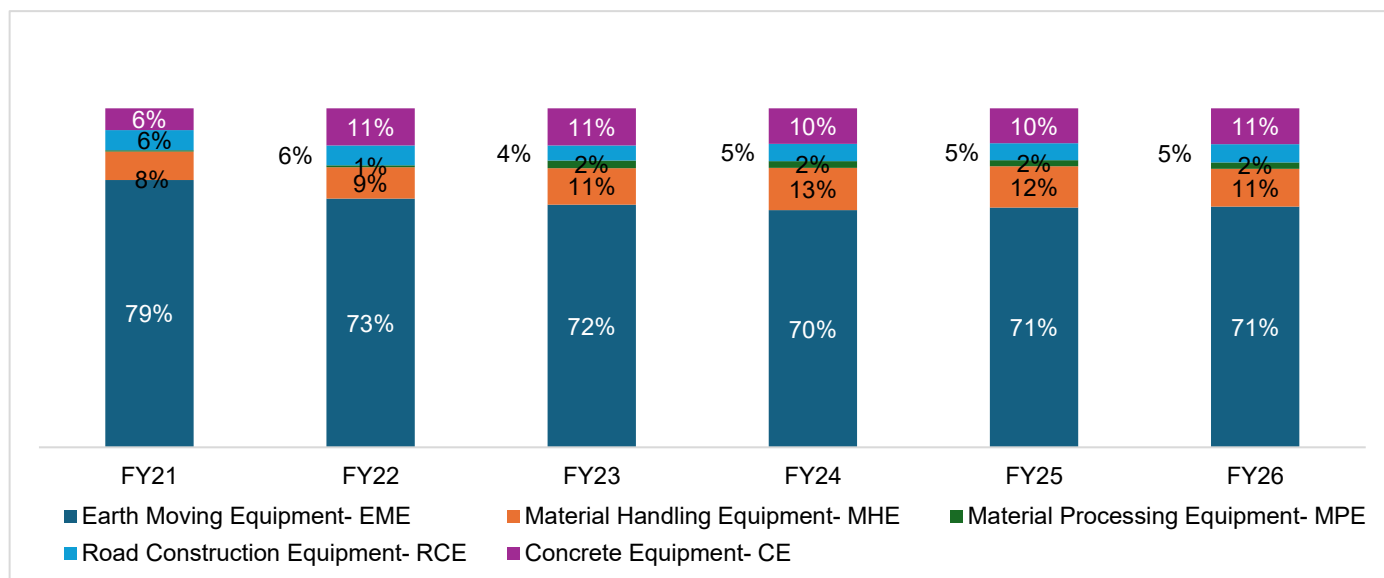


Source: Industry, ICEMA, Crisil Intelligence

Domestic sales declined in fiscal 2026 by 10.8%, from 127 thousand units to 113.2 thousand units due to project delays and slower execution of infrastructure execution in the country. Export volumes rose significantly to 23.7 thousand units from 13.2 thousand units in fiscal 2025, underlining the increasing demand from global markets.

The export surge highlights the growing global acceptance of Indian-manufactured off-highway vehicles market. The domestic demand was temporarily impacted during the election period, which created short-term headwinds, but the strong export performance enabled industry revival in fiscal 2026.

Segment-wise split (FY 21-26) for Production



Source: Industry, ICEMA, Crisil Intelligence

The EME category continued to anchor the off-highway vehicles market, accounting nearly 71% of total industry volumes. The segment recorded sales of 97 thousand units, reflecting a 2% decline over the previous year.

Material handling equipment sustained its position as the second-largest segment with 15 thousand units sold. Meanwhile concrete equipment recorded 14.8 thousand units. Road construction equipment contributed 7 thousand units, reflecting continued investment in highways and connectivity projects, and material processing equipment added 2.5 thousand units, serving demand from aggregates and mining applications.

Emission norms and applicability to construction and mining equipment

The construction equipment vehicles (CEVs) are regulated by Bharat stage CEV emission norms, stage IV came into effect from April 2021, and latest CEV stage V implemented from 1st January 2025 aligning with European stage IV and V standard for diesel engines used in non-road mobile machinery. India will become the third region outside of the

European Union and United states to adopt Stage V-equivalent emission standards. Non-wheeled equipment, mainly deployed in off-road / off-highway applications like mining and irrigation, continues to be outside the purview of these emission norms for now, in contrast with developed markets (like the EU), where such equipment is treated at par with the on-road CEVs and is regulated together under common norms.

CEV V emission standards will also accommodate a wider range of engines including those smaller than ~37kw and larger than 560kw and stringent emission limits on particulate matter (PM), particulate number (PN) (BS V only), nitrogen oxide (NOX), hydrocarbon (HC), and carbon monoxide (CO). This is the first time India has adopted one set of consistent standards regulating both agricultural and construction equipment.

The stringent PM and PN limits are set at a level which will ensure diesel particulate filters, the key technology needed to effectively control particulate matter emissions from diesel engines, adopted as expected in the European Stage V standards. Engines equipped with selective catalytic reduction also must meet ammonia emission limits of 25 ppm for those less than 56 kW, and 10 ppm for those above 56 kW. Stringent emission regulations are critical to prevent a significant increase in air pollution from non-road diesel equipment. By implementing emission norms for construction equipment and mining, industries can reduce pollution and promote sustainable development.

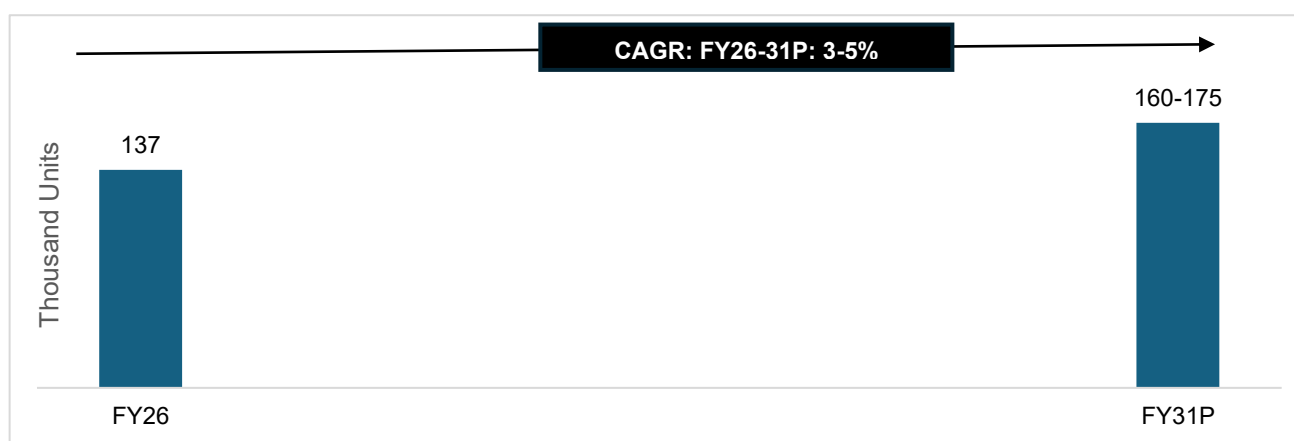
Electrification in Off-highway vehicles

Electrification in India's off-highway vehicle (OHV) segment remains at a very nascent stage, with current penetration limited to a few units (~0.1% of total sales) in fiscal year 2025.

The leading OEMs have already introduced electric construction equipment models signaling the direction the industry is headed. For instance, Caterpillar has been piloting battery-electric excavators and loaders, while Volvo Construction Equipment offers electric compact machines such as the ECR25 Electric excavator and L25 Electric wheel loader.

The adoption is expected to be concentrated on compact equipment such as mini excavators, skid steer loaders, and small wheel loaders, where operating cycles and charging feasibility are more manageable, key advantages include lower operating costs, reduced noise levels, minimal maintenance due to fewer moving parts, and zero tailpipe emissions.

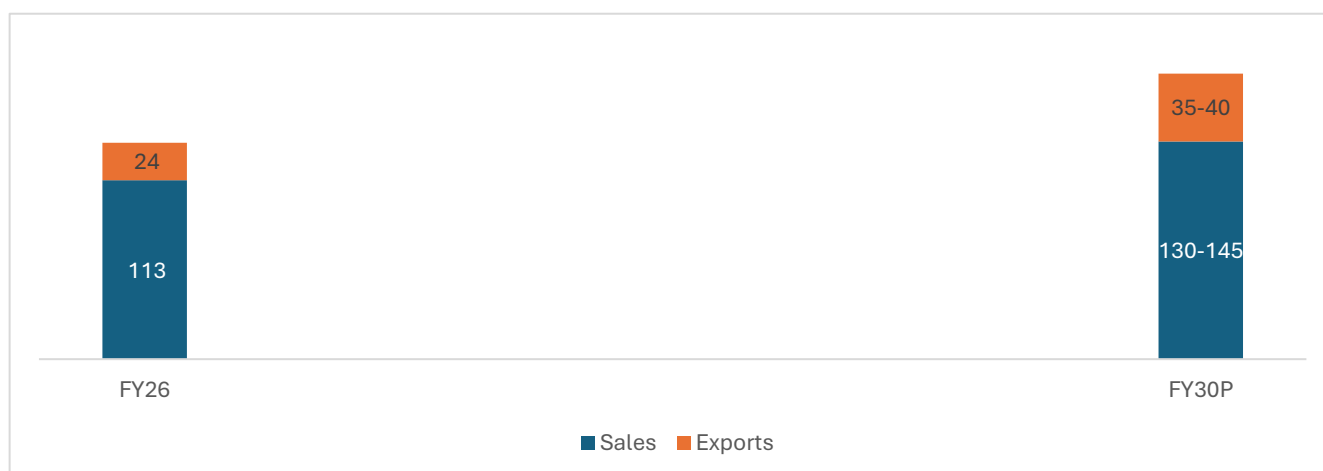
Production Outlook (FY26-31P)



Source: Industry, CRISIL Intelligence

Note: P-Projected

Split by Domestic Sales and Exports (FY26-31P)



Source: Industry, CRISIL Intelligence

Note: P-Projected

The industry is expected to witness steady medium-term growth, with volumes projected to reach 160-175 thousand units by fiscal 2031, implying a CAGR of 3-5% over fiscal 2026 to 2031. After a sharp contraction of 16% in fiscal 2022 due to pandemic-related disruptions and supply chain constraints, the industry rebounded strongly in fiscal 2023 (22%) and fiscal 2024 (26%), supported by robust infrastructure spending and revival in construction activity.

The industry declined by fiscal 2026. However, structural drivers remain intact. Government-led infrastructure pushes across roads, railways, metros, irrigation, and urban development continues to anchor demand. Increased budgetary allocation toward capital expenditure, focus on logistics efficiency, and large-scale projects under national infrastructure programs provide long-term visibility.

Additionally, rising mechanization in construction, replacement demand, equipment financing availability, and growing rental markets support industry resilience. Mining activity, rural infrastructure development, and housing demand are also expected to contribute to steady equipment utilization levels.

Key Growth Drivers

Roads & Highways Expansion

The continued expansion of India's road network remains one of the largest drivers for construction activity. Government initiatives such as Bharatmala Pariyojana aim to improve freight efficiency through the development of economic corridors, expressways, and border roads. In addition, the Ministry of Road Transport and Highways has significantly increased capital expenditure to enhance national and rural connectivity. These large-scale projects involve extensive earthmoving, grading, and paving activities, thereby driving strong demand for excavators, motor graders, compactors, and road construction equipment.

Growth in Mining & Quarrying Activities

The expansion of coal production and increased extraction minerals to support industrial and power sector in India. Organizations such as Coal India Limited continue to expand open-cast mining operations, while the private sector is also increasing participation in mineral extraction. These operations require heavy-duty earthmoving and material handling equipment, including large excavators, wheel loaders, dump trucks, and drilling equipment, which significantly contributes to construction equipment demand.

Housing and Urban Infrastructure Development

Rapid urbanization and government-led housing initiatives are fuelling large-scale residential and urban infrastructure projects. Programs such as Pradhan Mantri Awas Yojana and Smart Cities Mission aim to improve housing availability, urban mobility, and civic infrastructure across Indian cities. The construction of residential complexes, urban roads, drainage systems, and municipal infrastructure is increasing the utilization of equipment such as backhoe loaders, mini excavators, skid steer loaders, and compact construction machinery.

Airport Infrastructure Expansion

The rapid growth in air passenger traffic and the need to improve regional connectivity have led to increased investments in airport infrastructure. The UDAN scheme is facilitating the development and expansion of airports in Tier-2 and Tier-3 cities. Airport construction involves runway development, leading to increased demand for earthmoving equipment, compactors, graders, and other construction machinery.

Railway Infrastructure Modernization

Significant investments in railway infrastructure are being undertaken by Indian Railways to improve freight capacity, passenger connectivity, and operational efficiency. Key projects include dedicated freight corridors, track doubling, electrification, and station redevelopment. These projects involve large-scale civil construction activities such as embankment development, tunnelling, bridge construction, and track laying, which drive demand for excavators, cranes, loaders, and specialized railway construction equipment.

Electrification penetration in Off-Highway vehicles by fiscal 2030

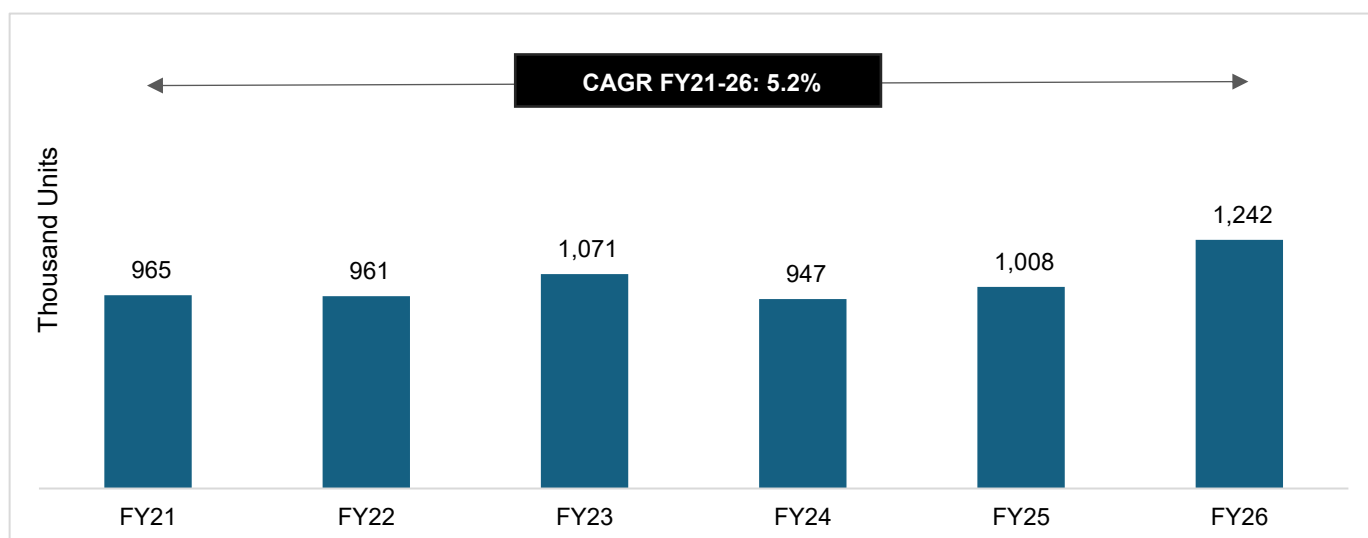
Electrification is still at a nascent stage in the Off-Highway vehicle segment as India advances toward its broader sustainability and decarbonization goals. Industry bodies such as ICEMA have urged the government to include electric and alternative fuel powered Construction Equipment Vehicles (CEVs) under the PM E-Drive scheme to accelerate adoption. The transition, however, remains at an early stage due to challenges such as high upfront equipment costs, limited charging infrastructure at projects sites, and concerns around battery performance in heavy-duty applications.

Sales of electric off-highway vehicles in India are expected to rise from 0.1% currently in fiscal 2026 and is still expected to be less than 1% by fiscal 2031.

Several manufacturers have already introduced electric construction equipment globally and in India. Examples include the Volvo EC230 electric, Caterpillar 301.9 electric, JCB 19C-1E, and CASE CX15ev.

Review and Outlook of Indian Tractor Industry

Historic Production Development (FY21-26)



Source: TMA, CRISIL Intelligence

India's tractor industry has demonstrated cyclical resilience over fiscal 2019-2026, with overall production expanding at a CAGR of 5.2% between fiscal 2021 and 2026. The period reflects both structural growth drivers and short-term macroeconomic disruptions.

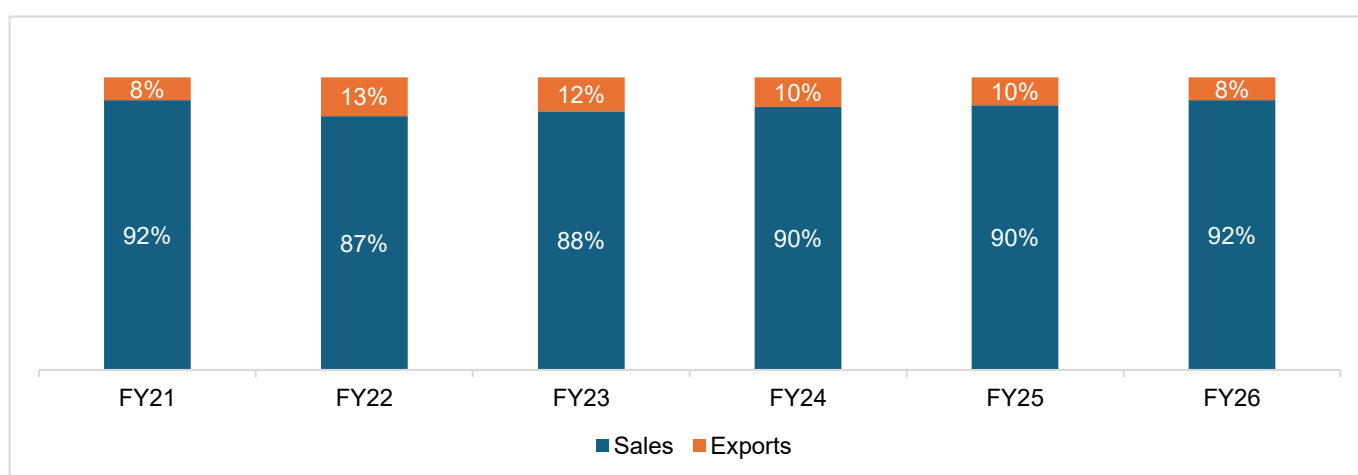
The tractor industry witnessed growth of 23% in fiscal 2026. The growth was mainly driven by better rural incomes, supported by good monsoon conditions, higher crop production, and improved earnings for farmers. Strong reservoir levels and good kharif and rabi harvests improved farmer confidence and increased demand for farm mechanization.

Government support also played an important role in boosting demand. GST reductions from 12% to 5% lowered tractor prices across different horsepower categories, making tractors more affordable and encouraging purchases, especially among first-time buyers and small farmers.

Structurally, India remains one of the world's largest tractor markets, underpinned by a combination of robust domestic drivers and expanding global reach. The prevalence of small and fragmented landholdings continues to fuel steady demand for low-horsepower (HP) tractors, while increasing agricultural mechanization across semi-urban and rural regions further accelerates market growth. Additionally, favorable government schemes aimed at bolstering agricultural infrastructure provide strong institutional support. Beyond domestic consumption, the industry is increasingly capitalizing on growing export opportunities to Asian countries.

Going forward, production growth is expected to remain steady rather than exponential, supported by replacement demand, global, gradual farm consolidation, and technology upgrades. Overall, the Indian tractor industry reflects a demand cycle closely linked to monsoons, rural liquidity, credit access, and government policy support while long-term mechanization trends continue to provide structural stability.

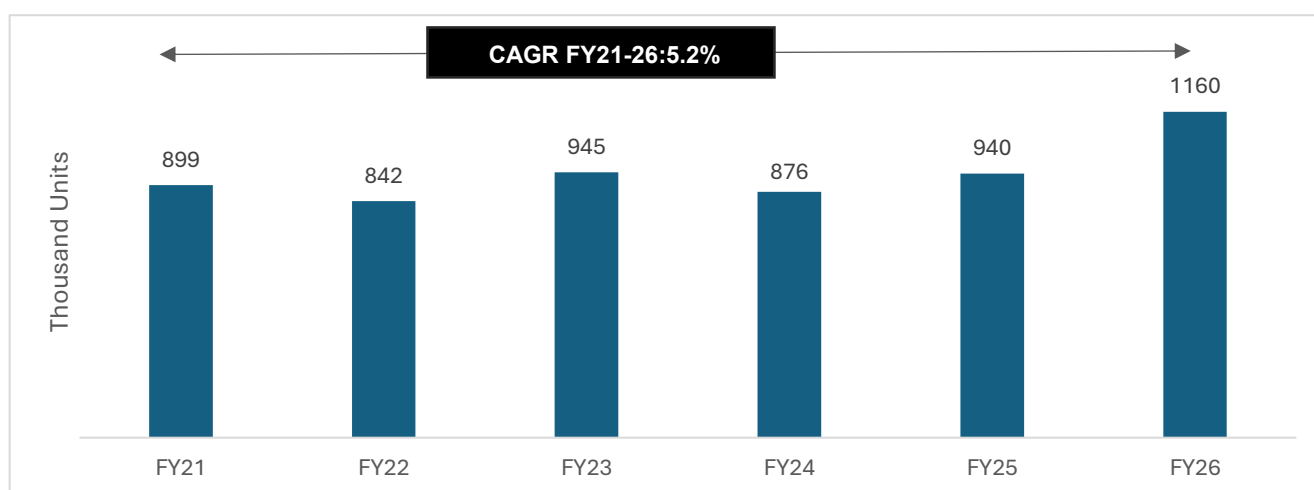
Production split between Tractor Sales and Exports



Source: TMA, CRISIL Intelligence

The production split highlights the industry's strong reliance on the domestic market, which consistently accounted for majority of the total production, ranging between 87% and 92% from FY21 to FY26. While the share of exports saw a notable peak at 13% in FY22, it gradually moderated to 8% by FY26, returning to FY21 levels. This trend underscores that while international markets remain a steady supplementary avenue for manufacturers, domestic demand continues to be the primary driver of tractor production.

Domestic tractor industry sales logged 5.2% CAGR between fiscals 2021 and 2026



Source: TMA, CRISIL Intelligence

In fiscal 2024, domestic tractor sales dropped by 7.4% to ~875,724 units, on account of lower reservoir levels and negative farmer sentiments. Uneven rainfall distribution with monsoon being 6% below normal for the season has led to slower pick-up in the retail market. Erratic monsoon, lower reservoir levels, decline in rabi acreage contributed towards a 7.4% on-year decline in tractor sales for fiscal 2024.

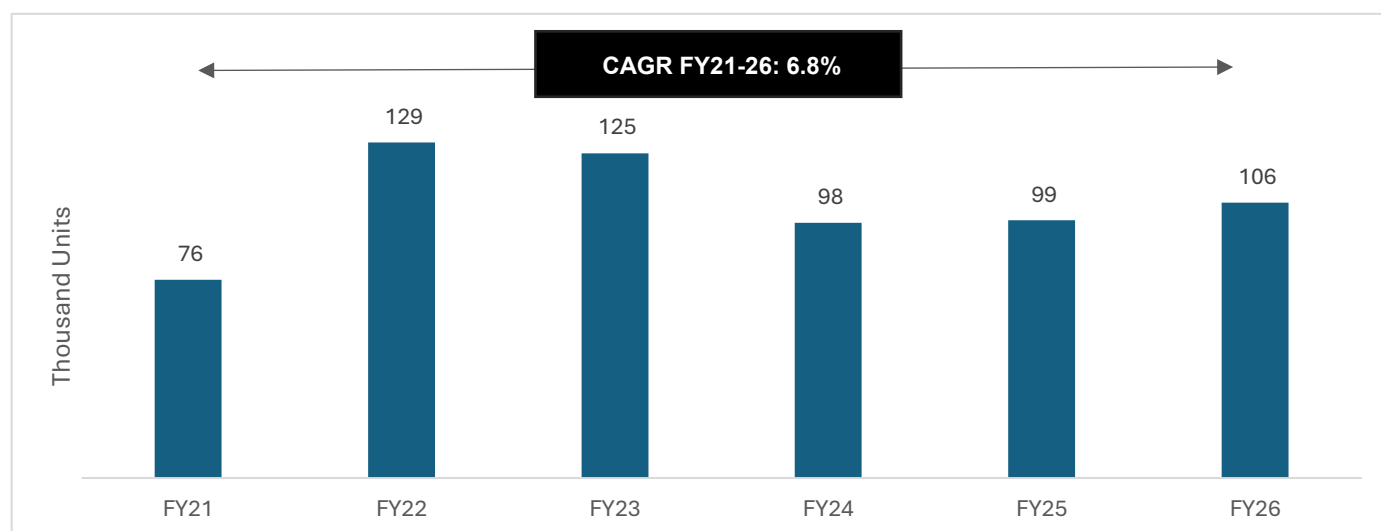
In fiscal 2022, domestic tractor sales declined by 6.4% on-year after growing 26.6% in fiscal 2021. Price hikes by OEMs, higher inventory at dealerships, lower commercial demand, negative farmer sentiment owing to rising cost of cultivation, low fertilizer availability and increase in other expenditure (such as marriages and other social occasions) hampered the demand.

In fiscal 2023, domestic tractor sales grew 12.2% on year to an all-time high of 945,000 units. Healthy crop prices, sound reservoir levels owing to above-normal monsoon, higher MSPs announced by the government and better rabi acreage, all led to positive farmer sentiment. Healthy festival demand because of various schemes and discounts supported the retail growth momentum. Commercial demand during the fiscal, however, remained rangebound in fiscal 2023 owing to slower retail momentum in eastern states and a complete ban on sandmining.

A large part of domestic tractor sales is driven by replacement demand. The typical holding period for a tractor is 6-9 years. Most of the tractors in the country are replaced within 7-8 years. Of the domestic demand, 50-60% constitute replacement demand.

In fiscal 2025, with an above normal monsoon season aiding farmer sentiments, the domestic tractor sales rose by 7-8% in the fiscal 2025 after declining in fiscal 2024. The growth revival, majorly supported by favorable rainfall, boosted kharif crop output, with higher reservoir levels aiding rabi crop profitability which further supported sales. Government measures, including increased crop procurement and higher minimum support prices (MSP) for the rabi season, have boosted farmers' cash flow thereby leading to healthy retail momentum.

Tractor exports



Source: TMA, CRISIL intelligence

Exports, accounted for about 8% of the overall tractor sales as of fiscal 2026. In fiscal 2026, exports demand grew by 7% due to demand from the US, Europe and Asia to support growth but not enough to get back to fiscal 2022 highs. However, the recovery showed positive signs for the industry after two consecutive fiscal years registering less than 100,000 units.

Strategic push, such as setting up a base in foreign countries, by players to cater to global demand would aid export sales. With most of the global companies de-risking exports from China due to the complexities and disruptions in the nation, India has become the natural hedge against Chinese exports. Further, with most of the companies equipped to comply with TREM IV norms, exports have bloomed in the past few years.

The export data for Indian tractors over the years from FY21 to FY26 reflects a fluctuating trend in the international market. This data underscores the influence of various global and domestic factors on the tractor export industry. The CAGR for this five-year period, considering both the ups and downs, stands at approximately 6.8%. While this growth

rate may appear moderate, it signifies the resilience of the Indian tractor export industry in the face of various economic and global challenges.

Factors impacting tractor industry

Emission norms

From January 2023, TREM IV was introduced for tractors above 50HP, aligning with Bharat Stage (BS) IV norms for off-road vehicles marked a significant regulatory shift aimed at curbing emissions from the agricultural sector. With application of TREM IV, the price of more than 51 hp tractors has gone up by Rs 1-1.5 lacs further dampening demand with farmers shifting towards 41-50 hp tractors. For this reason, the share of >51 hp tractors had gone down in fiscal 2024.

Implementation of the TREM V emission norms, which are set to take effect from April 1, 2026, could influence buying patterns, potentially leading to pre-buying ahead of the deadline as farmers and dealers look to purchase tractors before price increases. However, the final impact will depend on clarity around regulatory timelines, OEM preparedness, and cost implications for end-users.

EV penetration

Adoption of electric tractors in India remains at a nascent stage, with limited penetration in broader market. Until FY2019, electric tractors in India were few and largely imported from international markets. However, a shift began in FY2020, when domestic manufacturers started investing in the development and production of electric models.

Leading traditional tractor OEMs like Mahindra, Escorts Kubota, and Sonalika (International Tractors Ltd) have since initiated R&D and rolled out their first few prototypes electric tractors. In parallel, dedicated EV startups such as AutoNxt Automation, Bull Work Mobility, and Powerland Agro have focused exclusively on electric tractor development, targeting niche applications.

Despite this growing interest, cumulative registrations of electric tractors in India remain low-just 127 units to date including both imported units and domestically produced prototypes. Deployment has primarily been concentrated in a few agriculturally intensive states like Haryana and Punjab, where state-level support and targeted trials have facilitated early experimentation.

Companies are currently engaging in pilot testing with select customers to evaluate real-world performance, collect user feedback, and optimize design before considering broader commercial rollout. While these steps mark important progress, the current electric tractor volumes are minuscule when compared to the overall Indian tractor market, which sells over 900,000 units annually.

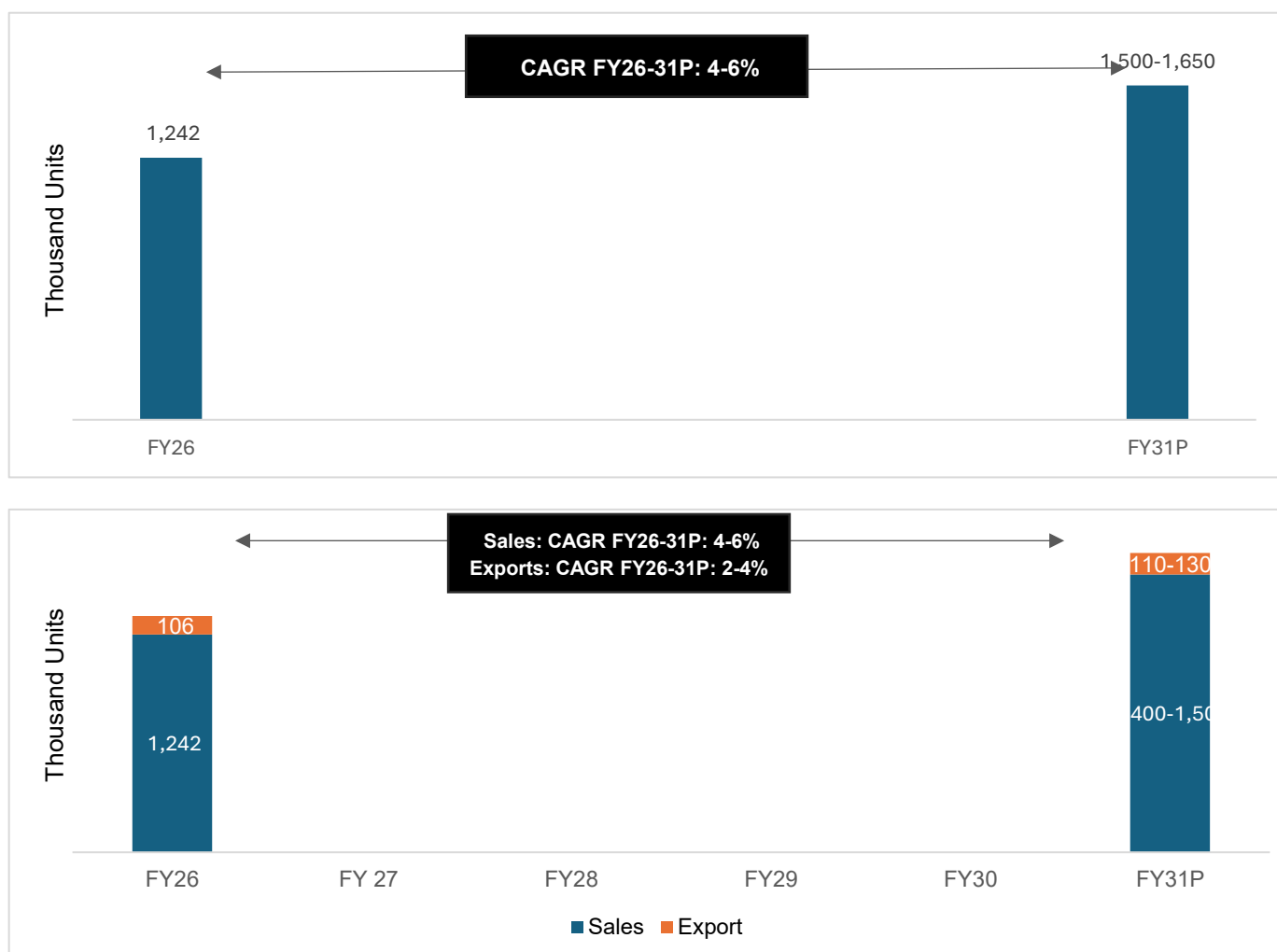
Outlook of Indian tractor industry

CRISIL Intelligence projects domestic tractor sales to expand at 4-6% compound annual growth rate (CAGR) during fiscals 2026 to 2031, after factoring in one to two years of erratic monsoon during the period along with healthy sales expected in the remaining years. From fiscal 2018 to 2023, the industry registered a CAGR of 5% due to healthy sales in fiscals 2017, 2018, 2021 and 2023.

However, anticipated decline in rabi profitability, low subsidy disbursement in the first quarter of fiscal 2025 amid general elections and slower growth in commercial demand to prevent further growth in fiscal 2025.

In fiscal 2026, domestic tractor sales grew by 23% in volume terms. With El Nino and the lack of clarity with the fertilizer situation in India, the growth in the industry is expected to be relatively slower as compared to the previous fiscal.

Production Outlook for fiscal (FY26-31P)



Note P: Projected

Source: CRISIL Intelligence

Growth up to fiscal 2031 will be on the back of low tractor penetration in the country (three tractors per 100-hectare area), government's focus on improving farm incomes through various schemes, promotion of farm mechanization, and investments to improve rural infrastructure.

Tractor is a cyclical industry, and it has been observed that whenever the industry gets into a downturn, it takes 4-5 quarters for the industry to recover. Thus, assuming that the industry will be impacted by poor monsoon for one to two years between fiscal 2026 and 2031 with the industry taking 4-5 quarters to recover, our long-term assessment suggests that the tractor industry will grow at a CAGR of 4-6%. The growth will be supported by low tractor penetration in India (3 tractors per 100-hectare area); government's focus on improving farm incomes through various schemes, promoting farm mechanization; and investments to improve rural infrastructure. Strong pick up in replacement demand along with higher crop prices aiding revival in the second half of fiscal 2025. Domestic tractor sales grew at a pace of 23% on-year in fiscal 2026 on account of increase in cash in hands of farmers, above normal monsoon, GST reductions and rise expected by 5-7% on-year in fiscal 2027.

Key growth drivers

Rabi crop profitability expected to improve in CY2025. In fiscal 2025, with an above normal monsoon season aiding farmer sentiments. Favorable rainfall boosted Kharif crop output, with higher reservoir levels aiding rabi crop profitability to further support tractor sales. Anticipated price rise of commodities like wheat, maize, paddy and mustard to drive the profitability growth on year in fiscal 2026. Government measures, including increased crop procurement and higher minimum support prices (MSP) for the rabi season, have uplifted farmers' cash flow thereby leading to healthy retail momentum.

Replacement demand expected to be higher

A large part of domestic sales is driven by replacement demand. Typical holding period for a tractor is around 6 to 9 years with most of the tractors being replaced in the country within 7-8 years. Of the overall domestic demand, 50-60% of the sales are replacement demand. For states having high penetration of tractors such as Punjab and Haryana, the replacement demand accounts for about 70-80% of the total sales. While states where farmer incomes are lower as compared to Punjab and Haryana have a lower replacement cycle (higher age tractors) compared to the industry average.

Replacement demand is expected to be higher by 15-17% in fiscal 2026 on account of healthy sales registered in fiscals 2017, 2018 and 2019.

Non-farm usage of tractors on the rise

Commercial demand for tractor accounts for 16-23% of overall tractor demand on aggregate. Apart from their primary application in agriculture operations, tractors are also used to haul bricks, sand, and farm produce. In poor crop years and in months when there is no agricultural activity, renting out tractors for commercial purposes provides farmers an alternate source of income, thereby proving to be a good hedge. Some tractors are designed specifically for haulage operations and are used exclusively in commercial activities. Based on our interactions in industry, tractors are also used as an alternative to pickups for haulage purposes. In fiscal 2026, we estimate commercial demand to rise to 17-19% of total tractor demand which can be attributed to an uptick in PMAY and PMGSY expenditures.

Rental model and low-cost tractors key to penetrating fragmented land holdings in India

Despite the huge potential total arable land offers, the fragmented land-holding pattern in India remains a hurdle. With over 80% of land holdings being small and marginal (less than 2 ha), most farmers are unable to afford tractors. They depend on renting tractors or buying small tractors to improve productivity, a trend which is rapidly gaining hold. Custom Hiring Centers (CHC) are a major component of the government's 'Sub-Mission on Agricultural Mechanization (SMAM)' policy. These centers maintain farm equipment and machinery which can be rented out, especially to small and marginal farmers who cannot afford them.

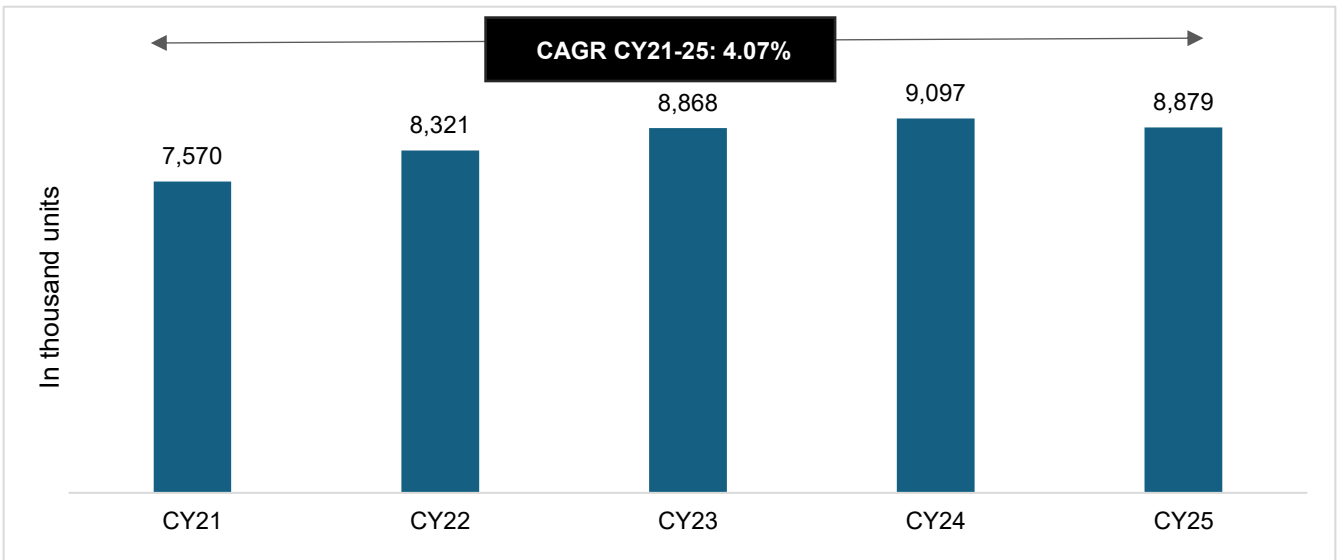
Private sector participation via multiple unique business models is also improving farm mechanization. CHCs face challenges such as lack of awareness among consumers about farm equipment usage, availability issues, high initial investment cost, maintenance of farm machinery, and providing equipment specific to local cropping patterns. Monitoring CHCs remains a major challenge. However, involvement of key stakeholders and introduction of favorable schemes and policies can make the CHC concept successful in India.

Estimated Penetration of Electric Tractors by fiscal 2030

Electric tractor penetration in India is expected to remain very low by 2030, as the segment is still in its early stages. In fiscal 2025, ~25 electric tractors were registered in India, indicating extremely limited adoption. Due to high costs, battery limitations, and lack of rural charging infrastructure, electric tractor penetration is expected to remain below ~1% of the total tractor market by 2030 in most conservative scenarios.

Review and Outlook of US Commercial Vehicles

Historical production development (CY 21-CY25)

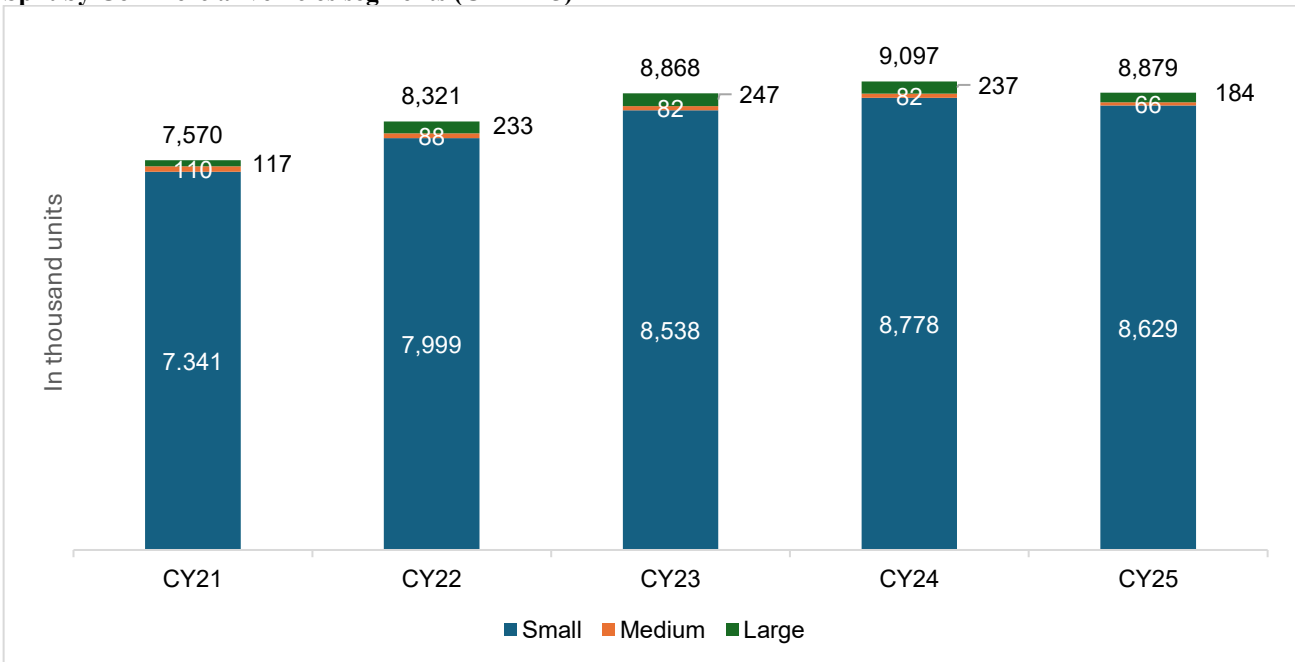


Source: Nexdigm

The US Commercial vehicle market between CY2021 and CY2025 reflects a clear post-pandemic recovery followed by a cyclical normalization. The industry has grown at a CAGR of 4.1% to reach 8.8 Mn units by CY 2025.

The historical production trend of the US commercial vehicle market from CY2021 to CY2025 shows a steady recovery followed by early signs of stabilization. Production increased from 7,570 thousand units in 2021 to 8,321 thousand units in 2022, reflecting a rebound from pandemic-led disruptions despite ongoing semiconductor shortages. This upward momentum continued into 2023 as supply chains improved and demand from freight, logistics, and infrastructure sectors strengthened. The market peaked in 2024 at 9,097 thousand units, driven by strong order backlogs and improved production efficiency. However, in 2025, production slightly declined to 8,879 thousand units, indicating the beginning of a normalization phase, likely due to softening of freight demand and easing replacement cycles. Overall, the period reflects a classic cyclical recovery, sharp post-COVID growth transitioning into a mild correction after reaching peak production levels.

Split by Commercial Vehicles segments (CY21-25)



Source: Nexdigm

Note:

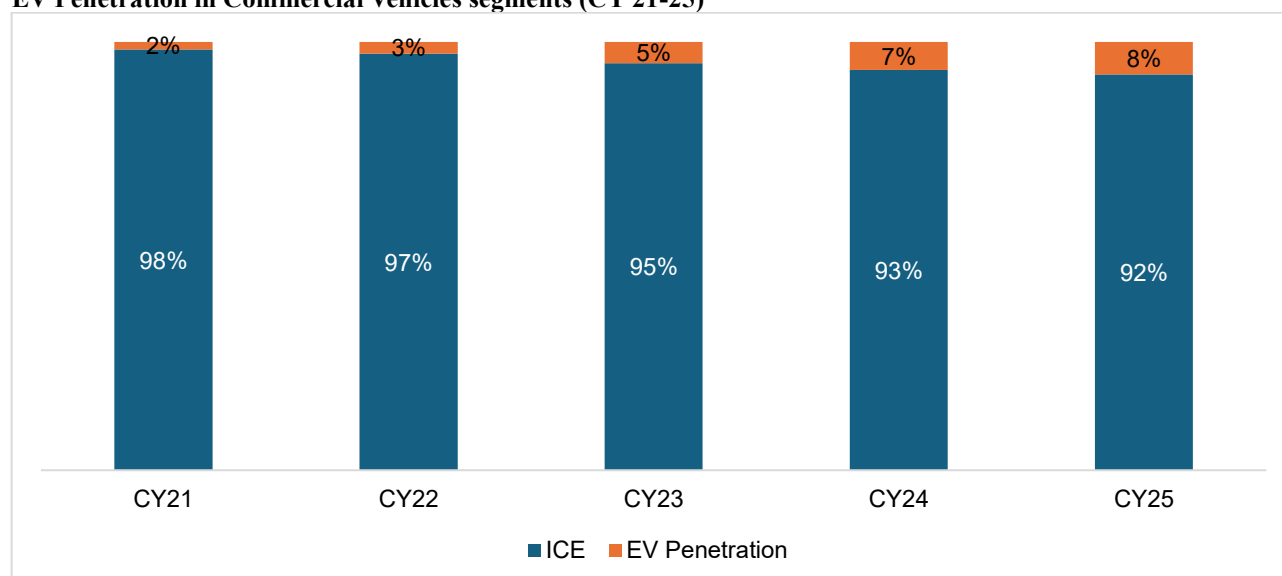
Small – GVW <4 tonnes
Medium – GVW 4<12< tonnes
Large – GVW > 12 tonnes

The segment-wise split of US Commercial vehicle production from CY2021 to CY2025, divided into small, medium, and large vehicles, and highlights both structural dominance and cyclical behaviour across segments. Total production rises from 7,570 thousand units in CY2021 to a peak of 9,097 thousand units in CY2024, before slightly declining to 8,879 thousand units in CY2025. Across all years, small commercial vehicles overwhelmingly dominate, contributing the bulk of volumes (over ~95% each year), and steadily increasing from 7,341 thousand units in CY2021 to 8,629 thousand units in CY2025. Their dominance is driven by e-commerce growth, last-mile delivery demand, and the popularity of pickup trucks, which are widely used for both personal and commercial purposes in the US. This segment is less cyclical and benefits from consistent replacement demand and consumer-driven purchases.

Medium commercial vehicles remain the smallest segment, showing marginal growth through CY2024 and a slight decline in CY2025. Medium commercial vehicles segment is supported by urban logistics and regional distribution but remains limited in scale due to competition from both smaller and larger vehicles.

Larger commercial vehicles grew from 117 thousand units in CY2021 to 237 thousand units in CY2024, before dropping to 184 thousand units in CY2025. These follow freight and industrial cycles. The rise from CY2021-2023 is due to strong freight demand, high fleet utilization, and replacement cycles, while the decline in CY2025 reflects falling freight rates and fleet overcapacity, leading to delayed purchases.

EV Penetration in Commercial Vehicles segments (CY 21-25)

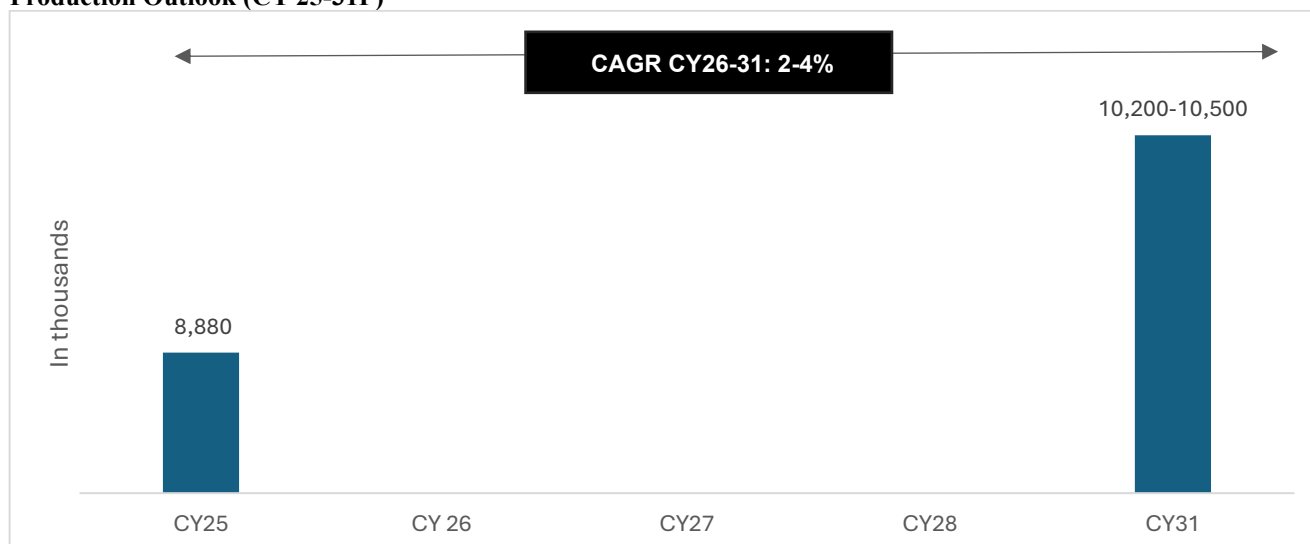


Source: Nexidgm

One major trend in the market is the rise of electric trucks (EVs). Although EVs currently make up a small portion of total production, their growth is outpacing that of traditional internal combustion engine (ICE) vehicles. EV production saw a growth from just over 132,000 units in CY2021 to more than 670,000 units by CY2025, and further to over 1.5 Mn units by CY2030. This rapid increase is driven by regulatory demands, corporate sustainability goals, and advancements in vehicle technology.

Few examples such as Ford E-transit, Rivian EDV, Brightdrop Zevo 600 are the biggest contributors to the rise from 2% to 8% EV penetration, driven by Amazon, FedEx, UPS adopting last-mile EV fleets. Adoption is growing but constrained by cost and charging infra for fleet depots. Freightliner eCascadia, and Volvo VNR Electric are some of the models used in the heavy commercial vehicle segments.

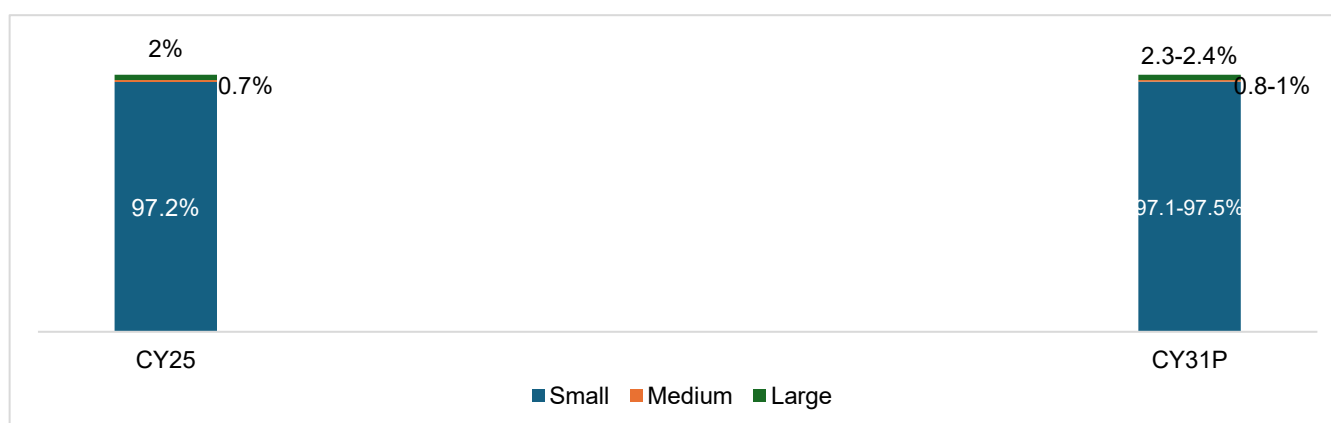
Production Outlook (CY 25-31P)



Source: Nexdigm

The US commercial vehicle production outlook for CY2026 to CY2031 indicates a phase of steady and moderate growth, with volumes expected to increase from 8,800 thousand units in CY2026 to 10,200-10,500 thousand units by CY2031, reflecting a CAGR of 2-4%. This growth trajectory suggests a transition into a mature and normalized market cycle following the volatility of the previous years. The expansion is primarily driven by replacement demand from a large existing fleet, supported by stable activity in logistics, construction, and industrial sectors. While e-commerce and last-mile delivery continue to contribute, their growth is expected to stabilize, leading to more predictable demand for light commercial vehicles. Additionally, the gradual recovery of the heavy truck segment after the 2025 slowdown and the increasing adoption of electric commercial vehicles provides incremental support to volumes. Overall, the outlook reflects a balanced, replacement-led growth environment, with limited cyclical volatility and no sharp demand spikes.

Split by Commercial Vehicles segments



Source: Nexdigm

Note:

Small – GVW < 4 tonnes

Medium – GVW 4 < 12 < tonnes

Large – GVW > 12 tonnes

Segment-wise split of commercial vehicles (small, medium and large) indicates that small commercial vehicles continue to dominate the market with ~97-98% share throughout the period, while medium vehicles account for ~0.7-1%. Large vehicles accounts for 2-2.4% during the period. The mix remains largely stable over time, with only a slight increase in the share of medium and large vehicles by CY2031.

This trend reflects the structural dominance of small vehicles, driven by sustained demand for last-mile delivery, e-commerce logistics, and pickup trucks. The marginal increase in medium and large segments is supported by gradual

recovery in freight demand and infrastructure activity, but their growth remains limited due to higher costs, cyclicalities, and operational constraints.

Key Growth Drivers for Domestic Sales

E-commerce and Last-mile Logistics Expansion

The rise of e-commerce is a key factor fuelling growth in the U.S. truck production market. As online shopping continues to gain traction, there has been a significant uptick in parcel volumes and delivery frequency. Additionally reverse logistics has become an increasingly important part of supply chains with consumers returning nearly 30% of online sales, versus about 8% for brick-and-mortar locations. This is transforming logistics networks into more decentralized and high-frequency distribution systems. This change has led to a greater demand for light-duty trucks that are essential for last-mile delivery, especially in urban and suburban settings.

Moreover, the increasing expectations for same-day and next-day delivery have ramped up fleet usage, which in turn speeds up vehicle wear and the need for replacements. Consequently, e-commerce not only boosts the immediate demand for new trucks but also supports long-term production growth by increasing fleet turnover.

Infrastructure Investment and Supportive Policies

Infrastructure investment and supportive policies are crucial for the growth of the U.S. truck production market. The Infrastructure Investment and Jobs Act (IIJA), a massive USD 1.2 trillion federal initiative launched in 2021, has set aside significant funds to upgrade highways, bridges, and essential freight corridors. Better infrastructure means shorter transit times and lower operating costs for fleet operators, which in turn enhances asset utilization and supports increased freight throughput.

At the same time, policy support, like funding for EV charging stations and clean transportation initiatives, is helping to pave the way for a gradual shift toward electric trucks. Together, these efforts enhance the operational efficiency and long-term capacity of the trucking industry, fostering a steady demand for new vehicle production.

Technological Advancements and Fleet Efficiency

The trucking industry is experiencing a major transformation with increasing adoption of telematics, route optimization, and real-time tracking. Industry reports suggest that these innovative technologies can cut fuel consumption and maintenance costs by about 10-15%. With improved efficiency and reliable service, trucking is becoming a more appealing option for logistics providers, which in turn boosts growth and competitiveness in the field.

Additionally, as utilization rates climb, vehicles may experience more wear and tears, leading to shorter replacement cycles and a steady demand for new trucks. Moreover, continuous improvements in vehicle design, safety features, and connectivity drive fleet modernization, which also supports production growth.

Exports and Cross-Border Trade

While domestic demand remains primary, trade flows provide a strong structural tailwind supporting overall truck production growth. The deep trade ties the United States has with Canada and Mexico, heavily depends on trucking for moving freight inland. According to the American Transportation Association, trucks were responsible for about 67% of surface trade with Canada and 85% of goods crossing the Mexican border in 2024, highlighting their key position in cross-border logistics. In 2024, U.S. freight flows with Canada and Mexico equalled USD 1.6 trillion dollars, a 1.8% increase over 2023. As trade volumes grow, driven by manufacturing output, nearshoring trends, and supply chain regionalization, there is a corresponding increase in demand for trucking capacity.

EV Penetration in Commercial Vehicles segments (CY 25-31)



Source: Nexdigm

Note: P-Projected

A meaningful acceleration in EV penetration within the US commercial vehicle market, with EV share expected to increase from ~8% in CY2025 to ~14-16% by CY2031, while ICE vehicles decline from ~91% to 84-86%. This indicates a clear inflection point in electrification, moving beyond early adoption into a more scaled phase. The growth is primarily driven by rapid electrification in light commercial vehicles, particularly in last-mile delivery fleets, where EVs offer lower operating costs and regulatory advantages. Additionally, government incentives, stricter emission norms, and corporate ESG commitments are accelerating fleet transitions. However, the continued dominance of ICE vehicles reflects ongoing challenges in medium and heavy segments, including range limitations, high upfront costs, and charging infrastructure gaps.

Review and Outlook of Wind Energy Industry

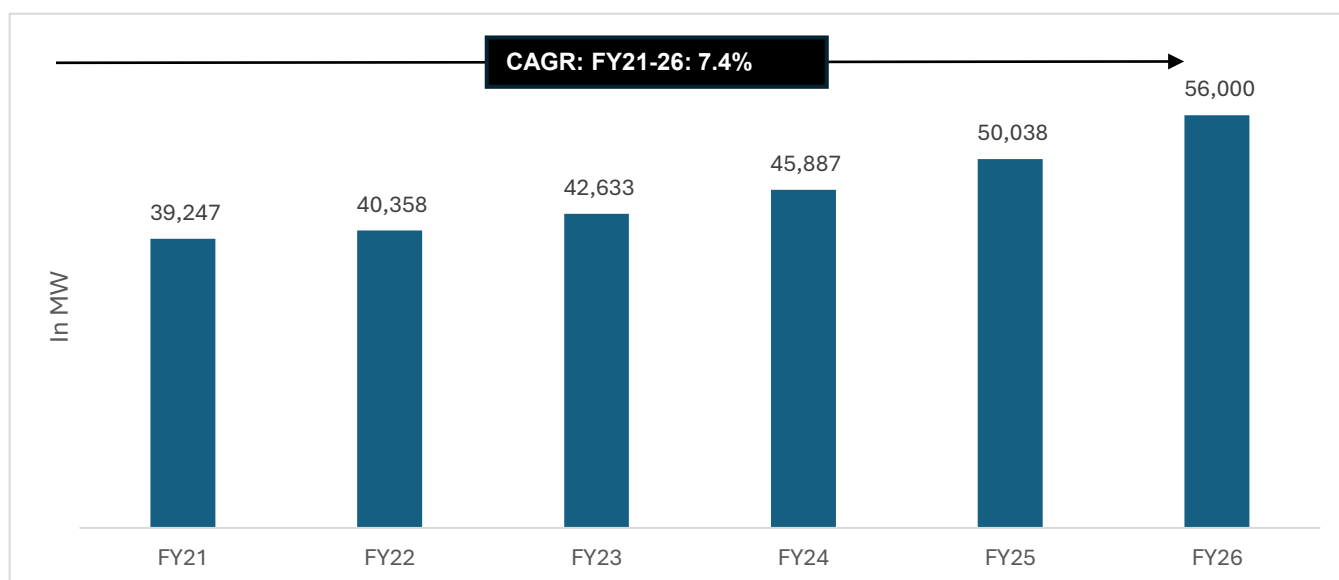
Basics of Wind Turbines

Wind turbines convert the natural movement of air into usable electrical energy. They typically consist of two or three aerodynamic blades attached to a central hub, which is connected to a rotor. When the wind flows over the curved surface of the blades, it creates a difference in air pressure; lower pressure on one side and higher pressure on the other, like how an aircraft wing generates lift. This pressure difference produces a lifting force that causes the blades to rotate.

While wind also pushes directly against the blades, the lift force is stronger and primarily responsible for turning the rotor. As the rotor spins, it drives a shaft connected to a generator. The generator then converts this mechanical motion into electricity.

Wind turbines can operate independently or as part of a larger power network. Stand-alone systems are often used in remote areas for applications such as water pumping or communication systems. In large-scale electricity production, multiple turbines are installed together in a designated area known as a wind farm. These farms are usually connected to the main utility grid to supply power to homes, businesses, and industries.

Installed Wind Energy Capacity (MW) (FY21-26)



Source: MNRE, CRISIL intelligence

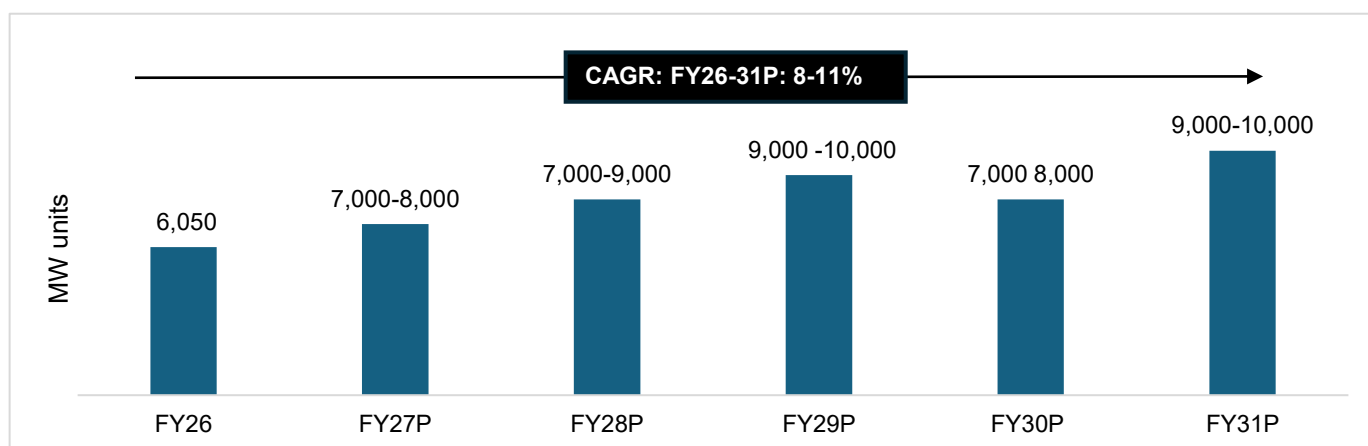
India achieved its highest-ever annual wind capacity addition of 6.05 GW during FY 2025-26 crossing the landmark of 5.5 GW capacity addition in FY 2016-17. This also represents an increase of nearly 46% over the capacity in FY 2024–25 marking a decisive acceleration in India's onshore wind deployment trajectory. With this addition, India's cumulative installed wind power capacity has crossed 56 GW. This milestone reflects renewed momentum in the sector driven by improved policy clarity, transmission readiness, competitive tariff discovery, and a strong project pipeline. This is a result of sustained policy support, improved project execution, and greater pipeline maturity across key wind states. States such as Gujarat, Karnataka, and Maharashtra have been the primary contributors to capacity addition during the year, underpinned by a growing pipeline of wind-solar hybrid projects and the progressive roll-out of green energy open access

India's wind energy sector has witnessed steady and sustained growth over the years, driven largely by a strong domestic manufacturing base and private sector participation. The country has developed a well-established ecosystem that includes project development capabilities, operational expertise, and an annual manufacturing capacity of approximately 18,000 MW. As a result, India ranks among the leading nations globally in terms of installed wind power capacity.

From fiscal 2023 onwards, the sector entered a clear growth phase. Annual additions nearly doubled to about 2,276 MW in fiscal 2023, indicating renewed project activity and improved policy momentum. The upward trend continued in fiscal 2024, with installations rising to roughly 3,253 MW. This acceleration suggests enhanced investor confidence, improved bidding, mechanisms, and stronger pipeline execution.

The momentum appears to have sustained in fiscal 2025, where capacity installations further increased to ~4,151 MW. For fiscal 2026 till the end of January, capacity additions have already reached around 4,613 MW, reflecting robust development and a strengthening renewable energy push.

Estimated Capacity Additions (FY 26-31P)



Source: Ministry of Power, CRISIL intelligence

Note: P: Projected

India's wind energy sector is entering a phase of accelerated growth, driven by a robust project pipeline and the Government of India's ambitious target of achieving 100 GW of installed wind capacity by 2030. Building on the 56 GW installed base and the 6 GW added in FY26, the industry is estimated to add approximately 35 GW to 45 GW of new wind capacity over the next 4 to 5 years (FY27 to FY31). The annual capacity addition run-rate is expected to scale up from current levels to an average of 7 GW to 9 GW annually. The near-term visibility remains highly robust, with 20 GW to 23 GW of wind capacity expected to be commissioned between FY26 and FY28 alone.

Growth Drivers for Wind Energy in India

Technological Advancement in Wind Turbines

Continuous evolution in Wind Turbine Generator (WTG) technology has significantly improved efficiency and output. The availability of state-of-the-art turbine models in India, including larger unit sizes of up to 5.2 MW, has enhanced generation capacity per installations, improving project economics and plant load factors.

Strong Government Policy Support

India's renewable energy targets and long-term decarbonization commitments are major catalysts for wind energy expansion. Clearly defined Renewable Purchase Obligations (RPOs), competitive bidding frameworks, and policy visibility up to 2030 provide demand certainty for developers and investors.

Competitive Tariff-Based Bidding

Transparent reverse auction mechanisms have improved price discovery and reduced tariffs, making wind power cost-competitive with conventional energy sources. This has enhanced investor confidence and increased project pipeline visibility.

Waiver of ISTS Charges

The waiver of Inter-State Transmission System (ISTS) charges for eligible renewable energy projects has significantly improved project viability, particularly for developers selling power across state boundaries.

Module III: Review and Outlook of the Indian Automotive Forging Industry

Brief on Forging methodology

Forging is a foundational manufacturing process that involves the shaping of metal through the application of localized compressive forces. Unlike casting or machining, forging transforms the structural properties of the metal by refining its grain flow. This alignment of the internal grain structure with the external contours of the component results in superior metallurgical strength, enhanced durability, and exceptional fatigue resistance. Consequently, forged components are

highly preferred for critical applications across various industrial sectors where reliability and structural integrity are paramount. It uses localized compressive forces, typically by delivering blows with a hammer (often a power hammer) or a die. Forging is often classified into three based on the temperature at which the process is undertaken: cold forging, warm forging, or hot forging.

Forging can be done at various temperatures. The temperature of the metal being forged can be above or below its recrystallisation temperature. If the temperature is above the material's recrystallisation temperature, it is deemed hot forging; if it is below the material's recrystallisation temperature but above 30% of the recrystallization temperature (on an absolute scale), it is warm forging; and if it is below 30% of the recrystallization temperature (usually room temperature), it is cold forging.

Various metals such as alloy steel (alloy steel with titanium, boron, vanadium, etc.), carbon steel and aluminum are used in the forging process. The raw material used in manufacturing can vary depending on the weight and tensile strength required. Forging is followed by the machining process. Automotive components such as connecting rod, crankshaft, rocker arm, steering knuckle, axles, etc. are made through forging.

Core Stages of Manufacturing

The methodology encompasses several critical stages, beginning with the meticulous selection of raw materials such as steel billets, ingots, or blooms. The primary stages of the process are detailed below.

Heating: The raw material is heated in specialized furnaces to optimal temperatures. This thermal process increases the plasticity of the metal, making it highly malleable and ready for deformation without fracturing. Achieving the precise temperature is critical to ensure the metal flows smoothly during the subsequent shaping phase.

Shaping and Deformation: Once the optimal temperature is reached, the heated metal is transferred to forging presses or hammers. Through the application of immense pressure, the metal is forced to conform to specific geometric profiles. This step represents the core of the forging methodology, where the actual physical transformation and grain refinement occurs.

Heat Treatment and Cooling: Following the shaping process, the components undergo controlled cooling and subsequent heat treatment. This phase is critical for relieving internal stress, achieving the desired hardness, and finalizing the mechanical properties of the product. The specific cooling rate is carefully monitored to prevent structural weaknesses.

Finishing and Inspection: The final stages involve removing excess material, surface cleaning, and machining to precise tolerances. Rigorous quality inspection is then conducted to ensure compliance with stringent industry standards. This guarantees that every component meets the exact specifications required by the end user.

Primary Forging Techniques

Depending on the complexity, size, and application of the required component, various techniques are employed to achieve the desired outcome.

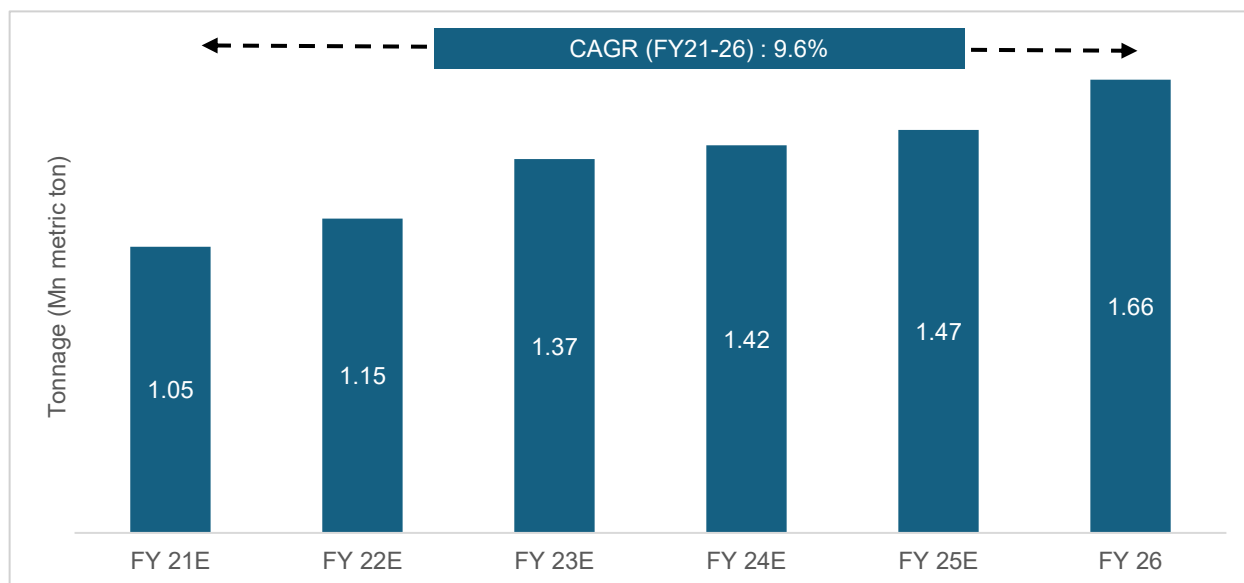
Closed Die Forging: Also known as impression die forging, this method utilizes custom crafted dies that contain the negative profile of the desired part. The heated metal is compressed within these dies, filling the cavities to form complex and highly precise shapes. This technique is optimal for producing high volume, intricately designed components with excellent surface finish.

Open Die Forging: In this approach, the metal is deformed between flat or simply contoured dies that do not completely enclose the material. This technique provides immense flexibility and is primarily utilized for shaping large, heavy-duty components where structural soundness is critical. It allows the operator to manipulate the metal freely to achieve the desired dimensions.

Seamless Rolled Ring Forging: This specialized process begins with a pierced metal preform, which is then rotated and compressed between rollers to increase its diameter and reduce its wall thickness. The result is a seamless circular component characterized by exceptional radial strength, making it ideal for gears, bearings, and heavy machinery applications.

Review of Indian Automotive Forging Industry

Historical Production of Automotive Forging Industry (FY 21- FY26)



E- Estimated

Only includes indirect exports

Source: CRISIL Analysis

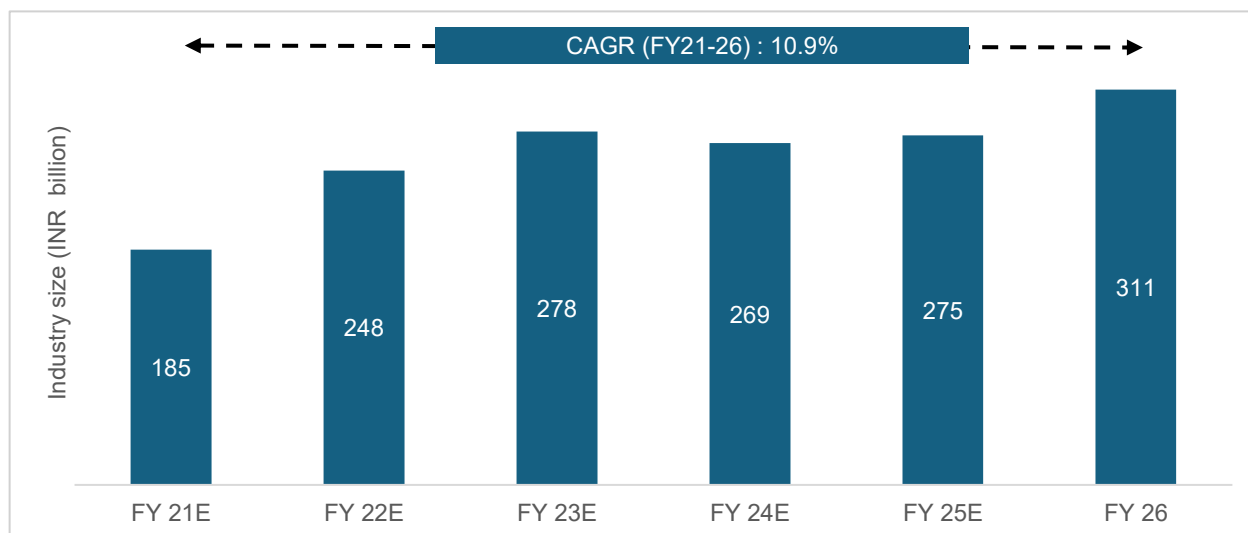
The Indian automotive forging industry has demonstrated a robust and consistent growth trajectory over the past five fiscal years. The production volumes expanded from 1.05 million metric tons in fiscal 2021 to reach 1.66 million tons by fiscal 2026 at a strong CAGR of 9.6% during this period. The growth highlights how the sector successfully navigated the pandemic and initial macroeconomic uncertainties. The forging production typically mirrors the automotive vehicle production volumes and notably, the production volume witnessed a significant acceleration between fiscal 2022 and fiscal 2023, rising sharply from 1.15 million metric tons to 1.37 million metric tons, which was also in line with the overall vehicle volumes across segments. After the growth of 19% in fiscal 2023, the industry grew steadily over the next two fiscals, but in fiscal 2026, the industry has grown by 12.5%, driven by the significant growth in production volumes of vehicles across all segments.

There are several key drivers that have underpinned this positive historical trend. The initial phase of this period was characterized by a strong post pandemic recovery, fueled by the release of pent-up consumer demand within the domestic passenger and commercial vehicle sectors. Furthermore, increased government capital expenditure on national infrastructure and construction projects significantly boosted the demand for heavy commercial vehicles, which is a major consuming segment of highly durable forged components.

The industry also benefited substantially from global supply chain realignments. As international original equipment manufacturers increasingly adopted a China plus one sourcing strategy to mitigate supply risks, Indian forging companies experienced a surge in export opportunities. This global shift, coupled with supportive domestic policies aimed at boosting local manufacturing capabilities, provided a substantial impetus to capacity utilization and overall production volumes across the Indian forging landscape.

The overall production capacity of the automotive forging industry is currently 2.8 Mn metric tons, and the capacity utilization is still only 60%, indicating that the industry can cater to an increased demand in the future.

Industry size of Indian Automotive Forging Industry in value (FY 21- FY26)



E- Estimated (Includes both direct and indirect exports)

In terms of value, direct exports of forged components are also considered

Source: CRISIL Analysis

In terms of overall market value over the past five fiscal years. The industry size expanded from INR 185 billion in fiscal 2021 to reach INR 311 billion by fiscal 2026, registering a robust CAGR of 10.9%. The market experienced a period of accelerated value expansion during the initial phase, peaking at INR 278 billion in fiscal 2023. This was followed by a temporary market correction in fiscal 2024, where the size moderated to INR 269 billion. However, the sector demonstrated strong resilience, recovering steadily in fiscal 2025 to INR 275 billion and culminating in a significant upward surge by fiscal 2026.

The fluctuations and overall expansion in market value were influenced by a combination of volume growth and pricing dynamics. The sharp increase in value during the early fiscal years was primarily driven by a surge in raw material costs, particularly steel and energy, which manufacturers passed on to end consumers, thereby inflating the overall market realization. Additionally, a distinct shift towards vehicle premiumization and the increasing demand for heavier, more complex forged components in both the automotive and industrial sectors contributed to a higher average realization per ton.

The subsequent moderation in fiscal 2024 can be attributed to the stabilization of global commodity prices and inventory rationalization by major original equipment manufacturers. As raw material prices normalized, the value growth temporarily decoupled from the underlying volume growth. The strong recovery in the latter half of the period reflects sustained domestic demand, increased infrastructure allocations, and the successful execution of export strategies, which collectively drove the industry to its highest valuation in fiscal 2026.

Pandemic and its aftermath

The onset of the global health crisis brought unprecedented disruptions to the Indian automotive forging sector. Nationwide lockdowns and stringent containment measures led to the temporary cessation of manufacturing activities across original equipment manufacturers and their tiered supply chains. The industry faced acute challenges including severe labor shortages, restricted movement of raw materials, and significant liquidity constraints. Consequently, the immediate phase was characterized by a sharp contraction in order volumes and deferred capital expenditure, as the broader automotive market grappled with profound macroeconomic uncertainty.

As containment measures eased, the industry witnessed a swift and vigorous recovery. This resurgence was initially catalyzed by the release of pent-up consumer demand, particularly in the personal mobility and commercial vehicle segments. Forging companies quickly adapted to the new normal by implementing stringent health protocols and accelerating digital integration within their shop floors to ensure uninterrupted production. Furthermore, a renewed consumer preference for personal transportation over shared mobility provided a critical short-term boost to automotive sales, which directly translated into rapidly expanding order books for forged components.

The aftermath of the pandemic induced a fundamental restructuring of global sourcing strategies. Recognizing the vulnerabilities of highly concentrated supply networks, global OEMs accelerated the adoption of a China plus one strategy to mitigate future risks. This geopolitical and economic shift presented a massive structural opportunity for Indian forging manufacturers, who emerged as reliable, high quality, and scalable alternatives in the global market. Coupled with domestic policy initiatives aimed at fostering self-reliance in manufacturing, the pandemic ultimately acted as a catalyst for enhanced operational resilience. This transformation laid the groundwork for the robust and sustained growth trajectory that the industry has experienced in the subsequent fiscal years.

Growth Drivers

Robust Domestic Automotive Demand and Premiumization

The Indian automotive sector has witnessed sustained expansion driven by rising disposable incomes, rapid urbanization, and favorable demographic tailwinds. Concurrently, there is a distinct consumer shift towards premium utility vehicles and heavier passenger cars. These advanced vehicles require highly durable and complex forged components to support increased vehicle weight, higher engine torque, and enhanced performance standards. This trend of vehicle premiumization directly drives both volume growth and higher value realization for forging manufacturers.

Global Supply Chain Realignment and Export Opportunities

Global OEMs are increasingly diversifying their sourcing networks to build resilient and risk averse supply chains. The widespread global adoption of a China plus one strategy has positioned India as a highly preferred manufacturing hub. Indian forging companies, equipped with proven metallurgical capabilities, scalable infrastructure, and significant cost competitiveness, are successfully capturing a much larger share of the global auto component export market.

European Energy Crisis and Production Shifts

The recent energy crisis across the European Union has significantly escalated operational costs for energy intensive manufacturing processes such as metal forging. As utility expenses impact the commercial viability of European facilities, OEMs and tier one suppliers are increasingly outsourcing component production to regions with more stable and economical energy environments. India, equipped with a mature forging ecosystem and reliable power infrastructure, has emerged as a primary beneficiary of this structural shift, capturing substantial outsourced manufacturing volumes from European clients.

Inherent Cost Advantages of the Domestic Ecosystem

The Indian forging sector benefits from deeply ingrained cost advantages that significantly enhance its global competitiveness. A combination of highly skilled yet cost effective labor, robust localized availability of essential raw materials such as specialized steel, and favorable overhead structures allows domestic manufacturers to maintain highly competitive pricing models. This inherent cost efficiency, achieved without compromising on stringent international quality standards, positions Indian forging companies as highly attractive strategic partners for global automotive brands seeking to optimize their procurement budgets.

Western Transition to Electric Vehicles

As automotive markets in the United States and the European Union accelerate their transition towards electric vehicles, domestic suppliers in those regions are rapidly reallocating capital and manufacturing capacity away from traditional internal combustion engine components. This accelerated transition creates a significant supply chain vacuum for legacy automotive parts, which Indian forging companies are exceptionally well positioned to fill. Furthermore, Indian manufacturers are simultaneously adapting their capabilities to supply electric vehicle agnostic forged components, such as advanced steering, chassis, and suspension parts, thereby capitalizing on both the legacy market consolidation and the emerging electric mobility wave.

Infrastructure Development and the Commercial Vehicle Cycle

The sustained focus of the government on capital expenditure, particularly in road construction, mining, and urban infrastructure development, has spurred significant demand for heavy commercial vehicles and earth moving equipment. The operational stress and structural integrity required for these heavy-duty applications relies heavily on high quality forged parts such as axles, crankshafts, and chassis components. This continuous infrastructure push ensures a steady and voluminous order pipeline for the forging industry.

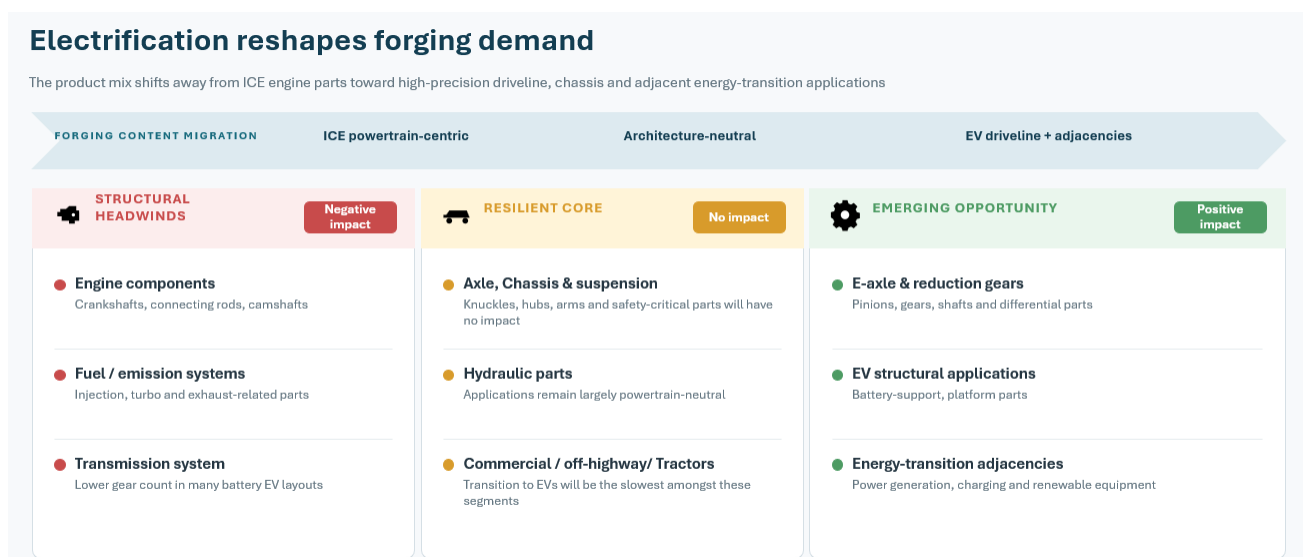
Favorable Policy Interventions and Domestic Manufacturing Push

Government initiatives aimed at promoting manufacturing self-reliance have provided a substantial impetus to the domestic auto component ecosystem. Interventions such as the Production Linked Incentive scheme (PLI scheme) encourage capital investment, capacity expansion, and technological upgrades. These supportive policies not only reduce import dependence but also strengthen the overall global competitiveness of the Indian forging sector by incentivizing scale and quality enhancements.

Technological Advancements and Lightweighting Trends

As the automotive industry evolves to meet stringent global emission norms and improved fuel efficiency standards, there is a growing engineering emphasis on vehicle lightweighting. Forging manufacturers are increasingly adopting advanced materials, such as micro alloyed steels and aluminum, alongside precision forging techniques. These advancements enable forging manufacturers to produce components that offer superior strength to weight ratios. This technological evolution opens new avenues for specialized, high margin forged products, ensuring the industry remains aligned with modern automotive engineering requirements.

Impact of electrification on the automotive forging industry



Electrification is expected to result in a gradual realignment of demand within the forging industry, with the nature and extent of the impact varying across products and vehicle segments. Battery electric vehicles typically have fewer engines and powertrain components compared with internal combustion engine vehicles. Accordingly, increased adoption of electric vehicles may reduce demand for certain traditional forged components used in engines, fuel injection systems, emission systems and conventional transmissions, including crankshafts, connecting rods and camshafts.

However, a significant portion of forging demand is associated with components that are not directly dependent on the type of powertrain. Forged components used in chassis, suspension, steering, wheel end and safety systems are expected to remain relevant across internal combustion engines, hybrid and electric vehicle platforms. In addition, the higher weight of battery packs and the resulting load and durability requirements may support continued demand for high strength and safety critical forged components in electric vehicles.

Electrification is also creating opportunities for forging manufacturers in emerging product categories. Electric vehicle driveline systems require components such as rotor shafts, reduction gears, pinions, differential components, transmission gears and other precision engineered parts. Further opportunities may arise from components used in battery structures, vehicle platforms, charging equipment, power generation systems and renewable energy applications. The transition is therefore expected to change the composition of forging demand rather than result in a uniform decline across the industry.

Forging manufacturers with diversified end market exposure, product development capabilities and integrated forging, heat treatment, machining and finishing operations may be better positioned to respond to this transition. The ability to

manufacture complex and precision engineered products, develop components in collaboration with customers and expand into electric mobility and energy transition applications can support diversification from traditional internal combustion engine products. Accordingly, the impact of electrification on individual forging manufacturers will depend on their existing product portfolio, exposure to engine related components, customer relationships and ability to develop products for emerging applications.

Exports and Imports of Forging Industry in India

Exports

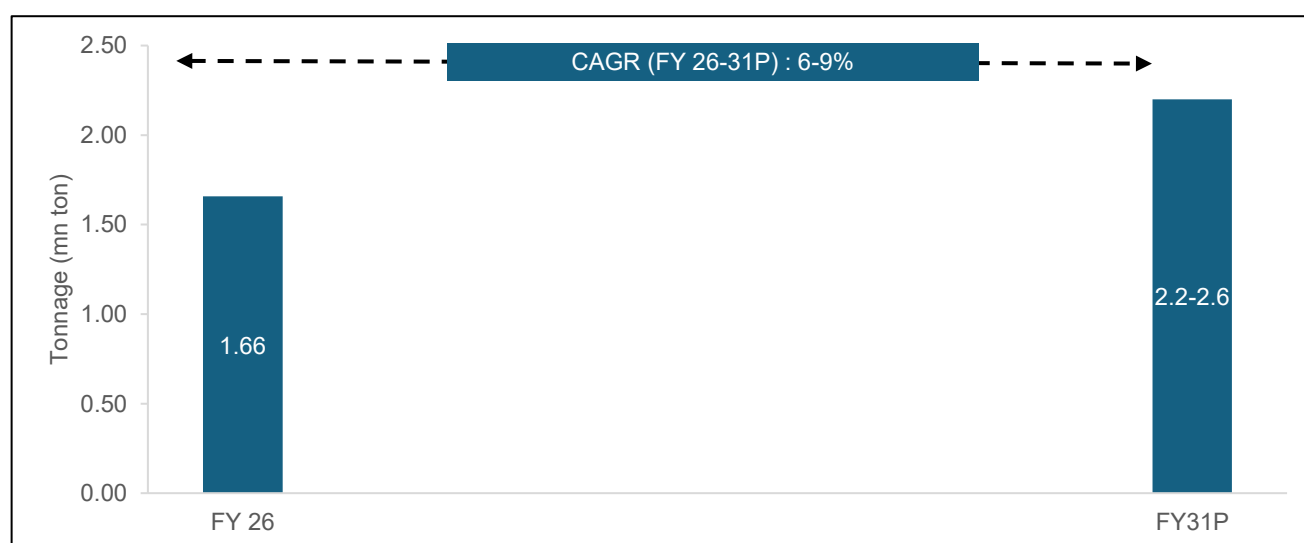
The Indian forging industry has established a formidable presence in the global market, emerging as a prominent net exporter of high quality automotive and industrial components. Over the past few years, export volumes have witnessed a robust upward trajectory. This growth is primarily propelled by the strategic realignment of global supply chains, as international original equipment manufacturers actively pursue a China plus one sourcing strategy. Indian manufacturers have capitalized on this shift by offering a compelling combination of cost competitiveness, advanced metallurgical capabilities, and strict adherence to global quality standards. Key export destinations include North America and Europe, where Indian forged parts are increasingly integrated into passenger vehicles, commercial vehicles, and heavy machinery. As of fiscal 2026, the exports stood at around 30% of the overall production volumes of forged components. Before the pandemic, the exports share was 15-20%.

Imports

Conversely, the import of forged components into India remains relatively limited and is largely confined to highly specialized or exceptionally heavy forgings that require niche manufacturing capabilities. Historically, these imports were necessary to meet the stringent requirements of specific aerospace, defense, or advanced industrial applications where domestic capabilities were still developing. However, there is a distinct and accelerating trend towards import substitutions across the sector. Driven by supportive government policies and significant capital investments in advanced manufacturing technologies, domestic forging companies are rapidly upgrading their infrastructure. This progressive localization is steadily reducing the reliance on imported components, further strengthening the domestic manufacturing ecosystem and improving the overall trade balance for the sector.

Outlook of Indian Automotive Forging Industry

Outlook of Automotive Forging Industry Production (FY 26-31)



P-Projected (Includes only indirect exports)

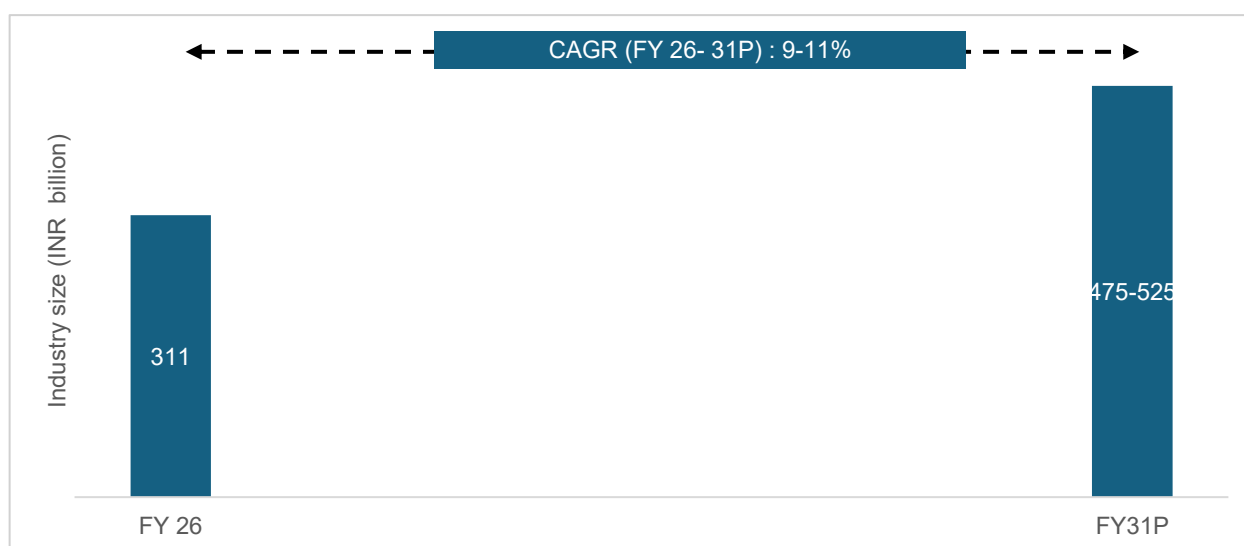
Source: CRISIL Analysis

The production volume of the Indian automotive forging industry is projected to increase from approximately 1.66 million tonnes in FY2026 to between 2.2 million tonnes and 2.6 million tonnes by FY2031, representing a CAGR of 6.9% during the period. This growth is expected to be primarily supported by the expansion of domestic vehicle production across passenger vehicles, commercial vehicles, tractors and two-wheelers, which is likely to increase demand for forged components used in powertrain, transmission, steering, suspension and chassis applications.

Growth in the industry is also expected to be supported by the increasing use of high-strength and lightweight forged components by automotive original equipment manufacturers. The implementation of more stringent fuel-efficiency, emission and vehicle-safety requirements is encouraging manufacturers to improve component strength, durability and weight efficiency. Forged components are generally preferred in safety-critical and load-bearing applications due to their mechanical strength, fatigue resistance and reliability. Accordingly, the increasing adoption of higher-performance components in vehicles is expected to support the value addition and technological advancement of the automotive forging industry.

India's growing position as an automotive and auto-component manufacturing base is also expected to contribute to industry growth. International automotive manufacturers are increasingly evaluating India as a sourcing and manufacturing destination, supported by the availability of an established supplier ecosystem, skilled workforce and relatively competitive manufacturing costs.

Industry size of Indian Automotive Forging Industry in value (FY 26- FY31)



P-Projected (Includes both direct and indirect exports)

Source: CRISIL Analysis

On the global stage, the industry is exceptionally well positioned to capitalize on structural supply chain realignments. As the European energy crisis impacts the commercial viability of Western manufacturing and as those same markets accelerate their transition toward electric mobility, global OEMs will increasingly rely on the inherent cost advantages and proven metallurgical expertise of the Indian forging ecosystem. By effectively capturing the resulting supply chain vacuum for legacy internal combustion engine parts and expanding direct component export volumes through China plus one sourcing strategies, the Indian automotive forging industry is set to firmly solidify its status as a critical, indispensable hub in the global manufacturing landscape.

Module IV: Review and Outlook of Transmission Gears and Shafts Industry

Role of transmission and its importance

Component	Brief description / function
Input shafts	Rotating shafts that receive power from the engine through the clutch and transmit it to the internal gear arrangement of the transmission system.
Layshafts	Shafts positioned parallel to the main shaft carry a set of gears and transmit power from the input shaft to the main shaft at the selected gear ratio.
Main shafts	Principal transmission shafts that carry the selectable gears and transmit the resulting torque from the gearbox to the output side of the drivetrain
Countershafts	Intermediate shafts carrying multiple gears that mesh with gears on the main shaft to facilitate changes in speed and torque. The terms countershaft and layshaft may be used interchangeably in certain transmission configurations.
Hollow shafts	Tubular transmission shafts are designed to transmit torque while reducing component weight and

Component	Brief description / function
	rotational inertia, and, in certain configurations, allowing another shaft or component to pass through the central opening.
Intermediate shafts	Shafts are located between the input and output stages of a transmission that support the transfer of power across different gears or transmission sections.
Power take-off shafts	Shafts that transfer power from the engine or transmission to auxiliary equipment, including hydraulic pumps, implements and other attachments used in tractors and off highway vehicles.
Drive shafts	Rotating shafts that transmit torque from the transmission to the differential, axle or other driven components of the vehicle.
Speed gears	Toothed transmission components that operate in different gear ratios to vary the speed and torque delivered through the transmission system.
Spindles	Precision cylindrical components that support the mounting and rotation of gears, bearings or other rotating elements within the transmission or drivetrain assembly.
Output flanges	Flanged components fit at the output end of the transmission to connect the output shaft with the drive shaft or other downstream drivetrain components.
Clutch bell housings	Structural housing is located between the engine and transmission that enclose the clutch assembly and facilitate the mounting and alignment of the transmission with the engine.

The automotive industry's pivot to electric vehicles (EVs) initiates a fundamental and irreversible transformation for these components. The core principle of an electric motor is its ability to produce instant, maximum torque from 0 RPM and operate efficiently across an exceptionally wide speed range, which renders the traditional multi-speed gearbox obsolete. As a result, the current reality for EVs is a radical powertrain simplification, where the complex gear set is replaced by a single-speed reduction gearbox, often comprising just a pinion and a larger bull gear to step down the motor's high RPM to a usable wheel speed. Looking forward, this trend will profoundly reshape the industry. While the overall volume and mass of gears and shafts per vehicle will decrease dramatically, the technical requirements for the remaining components will intensify. Future EV gears must be manufactured to extremely high precision to mitigate noise, vibration, and harshness (NVH) in the silent EV cabin. Furthermore, they must be engineered with advanced materials and designs to reliably handle the instantaneous and powerful torque delivery of electric motors. This marks a significant market evolution away from high-volume manufacturing of standard components towards a more specialized, technologically advanced focus on high-strength optimized gears essential for the next generation of mobility.

Manufacturing Process of Transmission Gears

The production of transmission gears is a highly specialized sequence that demands strict metallurgical control to ensure the components can withstand extreme torque and continuous friction. The process involves the following sequential steps:

1) Raw Material Preparation: The process commences with sourcing premium alloy steel selected for its specific metallurgical properties and fatigue resistance. These steel bars are rigorously inspected for material consistency and then cut into precise billets based on the required weight and volume of the final gear.

2) Heating and Forging: The steel billets are heated to optimal forging temperatures within induction furnaces. They are then subjected to immense compressive forces using closed die forging presses, where it shapes the metal into a near net gear blank and aligns the internal grain structure of the steel with the component contours, which maximizes structural integrity and mechanical strength.

3) Thermal Softening: The forged gear blanks undergo controlled cooling and normalizing. This thermal treatment relieves internal stress generated during the heavy forging process, softens the material, and prepares it for precise machining operations.

4) Blank Turning: The softened blanks are machined on computer numerical control lathes. This step establishes the precise outer diameter, inner bore, and face dimensions of the gear before the teeth are cut.

5) Gear Teeth Generation: Specialized machinery is utilized to cut actual gear teeth into the blank. Hobbing is typically used for generating external teeth; shaping or broaching is employed for internal teeth. The edges are then chamfered to remove sharp corners, and gear shaving is performed to refine the tooth profile.

6) Heat Treatment: To withstand continuous wear, the machined gears undergo thermal hardening processes such as carburizing, quenching, and tempering. This creates a highly durable outer surface while preserving a tough and ductile core capable of absorbing sudden shock loads without fracturing.

7) Hard Finishing and Shot Peening: Following heat treatment, the gear teeth undergo profile grinding or honing to achieve exact micro geometry and a superior surface finish, which is essential for minimizing noise and vibration. The gears are then subjected to shot peening, a process that bombards the surface with small metallic spheres to induce compressive residual stresses and significantly enhance overall fatigue life.

8) Quality Inspection: Every finished gear undergoes rigorous testing using coordinate measuring machines and metallurgical evaluation. Components are inspected for dimensional accuracy, surface finish, and subsurface integrity to ensure complete compliance with strict automotive standards before dispatch.

Manufacturing Process of Transmission Shafts

The production of transmission shafts requires distinct machining and finishing operations tailored to their structural role as the rotational axis of the transmission system. The process involves the following sequential steps:

1) Raw Material Preparation: Premium alloy steel bars are sourced and inspected for structural consistency. The steel is then cut into precise billets calculated to meet the exact length and volume requirements of the transmission shafts

2) Heating and Forging: The billets are heated to optimal temperatures and placed into closed die forging presses. The forging process applies immense pressure to create the stepped profile of the shaft. Crucially, this operation aligns the internal grain flow of the metal along the structural axis of the shaft, providing the exceptional torsional strength required to transfer engine power.

3) Thermal Softening: The forged shaft blanks are subjected to normalizing or annealing. This controlled thermal process relieves any internal stresses induced by the forging forces and ensures the metal is sufficiently workable for the subsequent machining phases.

4) Profile Turning The forged blanks are mounted on computer numerical control lathes. Precision turning operations are executed to achieve the exact lengths, diameters, and stepped profiles required along the entire axis of the shaft.

5) Spline Generation and Milling Splines: These are the longitudinal ridges that allow the shaft to interlock securely with transmission gears, are generated along specific sections of the shaft through precise cutting or cold rolling processes. Additionally, deep hole drilling is performed for shafts requiring internal oil passages for lubrication, and milling is executed to create keyways.

6) Heat Treatment: The machined shafts undergo rigorous thermal processing, including carburizing, quenching, and tempering. This treatment hardens the exterior surfaces and splines to resist continuous rotational friction, while maintaining a resilient core that can flex slightly under extreme torque without breaking.

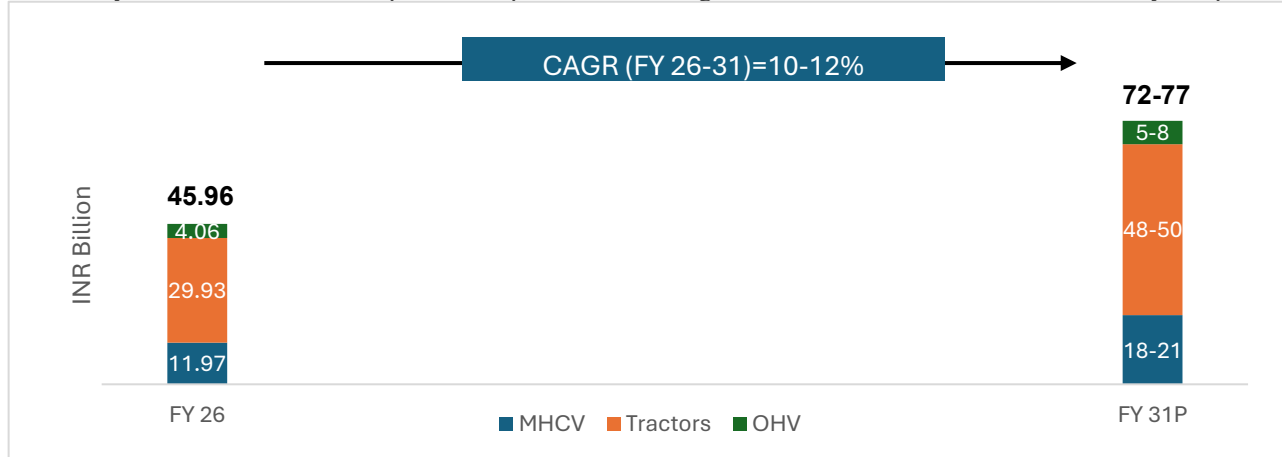
7) Hard Finishing and Shot Peening: The hardened shafts undergo cylindrical grinding to ensure perfect fits for bearings and mating components. Like gears, the shafts are often subjected to shot peening to improve surface strength and maximize long term fatigue resistance under heavy operational loads.

8) Quality Inspection: The final step involves comprehensive quality assurance. The shafts are evaluated using advanced metrology equipment to verify dimensional tolerances, straightness, and spline accuracy. Nondestructive testing methods are also employed to detect any internal anomalies, ensuring only flawless components reach the assembly line.

Review and Outlook of Transmission Gears and Shafts Industry

The market for transmission gears and shafts demonstrates a robust and steady growth trajectory. The market sizing estimation encompasses a comprehensive suite of critical transmission components, including input shafts, layshafts, main shafts, countershafts, speed gears, power take off shafts, and clutch bell housings. The total market size is estimated at 45.96 INR Billion for fiscal 2026. Driven by increasing agricultural mechanization, sustained infrastructure development, and industrial expansion, this market is projected to grow significantly, reaching an estimated 72 to 77 INR

Billion by fiscal 2031. This expansion represents a strong CAGR of 10-12 % over the five-year period.



Includes overall market potential for only MHCV, Tractors and OHV segments

Source: CRISIL Analysis

Tractors constitute the largest and most dominant segment within this market space. The primary reason for this commanding market size is the significantly higher production volume of the domestic tractor industry when compared to the MHCV segment. The market size of tractors segment is estimated to be 29.93 INR Billion in the fiscal 2026, the transmission components market for tractors is anticipated to scale to between 48 and 50 INR Billion by 2031. This substantial market share underscores the heavy reliance on robust gearing systems in agricultural machinery, where components like power take off shafts, intermediate shafts, and durable speed gears are critical for transferring high torque and ensuring operational efficiency in demanding field conditions. Electrification within the tractor segment is also expected to be minimal even by fiscal 2031, hence not impacting the component manufacturers catering in this space.

The IMHCV segment currently contributes 11.97 INR Billion in fiscal 2026 to the overall industry. The transmission and shaft components market for commercial vehicles is forecast to reach 18 to 21 INR Billion by fiscal 2031. This growth is supported by the continuous need for reliable freight and logistics transportation across the country, and with the IMHCV segment growing, the growth of the associated transmission and shaft components will also be supplemented.

Concurrently, the Off Highway Vehicles category exhibits a growth outlook. This segment, which includes construction and mining equipment, relies heavily on exceptionally durable transmission parts to withstand extreme operational stress. The market size for Off Highway Vehicles is expected to grow from 4.06 INR Billion in fiscal 2026 to a projected 5 to 8 INR Billion by 2031, further contributing to the overall demand for precision forged transmission components in India.

Jai Parvati Forge accounted for 2.1% of the Transmission Gears and Shafts market in fiscal 2026 with sales of 96 crores in this segment. The market is estimated to grow from ₹45.96 billion in FY26 to INR 72 billion- INR77 billion by fiscal 2031, at a CAGR of approximately 10%-12%, providing the company with opportunities to expand its presence with its presence across the tractor, medium and heavy commercial vehicle, and off-highway vehicle segments.

Growth Drivers

The growth of the transmission gears and shafts industry in India is propelled by a combination of macroeconomic expansion and specific operational demands within key heavy mobility segments. As the end use industries evolve, the requirement for highly durable, precision engineered forged components continues to accelerate across Tractors, Medium and Heavy Commercial Vehicles, and Off Highway Vehicles. The primary growth drivers for this market are detailed below.

Increasing Agricultural Mechanization Driving Tractor Volumes

The tractor segment remains the primary volume driver for transmission components in India. Sustained government initiatives promoting farm mechanization, combined with the necessity to improve agricultural yields, ensure robust and continuous tractor production. This agricultural expansion directly translates to increased demand for specialized transmission parts such as power take off shafts, which are essential for transferring engine power to auxiliary farming implements. Furthermore, tractors must navigate diverse and challenging soil conditions, which necessitates the use of highly durable speed gears and intermediate shafts capable of sustaining high torque at very low operational speeds without mechanical failure.

Infrastructure Expansion and Freight Logistics Modernization

The Medium and Heavy Commercial Vehicles segment is experiencing significant growth driven by nationwide infrastructure projects and the rapid expansion of freight logistics networks. The modernization of commercial fleets to handle heavier payloads over longer transit routes requires exceptionally reliable powertrain systems. This operational demand fuels the need for high strength main shafts, input shafts and output flanges.

Surge in Construction and Mining Activities

The Off Highway Vehicles segment, which encompasses heavy construction and earthmoving equipment, is expanding in tandem with increased capital expenditure on large scale infrastructure and mining operations. Vehicles in this category operate in the most severe environments and are routinely subjected to extreme shock loads. Consequently, there is a critical need for heavy duty forged components, including countershafts, layshafts, and robust clutch bell housing. These components are specifically engineered to maintain structural integrity and facilitate seamless torque transfer under immense mechanical strain.

Technological Advancements and Powertrain Efficiency Mandates

Across all three vehicle segments, there is a continuous industry push towards improving fuel efficiency and complying with stringent emission standards. This regulatory and economic pressure drives the adoption of advanced transmission designs. To achieve better fuel economy, manufacturers are increasingly utilizing hollow shafts, which significantly reduce the overall weight of the transmission system while maintaining the necessary torsional strength. Additionally, the demand for precision machined speed gears, input shafts, and spindles is rising. These highly refined components minimize internal friction and vibration, thereby optimizing power transfer from the engine to the wheels and improving the overall efficiency of the vehicle powertrain.

Entry Barriers

The manufacturing of transmission gears and shafts is characterized by significant barriers to entry. These barriers safeguard the market position of established forging manufacturers and restrict the threat of new market participants. The primary challenges for new entrants attempting to supply the heavy mobility sectors are detailed below.

Substantial Capital Expenditure and Infrastructure Requirements

The production of transmission components is a highly capital-intensive process. Establishing a manufacturing facility requires massive investments in heavy machinery, including closed die forging presses, numerical computer-controlled lathes, and specialized heat treatment furnaces. This exceptionally high initial financial investment acts as a severe deterrent for new players attempting to enter the market.

Stringent Original Equipment Manufacturer Approval Processes

Supplying critical powertrain components to established automotive OEMs involves lengthy and rigorous validation cycles. OEMs in the Tractor, Commercial Vehicle, and Off Highway Vehicle segments demand absolute reliability, as the failure of a single layshaft or countershaft can lead to catastrophic transmission breakdowns and costly vehicle downtime. Consequently, new entrants must undergo extensive product testing, quality audits, and long gestation periods before securing vendor approvals. Established forging manufacturers with proven track records and existing relationships possess a distinct and highly defensible competitive advantage in this regard.

Advanced Metallurgical and Manufacturing Expertise

Producing precision transmission parts requires highly specialized technical knowledge that is difficult to replicate. The ability to execute complex machining operations, such as generating precise splines on hollow shafts or achieving exact micro geometry on speed gears, requires years of engineering refinement. Furthermore, mastering thermal treatments like carburizing and surface enhancement techniques like shot peening is essential to ensure components like power take off shafts and input shafts possess the necessary fatigue resistance to handle extreme torque. This steep learning curve prevents inexperienced firms from meeting the exacting metallurgical standards of the heavy mobility industry.

Economies of Scale and Volume Dynamics

Achieving economies of scale is a critical requirement for maintaining competitive pricing, particularly in high volume categories like the domestic tractor and MHCV segment. Established forging manufacturers benefit from large continuous production runs of standard components such as intermediate shafts, main shafts, and spindles, which significantly lowers their per unit manufacturing costs. New entrants typically lack the initial order volumes required to offset their high fixed overheads. This volume disparity makes it challenging for new market participants to compete on price while simultaneously maintaining the strict quality and durability standards demanded by automotive manufacturers.

Module V: Review and Outlook of Reduction Drive Industry

Role of reduction drive components in vehicles

Component	Brief description and function
Bull gears, carburized and induction hardened	Large diameter gears that mesh with bull pinions to reduce rotational speed and increase the torque transmitted to the tractor's drive axle and wheels. Carburizing or induction hardening is undertaken to improve surface hardness, wear resistance and durability under high load conditions.
Bull pinion shafts	Shafts incorporating or carrying a smaller pinion gear that meshes with the bull gear and transfers power from the differential or transmission to the final reduction assembly. The interaction between the bull pinion and bull gear provides the required reduction in speed and increase in torque.
Ring gears	Internally toothed gears forming the outer member of a planetary drive system. Ring gears engage with the planet gears and contribute to the reduction of rotational speed and distribution of torque within the final drive assembly.
Planet gears	Gears positioned between the sun gear and ring gear that rotate on their own axes while revolving around the sun gear. Planet gears distribute the transmitted load across multiple gear contact points and facilitate compact speed reduction and torque multiplication.
Sun shafts and sun gears	Central components of a planetary drive system that receive power from the upstream drivetrain and transmit it to the planet gears. The sun gear meshes with the surrounding planet gears to facilitate speed reduction and torque transfer.
Planetary carriers	Structural components that support the planet gears and their shafts and maintain their relative position within the planetary drive system. Depending on the configuration, the planetary carrier may serve as the output member and transmit the reduced speed and increased torque to the wheel or axle.

The mechanical efficiency of these reduction drive systems directly influences the fuel economy and daily productivity of the tractor. A highly engineered assembly of sun gears, planet gears, and bull gears minimizes power loss during transmission, ensuring that maximum energy is delivered directly to the ground. For farmers and agricultural operators, this translates to lower operational costs and higher yield efficiency. As the agricultural sector increasingly relies on mechanized solutions to improve productivity, the reliance on durable, precision forged reduction drive components that deliver consistent high performance remains a key area in tractor manufacturing.

Manufacturing Process of Reduction Drive Components

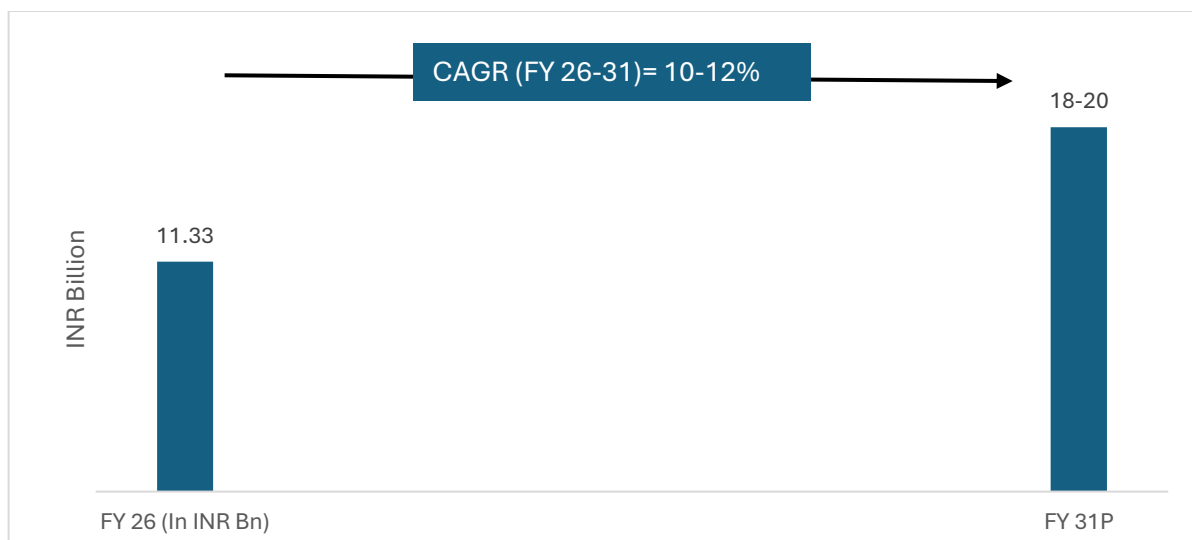
The manufacturing of reduction drive components for agricultural tractors involves a highly controlled sequence of forging, machining, and metallurgical treatments. As these components must endure severe torque and shock loads, the process is designed to maximize structural integrity, wear resistance, and dimensional accuracy.

- 1) **Raw Material Preparation and Heating:** The process begins with the procurement of high-grade alloy steel billets or bars, selected for their specific metallurgical properties. The raw material undergoes stringent quality inspections to ensure it is free from internal defects. The steel is then cut to precise weights and heated in an induction furnace to the optimal forging temperature, making the metal malleable without compromising its inherent strength
- 2) **Closed Die Forging:** The heated billets are transferred to heavy duty forging presses. Through closed die forging, the metal is compressed into the near net shape of the desired component. This step is critical as it aligns the internal grain structure of the steel with the shape of the part, significantly enhancing its load bearing capacity and fatigue resistance. While sun gears, planet gears, and bull gears are forged into solid blanks, the planetary carrier requires a more complex multistage forging process to accommodate its intricate structural design.

- 3) **Thermal Treatment and Stress Relieving:** Following the forging process, the raw blanks undergo normalizing or isothermal annealing. This controlled cooling process relieves internal stresses generated during forging, refines the grain structure, and softens the material to prepare it for subsequent machining operations.
- 4) **Rough Machining:** The annealed forgings are processed through CNC turning centers. In this phase, the excess material is removed to achieve the basic dimensional profile of the component. Operations such as facing, turning, and boring are performed to prepare the blanks for gear teeth generation.
- 5) **Gear Teeth Generation and Component Specific Machining:** This stage involves specialized machining based on the function and geometry of the individual component:
 - Sun Gears, Planet Gears, and Bull Gears: These components undergo gear hobbing or milling to cut external teeth into the forged blanks.
 - Ring Gear: Because the teeth are located on the inner diameter, the ring gear requires internal gear shaping or broaching to accurately cut the internal splines and teeth.
 - Planetary Carrier: Unlike the gears, the carrier does not require teeth generation. Instead, it undergoes precision drilling and boring to create exact housing points for the planet gear pins, ensuring perfect alignment for the planetary assembly.
- 6) **Advanced Heat Treatment:** Heat treatment is essential to provide the components with a hard, wear resistant surface while maintaining a tough, ductile core to absorb shock. The treatment varies based on the component:
 - Planetary Drive Parts (Sun, Planet, and Ring Gears): These typically undergo gas carburizing, quenching, and tempering. This process diffuses carbon into the surface layer, creating a uniform hardened case around the gears.
 - Bull Gear: Given its role in the final reduction stage and the immense torque it handles, the bull gear undergoes a specialized dual process. It is first carburized and then subjected to localized induction hardening. This targets the gear teeth specifically, providing an exceptionally deep and hardened wear surface while preserving the structural toughness of the gear body.
- 7) **Hard Machining and Gear Finishing:** After heat treatment, the components undergo hard turning and precision grinding. Gear grinding is performed on the teeth of the sun, planet, and bull gears to achieve exact involute profiles and superior surface finishes. This precision is vital to minimize friction, reduce operational noise, and ensure smooth power transmission within the tractor axle.
- 8) **Surface Finishing and Final Inspection:** In the final stage, components are subjected to shot peening, a process that bombards the surface with metallic media to induce compressive residual stresses, further enhancing fatigue life. The finished parts then undergo rigorous final inspections, including coordinate measuring machine dimensional checks, metallurgical evaluations, and non-destructive testing such as magnetic particle inspection to ensure no surface cracks are present before dispatch.

Review and Outlook of Reduction Drive Industry

The reduction drive component market for the agricultural tractor segment is poised for substantial expansion over the next five years. Reviewing the current market landscape, the current market size is 11.15 INR Billion in fiscal 2026. Driven by consistent demand and evolving agricultural practices, this market is projected to grow steadily, reaching an estimated 18-20 INR Billion by the fiscal 2031. This expansion represents a robust CAGR of 10-12% the projected period. The consistent upward trajectory underscores the critical nature of reduction drives in the industry.



*Includes overall market potential for only Tractors
Source: CRISIL Analysis*

Several key growth drivers are supplementing this positive market outlook. Foremost is the increasing rate of global and domestic farm mechanization aimed at enhancing agricultural yield and mitigating the challenges posed by rural labor shortages. As farmers seek greater operational efficiency, there is a distinct shift in consumer preference toward higher horsepower tractors. These powerful machines are essential for operating heavy agricultural implements and require highly durable planetary and final reduction drives to effectively manage increased torque outputs without mechanical failure. Consequently, the demand for precision forged reduction components like bull gears, ring gears, and planetary carriers is escalating in tandem with the production of tractors. Since the tractor industry is expected to grow at a CAGR of 4-6% over the next 5 years, the demand from new volumes and additionally from the increasing complexity and price of components over the next 5 years.

Approximately 65% of tractors sold in India in Fiscal 2025 are estimated to use bull gear-based reduction systems, while the remaining 35% employ planetary or internal ring gear-based reduction systems. The share of bull gear-based systems is expected to increase to approximately 75% by Fiscal 2031, with the share of planetary or internal ring gear-based systems moderating to approximately 25%. Accordingly, this shift is expected to support demand for bull gears and bull pinion shafts, while relatively moderating the growth potential for sun gears or sun shafts, planet gears, internal ring gears and planetary carriers used in planetary reduction systems

Furthermore, favorable government initiatives and agricultural subsidies designed to modernize the farming sector continue to stimulate tractor sales, thereby creating a sustained pipeline of demand for OEMs and their component suppliers. The growing emphasis on reducing maintenance downtime and improving the total cost of ownership for farmers also compels tractor manufacturers to source robust reduction drive parts that offer enhanced fatigue resistance and operational longevity. The necessity to transmit power efficiently to the ground while minimizing fuel consumption further drives the adoption of highly engineered reduction systems. Together, these factors create a highly conducive environment for the sustained growth and technological advancement of the reduction drive industry through the end of the decade.

Jai Parvati Forge specializes in the manufacture of bull gears and holds an estimated 17.4% share based on value and 18.4% share based on volume of the Bull Gears market in fiscal 2026, demonstrating its longstanding presence and established position in the tractor segment.

Growth Drivers

Accelerating Pace of Farm Mechanization

The primary catalyst propelling the demand for reduction drive components is the rapid adoption of mechanized farming. As the agricultural sector globally and domestically grapples with acute rural labor shortages and the pressing need to enhance crop yields, farmers are increasingly relying on tractors for continuous, daily operations. This intensive usage subjects the vehicle drivetrain to prolonged mechanical stress. Consequently, there is a sustained volume demand for precision forged planetary drive parts, specifically sun gears and planet gears, which must maintain exceptional fatigue

resistance to ensure seamless power transmission over long operational hours. The structural integrity of these specific components is critical to preventing premature wear during continuous field operations, making them indispensable to the mechanization trend.

Transition Toward High Horsepower Tractors

Modern agricultural practices increasingly rely on heavy implements for deep ploughing, precision tilling, and heavy haulage. Operating these heavy duty implements requires tractors capable of generating immense tractive force at the wheels. This elevated torque output places extreme mechanical stress directly on the final reduction stage of the vehicle. As a result, there is a heightened demand for structurally superior bull gears and bull pinion shafts. To withstand these extreme shear forces without failing, these specific components require advanced manufacturing processes, including dual heat treatments like carburizing and induction hardening. Furthermore, planetary carriers must be forged with high precision to maintain the exact alignment of the planet gears under severe load. This shift toward high horsepower machines not only increases the volume of reduction drives required but also drives higher value realization for these complex, heavily engineered parts.

Favorable Government Policies and Export Market Expansion

Various agricultural subsidies, easy credit availability, and rural development programs continue to empower farmers to upgrade to modern tractors, bolstering domestic sales. Simultaneously, the emergence of domestic manufacturing hubs as global export bases for agricultural equipment has significantly expanded the total addressable market. Tractors exported to diverse geographies encounter a wide variety of harsh soil conditions, which subject the drivetrain to unpredictable shock loads. This global expansion necessitates the use of highly durable ring gears and robust planetary assemblies that comply with stringent international metallurgical standards. Original equipment manufacturers are compelled to source premium forged components that guarantee reliability and warranty compliance across varied global terrains, thereby expanding the market footprint for specialized reduction drive manufacturers.

Focus on Total Cost of Ownership and Operational Efficiency

The growing emphasis on reducing the total cost of ownership is driving technological advancements and quality upgrades within the component manufacturing space. Farmers and fleet operators demand tractors that offer superior fuel efficiency and minimal maintenance downtime. The mechanical efficiency of the reduction drive plays a direct role in achieving these metrics. Precision gear teeth generation and advanced surface finishing on sun, planet, and bull gears significantly reduce internal friction and minimize transmission power loss. This ensures maximum engine power is delivered to the ground, directly improving fuel economy. Additionally, utilizing wear resistant gear profiles and robust planetary carriers reduces the frequency of mechanical breakdowns. By lowering maintenance costs and extending the operational lifespan of the tractor, these highly engineered components directly optimize the total cost of ownership, solidifying their importance in modern tractor design.

Entry Barriers

Capital Intensive Manufacturing Infrastructure

The manufacturing of reduction drive components is a highly capital-intensive process that requires substantial initial investments in heavy machinery. Producing critical parts such as bull gears and planetary carriers necessitate advanced closed die forging presses, precision computer numerical control machining centers, and specialized gear cutting equipment. Furthermore, the requirement for complex thermal processing, such as the dual carburizing and induction hardening processes specifically needed for bull gears, demands expensive heat treatment furnaces. For a new entrant, establishing this sophisticated manufacturing infrastructure involves prohibitive capital expenditure, creating a formidable financial barrier to market entry.

Stringent Metallurgical and Precision Engineering Standards

Reduction drives operate under extreme torque and continuous shock loads within the tractor drivetrain, mandating uncompromising structural integrity. Developing components like sun gears, planet gears, and ring gears require deep metallurgical expertise to ensure optimal grain flow during the forging process. Additionally, achieving the exact involute profiles and internal splines for ring gears requires exceptional precision engineering capabilities. The planetary carrier, which holds the entire planetary assembly together, demands absolute dimensional accuracy to ensure perfect alignment of the planet gear pins. Acquiring this highly specialized technical knowledge and mastering the intricate manufacturing

processes takes years of operational experience, effectively deterring new players lacking an established engineering pedigree.

Protracted OEM Approval Cycles

The agricultural tractor industry operates on stringent quality validations, given that drivetrain failures lead to catastrophic vehicle breakdowns and severe reputational damage for the brand. Consequently, OEMs subject new suppliers to rigorous and time-consuming testing protocols before integrating their components into the final reduction or planetary drive assemblies. A new manufacturer attempting to supply critical load bearing parts like bull pinion shafts or planetary gear sets must undergo extensive field trials, metallurgical audits, and fatigue testing that can span several years. This protracted validation and approval cycle requires new entrants to sustain operations without immediate revenue generation, serving as a significant barrier to establishing a foothold in the industry.

Economies of Scale and Supply Chain Optimization

Established manufacturers of reduction drive components benefit immensely from economies of scale, allowing them to produce high volumes of precision parts at competitive prices. The continuous production of standardized components such as planet gears and sun gears enables incumbent players to amortize their high fixed costs effectively. Furthermore, these established entities possess deeply integrated supply chains, ensuring the consistent and cost-efficient procurement of the high grade alloy steel required for forging. A new entrant would find it challenging to match the pricing power and supply chain resilience of legacy manufacturers, making it exceedingly difficult to secure bulk orders from major tractor manufacturers and achieve the scale necessary for long term profitability.

Module VI: Review and Outlook of Axle and Chassis Levers Industry

Role of axle and chassis levers components in vehicles

Component	Brief description and function
Relay drop arms	Lever components connected to the steering gear or relay mechanism that transmit steering movement to the steering linkage. These components convert the rotary movement of the steering gear output shaft into linear movement of the connected steering rods.
Track rod levers	Lever components connected to the steering knuckles that receive movement from the track rod and facilitate the turning of the wheels. These components assist in transmitting steering forces between the track rod and the wheel steering assemblies.
Steering levers	Forged lever components that transmit movement from the drag link or other steering linkage to the steering knuckle, thereby creating the turning movement required to steer the wheels.
Steering knuckle assemblies	Structural steering and suspension components that support the wheel hub and provide a pivot point around which the wheels turn. These assemblies connect the steering linkage with the wheel and suspension system and facilitate directional control of the vehicle.
Bell crank lever assemblies	Pivoted lever assemblies that receive movement from one steering linkage and transmit it to another linkage, generally by changing the direction of the applied motion. These assemblies are used where the arrangement of the steering system requires steering force to be redirected between connecting rods.
Equalizer rod assemblies	Linkage assemblies that transmit and distribute steering movement across connected steering components to support coordinated movement of the wheels. These assemblies assist in maintaining the required relationship between the steering movements on either side of the vehicle.

Given the severe operating environments and the safety critical nature of axle and chassis linkages in the commercial and tractors, the manufacturing process of these components is of paramount importance. Forging stands as the most viable manufacturing technology for these parts, as it imparts superior metallurgical properties, exceptional fatigue resistance, and a highly refined directional grain flow that aligns with the stress contours of the component. Unlike casting or machining, the forging process eliminates internal voids and porosity, resulting in levers and knuckles that possess the ultimate tensile strength required to withstand continuous shock impacts and heavy load cycles. Consequently, OEMs rely heavily on high quality forged axle and chassis components to guarantee operational longevity, minimize vehicle downtime, and ensure uncompromising safety for fleet operators and farmers alike.

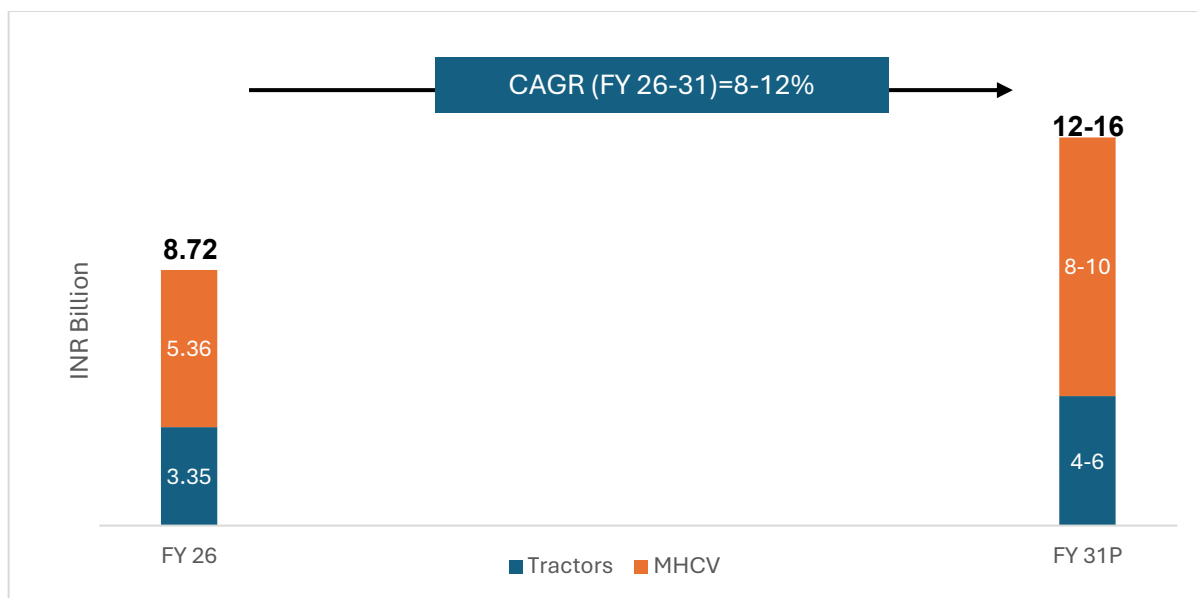
Manufacturing Process of Axle and Chassis Lever Components

- 1) **Raw Material Procurement and Metallurgical Evaluation:** The manufacturing process for critical axle and chassis components begins with the careful procurement of high-grade alloy steel. This material is selected specifically for its superior mechanical properties and its ability to withstand the severe operational stresses inherent in Medium and Heavy Commercial Vehicles and agricultural tractors. Before entering the production cycle, the raw material is subjected to rigorous metallurgical evaluation to ensure it meets the stringent standards required for safety critical linkages such as the relay drop arm and track rod lever.
- 2) **Billet Heating and Thermal Preparation:** The core of the manufacturing lifecycle initiates by heating the steel billets to precise temperatures. This thermal preparation achieves optimal plasticity without compromising the internal material structure. Proper heating ensures that the metal can be seamlessly molded during the subsequent pressing stages, which is vital for maintaining the structural integrity required for heavy transportation and rigorous farming activities.
- 3) **Closed Die Forging and Grain Flow Alignment:** The heated billets are shaped using massive, closed die forging presses. This method is particularly crucial for forming the complex geometries of the steering knuckles assembly and the bell crank lever assembly. The immense pressure applied forces the metal to conform exactly to the die cavities, thereby aligning the internal grain structure of the steel with the external contours of the part. This continuous grain flow grants these levers exceptional fatigue resistance and impact strength.
- 4) **Advanced Heat Treatment:** Following the primary forging stage, the components undergo a series of specialized heat treatment processes, including quenching and tempering. This precise thermal management optimizes their mechanical properties, achieving the perfect equilibrium between surface hardness for wear resistance and core toughness. Such toughness is essential to absorb dynamic shock loads from rugged terrains commonly navigated by MHCVs and tractors.
- 5) **Precision CNC Machining:** Once the desired metallurgical state is achieved, the forged blanks are transitioned to advanced computerized numerical control machining centers. Here, the parts are machined to exact dimensional tolerances. This precision is especially critical for assembly components like the equalizer rod assembly and steering lever, where flawless fitment is required to ensure seamless integration with the broader vehicle chassis and steering systems\
- 6) **Comprehensive Quality Assurance and Non Destructive Testing:** The final phase involves rigorous quality assurance protocols, reflecting the zero tolerance for failure in commercial and agricultural vehicle components. Each forged lever and assembly is subjected to non-destructive testing, such as magnetic particle inspection and ultrasonic testing, to detect any microscopic surface or internal anomalies. Dimensional accuracy is further verified using advanced coordinate measuring machines to ensure exact compliance with original equipment manufacturer specifications.

Review and Outlook of Axle and Chassis Components

The axle and chassis components market for commercial vehicles and tractors is positioned for robust growth, projected to expand at a CAGR of 8-12% from fiscal 2026 to fiscal 2031. The growth in the commercial vehicle segment is primarily driven by continuous government investments in infrastructure and national highway projects, which elevate the demand for heavy duty transport. Furthermore, the rapid expansion of the logistics sector necessitates fleet modernization. Fleet operators are prioritizing reliable vehicles equipped with robust forged components to maximize operational efficiency, while stringent vehicle scrappage and emission norms further accelerate replacement cycles.

The tractor segment is expected to grow at a CAGR of 5-7%, whereas the MHCV segment is estimated to grow at 9-12% during the same period.



Includes overall market potential for only MHCVs and Tractors
Source: CRISIL Analysis

Parallel to this, the tractor segment is propelled by the critical need for farm mechanization to counter labor shortages and improve crop yields. Government subsidy programs supporting rural infrastructure strongly incentivize tractor purchases. Additionally, a notable shift towards higher horsepower tractors for heavy agricultural implements directly increases the reliance on highly durable forged steering and suspension linkages.

JPF's standalone market share in the tractor steering knuckles segment was 12.4% in Fiscal 2026, with revenue of INR 0.27 billion in an estimated market of INR 2.22 billion. Following the acquisition of DS Engineers, effective April 1, 2026, JPF's pro forma consolidated market share increased to 32.2%, corresponding to revenue of INR 0.72 billion, thereby strengthening its position in the tractor axle and chassis components market

Growth Drivers

Infrastructure Development and Construction Projects

Sustained government investments in large scale infrastructure and national highway projects serve as a primary catalyst for market expansion. This continuous development necessitates a robust fleet of medium and heavy commercial vehicles, directly driving the demand for durable forged axle and chassis components capable of withstanding extreme operational stresses.

Accelerated Farm Mechanization

A critical push towards comprehensive farm mechanization is currently underway, driven primarily by acute agricultural labor shortages. The pressing need to maximize crop yields to support a growing population compels farmers to invest heavily in modern tractors, thereby driving the demand for durable forged steering and suspension linkages.

Expansion of Logistics and Electronic Commerce

The rapid growth of the logistics sector requires fleet operators to maintain high vehicle uptime and operational efficiency. Fleet modernization is essential to meet the fast-paced demands of organized retail, increasing the reliance on high strength forged linkages that ensure safety and longevity under heavy payload conditions.

Shift Towards Higher Horsepower Tractors:

There is a distinct market transition towards higher horsepower tractors designed to operate heavy duty implements across challenging terrains. These powerful machines demand exceptionally resilient steering and chassis components to maintain traction and maneuverability, positioning forging manufacturers to benefit significantly from this continuous agricultural modernization.

Entry Barriers

High Capital Expenditure Requirements:

The heavy forging industry is exceptionally capital intensive. Establishing a state-of-the-art manufacturing facility requires massive upfront investments in heavy closed die forging presses, advanced computerized numerical control machining centers, and sophisticated heat treatment furnaces. New entrants face significant financial hurdles to procure this specialized equipment and build the necessary infrastructure to compete effectively with established players.

Stringent OEM Approvals:

Axle and chassis levers are safety critical components that directly dictate the structural integrity and handling of commercial vehicles and tractors. Consequently, OEMs enforce rigorous and lengthy validation processes before approving a new supplier. This complex approval cycle involves extensive metallurgical testing, prototype development, and prolonged field trials, acting as a significant barrier for new companies attempting to penetrate the supply chain.

Advanced Technical and Metallurgical Expertise:

Manufacturing high strength forged components requires deep technical expertise in metallurgy, precision die design, and thermal management. Achieving the exact continuous grain flow necessary for maximum fatigue resistance in heavy duty applications is a highly complex engineering challenge. Established manufacturers possess decades of accumulated proprietary knowledge and skilled engineering teams, making it difficult for new entrants to replicate this level of precision and reliability.

High Switching Costs and Established Relationships:

OEMs typically prefer to maintain long-term strategic partnerships with proven forging suppliers to ensure supply chain stability and consistent product quality. Because the cost of component failure in the commercial and agricultural segments is exceptionally high, buyers are highly reluctant to switch to unproven vendors. This strong loyalty significantly restricts market access to new competitors.

Economies of Scale and Competitive Pricing:

Incumbent forging manufacturers benefit from deeply established economies of scale, allowing them to optimize production costs, secure favorable raw material pricing, and offer highly competitive rates to their clients. New entrants, lacking the initial production volume required to absorb high fixed operational costs, struggle to achieve price parity. This financial dynamic makes it exceedingly challenging for new players to capture market share without sustaining initial financial losses.

Long Gestation Periods for Product Development:

The lifecycle from initial component design to commercial mass production is notably long in the automotive forging sector. Developing specialized steering knuckles or equalizer rod assemblies requires extensive tooling preparation and iterative testing. This extended gestation period delays revenue generation for new entrants, requiring them to possess substantial financial holding power to survive the initial years of operation.

Module VII: Review and Outlook of Hydraulic Components Industry

Role of Hydraulic components in Tractors

Component	Brief description and function
Lift arms	Linkage components that connect the tractor's hydraulic lifting mechanism to the attached implement and transmit lifting force to raise, lower and maintain the implement at the required operating position.
Rocker arms	Pivoted lever components forming part of the tractor's hydraulic lift mechanism. These components transmit movement from the hydraulic lift shaft or actuator to the lift arms, thereby facilitating the raising and lowering of the attached implement.
Response valves	Hydraulic control components that regulate the flow of hydraulic fluid within the lift system and control the rate at which an attached implement is lowered or responds to changes in operating

Component	Brief description and function
	conditions. These valves support controlled implement movement and help prevent sudden lowering of the implement.

The importance of hydraulic parts in tractors extends beyond operational efficiency. These components are designed to withstand demanding working conditions, offering durability and reliability that are crucial for minimizing downtime and maintenance costs. As the tractor industry continues to modernize, the demand for robust and high-performance hydraulic components in tractors is expected to rise, underscoring their pivotal role in supporting the evolving needs of farmers and the broader agricultural ecosystem.

Manufacturing Process of Hydraulic Components

1) Raw Material Preparation: The process begins with the procurement of high-grade steel alloys selected for their load-bearing capabilities. The raw steel billets are inspected for metallurgical consistency, cut to specific weights, and heated in induction furnaces to optimal forging temperatures.

2) Closed Die Forging: The heated billets are transferred to forging presses where they are shaped into the near-net forms of the lift arms, rocker arms, and valve bodies. This forging process aligns the grain structure of the metal to the shape of the component, significantly enhancing its structural integrity and fatigue resistance.

3) Heat Treatment The forged blanks undergo thermal processing, such as normalizing, quenching, and tempering. This critical step relieves internal stress from the forging process and optimizes the mechanical properties of the steel, ensuring the components possess the necessary hardness and tensile strength to withstand high hydraulic pressures and heavy agricultural loads.

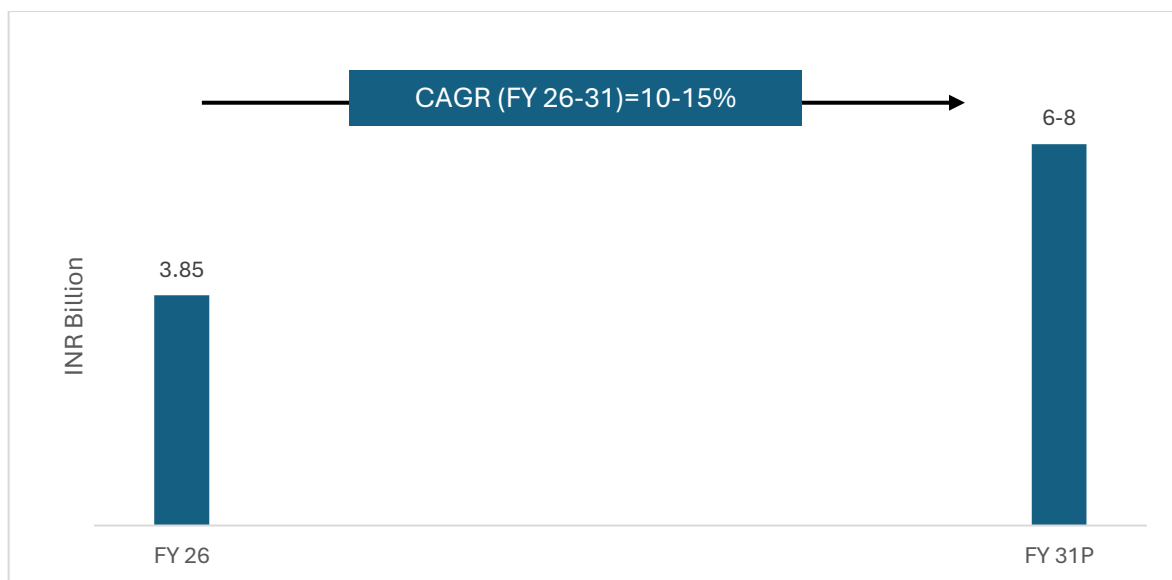
4) Precision Machining The heat-treated forgings are processed using advanced Computer Numerical Control (CNC) machinery. Operations such as milling, turning, and drilling are performed to achieve exact dimensional tolerances. This step is particularly critical for response valves, which require highly precise internal geometries to regulate hydraulic fluid flow accurately.

5) Surface Finishing: To protect against the harsh and corrosive environments typical of agricultural operations, the machined components undergo surface treatments. This typically involves shot blasting to remove scale, followed by anti-corrosive plating, painting, or specialized coatings.

6. Quality Assurance and Testing The final components are subjected to rigorous quality control protocols. This includes dimensional inspections using coordinate measuring machines (CMM) and non-destructive testing (NDT) to detect any internal or surface flaws. The components are also tested for pressure tolerance and structural soundness before final dispatch.

Review and Outlook of Hydraulic Components Industry

The market for hydraulic components is INR 3.85 billion in fiscal 2026. This market is poised for robust expansion over the medium to long term. The market is expected to scale up to INR 6-8 billion by fiscal 2031 at a CAGR of 10-15% during the five-year period. This steady upward trend underscores the growth of the agricultural tractor segment.



*Includes overall market potential for only for Tractors segment
Source: CRISIL Analysis*

This projected growth is underpinned by several key industry drivers. Primarily, the accelerating pace of farm mechanization and the global push for higher agricultural productivity are increasing the demand for reliable tractor equipment. As farmers increasingly adopt heavier and more complex implements to optimize crop yields, there is a corresponding shift towards higher horsepower tractors that require sophisticated, high-capacity hydraulic systems. Furthermore, supportive government initiatives aimed at modernizing agricultural infrastructure, coupled with a steady replacement demand for durable forged parts, are expected to sustain this momentum. Consequently, manufacturers supplying critical hydraulic linkages and valves are well positioned to capitalize on these structural industry tailwinds.

JPF manufactures hydraulic parts as part of its product portfolio; however, revenue attributable specifically to these products is not separately tracked. The company's capabilities in this segment position it to address demand for hydraulic components across its served end-user industries.

Growth Drivers

Increasing Adoption of Heavier Agricultural Implements

As farming practices modernize to maximize yield efficiency, tractors are frequently required to operate with larger attachments such as reversible ploughs and heavy rotavators. This shift directly necessitates higher hydraulic lifting capacities. Consequently, there is a surging demand for structurally superior, forged lift arms and hydraulic rocker arms that can withstand immense mechanical stress and deliver reliable load bearing performance.

Advancements in Precision Agriculture and Draft Control

Modern tractors increasingly feature automated draft control mechanisms designed to maintain uniform implement depth across uneven terrains. This functionality relies entirely on the rapid and accurate regulation of hydraulic fluid, which is governed by precision engineered response valves. As farmers seek greater operational accuracy and reduced fuel consumption, the integration of these highly responsive valves becomes an indispensable requirement, accelerating their market demand.

Preference for Forged Durability and Structural Integrity

The harsh and abrasive nature of agricultural environments dictates a strong preference for forged hydraulic components over casted alternatives. The superior fatigue resistance offered by the forging process ensures longer lifespans for critical linkages like lift and rocker arms. This inherent need for durability, coupled with a steady aftermarket replacement cycle for wear intensive parts, provides a continuous and reliable growth avenue for manufacturers specializing in these components.

Entry Barriers

High Capital Expenditure and Infrastructure Requirements

Setting up a specialized forging facility for heavy duty tractor components requires substantial initial capital investment. Prospective entrants must invest heavily in heavy forging presses, induction furnaces, and advanced CNC machining centers. The specialized infrastructure required to manufacture robust lift arms and hydraulic rocker arms, alongside the highly precise equipment needed for response valves, creates a significant financial hurdle for new players.

Stringent OEM Validation and Long Gestation Periods

Tractor OEMs enforce rigorous quality, durability, and safety standards for load bearing hydraulic parts. Critical components like lift arms and response valves must undergo extensive field testing and validation cycles before securing vendor approval. This long gestation period, combined with the reluctance of OEMs to switch away from proven and reliable suppliers, makes it highly challenging for unproven entrants to penetrate the market.

Advanced Metallurgical and Precision Engineering Expertise

Manufacturing reliable hydraulic components demands deep technical expertise that is difficult to replicate. Producing forged rocker arms and lift arms require precise control over thermal processing and closed die forging to align metal grain structures for maximum fatigue resistance. Similarly, response valves necessitate micro level machining tolerances to ensure flawless hydraulic fluid regulation. Acquiring and retaining this specialized engineering talent serves as a strong deterrent for new competitors.

Economies of Scale and Cost Competitiveness

Established forging manufacturers benefit from significant economies of scale, allowing them to procure raw materials, such as high-grade steel alloys, at competitive prices while optimizing production overheads. New entrants, lacking these volume advantages, often struggle to match the pricing and operational efficiencies of incumbent players. This cost disadvantage makes it difficult for new manufacturers to offer competitive pricing without compromising on the stringent quality requirements of tractor hydraulic systems.

Module VIII: Review and Outlook of 4WD Axle Components Industry

Role of 4WD Axle components in Tractors

The agricultural machinery sector is witnessing a structural shift towards the adoption of four-wheel-drive tractors, driven by the need for enhanced traction, reduced soil compaction, and superior operational efficiency. The front axle assembly in a 4WD tractor is a highly engineered system designed to deliver power, support substantial structural loads, and facilitate precise steering under severe operating conditions. The reliability and performance of this system are heavily dependent on the structural integrity of its core components, which must withstand continuous heavy-duty cycles in rugged farming environments.

The transmission of power from the tractor's primary gearbox to the front axle is facilitated by the main shaft. This central drive shaft is the critical link that enables four-wheel-drive capability, providing the essential traction required when operating in muddy, uneven, or loose soil conditions. Upon reaching the front differential, the rotational power is transferred to the Ring Gear. The Ring Gear plays a pivotal role in changing the direction of the power flow by ninety degrees towards the wheels while simultaneously providing significant gear reduction. This torque multiplication is vital in agricultural applications, as it generates the heavy pulling power necessary for tillage, towing, and the operation of heavy implements.

From the differential, the torque is transmitted outward to the wheels through the Wheel Shaft. In a 4WD tractor, the wheel shaft must continuously deliver high levels of torque while accommodating the articulation required for steering. This dynamic operating environment demands exceptional torsional strength and fatigue resistance to prevent failure under heavy loads. Working in tandem with the steering mechanism is the King Pin, which serves as the primary pivot point for the steering assembly. Tractors frequently bear immense front-end loads, particularly when equipped with front loaders or heavy engine blocks. The king pin is engineered to withstand these extreme vertical and lateral forces, ensuring smooth maneuverability and precise directional control across uneven agricultural terrains.

The final stage of power delivery and structural support is managed by the Wheel Carrier Hub. This component acts as the foundational mounting point for the wheels and houses the critical bearing assemblies. The wheel carrier hub not only transfers rotational torque from the wheel shaft directly to the tires but also bears a significant portion of the tractor's dynamic weight, ensuring stable and frictionless wheel rotation.

Component	Brief description and function
Ring gears	Large diameter gears that mesh with the corresponding pinion or planetary gears to transmit torque and provide the required speed reduction within the axle assembly. In a differential arrangement, the ring gear receives power from the drive pinion and transfers it to the differential and axle shafts.
Steering knuckle kingpins	Heavy duty pins that connect the steering knuckle to the front axle assembly and provide the pivot axis around which the wheel and steering knuckle turn. These components support steering movement while withstanding the loads transmitted through the front axle.
Wheel shafts	Rotating shafts that transmit torque from the axle or final reduction assembly to the wheel hub and, consequently, to the front wheels. These shafts facilitate power delivery to the wheels when the four-wheel drive system is engaged
4WD main shafts	Principal shafts within the four-wheel drive axle or drive arrangement that receive and transmit power across the axle assembly. These components support the transfer of torque from the upstream drivetrain to the differential, reduction gear arrangement or wheel drive components.
Wheel carriers	Structural components that support and position the wheel hub, bearings and associated axle components. Wheel carriers facilitate the connection of the wheel assembly to the axle and help maintain the alignment required for steering and wheel rotation.
Wheel hubs	Components fitted at the wheel end of the axle that provide the mounting interface for the wheel and house or support the wheel bearings. In a driven axle, wheel hubs also receive torque from the axle or wheel shaft and transfer it to the wheels.

Given the extreme operational stresses, including continuous heavy loads, high torque requirements, and harsh environmental exposure, the manufacturing quality of these axle components is of paramount importance. Forged components are indispensable in this application due to their superior metallurgical grain structure, which offers enhanced tensile strength, impact resistance, and longevity compared to cast alternatives. The durability of these critical axle parts directly dictates the operational uptime of the tractor, making them fundamental to the overall productivity and total cost of ownership for the farming community.

Manufacturing Process of 4WD Axle Components

- 1) Procurement and inspection of raw materials:** Alloy steel bars, billets, forged blanks or castings of the specified grades are procured, depending on the design and functional requirements of the respective components. The raw materials are inspected for chemical composition, mechanical properties, dimensions and surface defects.
- 2) Cutting and blank preparation:** Bars and billets are cut into the required sizes. The cut material is heated and forged to obtain the approximate shape of the relevant component. The wheel carrier hub may alternatively be manufactured from casting, depending on its design and application.
- 3) Trimming and surface cleaning:** Excess material, forging flash, runners and risers, as applicable, are removed. The component blanks are thereafter subjected to shot blasting or an equivalent cleaning process to remove scale, sand and other surface impurities.
- 4) Preliminary heat treatment:** The forged or cast blanks are normalized, annealed or stress relieved, as applicable, to refine the material structure, reduce residual stresses and improve machinability.
- 5) Rough machining:** The component blanks are subjected to turning, facing, boring and other machining operations to establish the principal diameters, bores, shoulders, flange faces and reference surfaces. Adequate machining allowance is retained for subsequent heat treatment and finishing operations.
- 6) Formation of functional features:** Gear teeth, splines, grooves, lubrication passages, mounting holes, threads and other functional features are produced through hobbing, shaping, milling, broaching, spline rolling, drilling or tapping, depending on the configuration of the relevant component. Ring gear teeth are generally generated through suitable gear cutting processes such as face milling or face hobbing.

7) Heat treatment: The machined components are subjected to carburizing, case hardening, induction hardening or through hardening, followed by quenching and tempering, as applicable. This process provides the required surface hardness, wear resistance, case depth and core strength.

8) Cleaning and straightening: Scale and residues arising from heat treatment are removed through shot blasting or washing. Shaft-type components are checked for distortion and straightened, where required, to maintain the specified straightness and runout.

9) Finish machining and grinding: Critical surfaces, including bearing seats, bores, oil seal areas, mounting faces, journals and other functional locations, are finished, turned, bored or ground to achieve the required dimensional accuracy, geometrical tolerances and surface finish.

10) Gear and spline finishing: Gear teeth and splines are subjected to grinding, lapping, honing or other finishing operations, where required, to obtain the specified tooth profile, contact pattern, fit and surface quality.

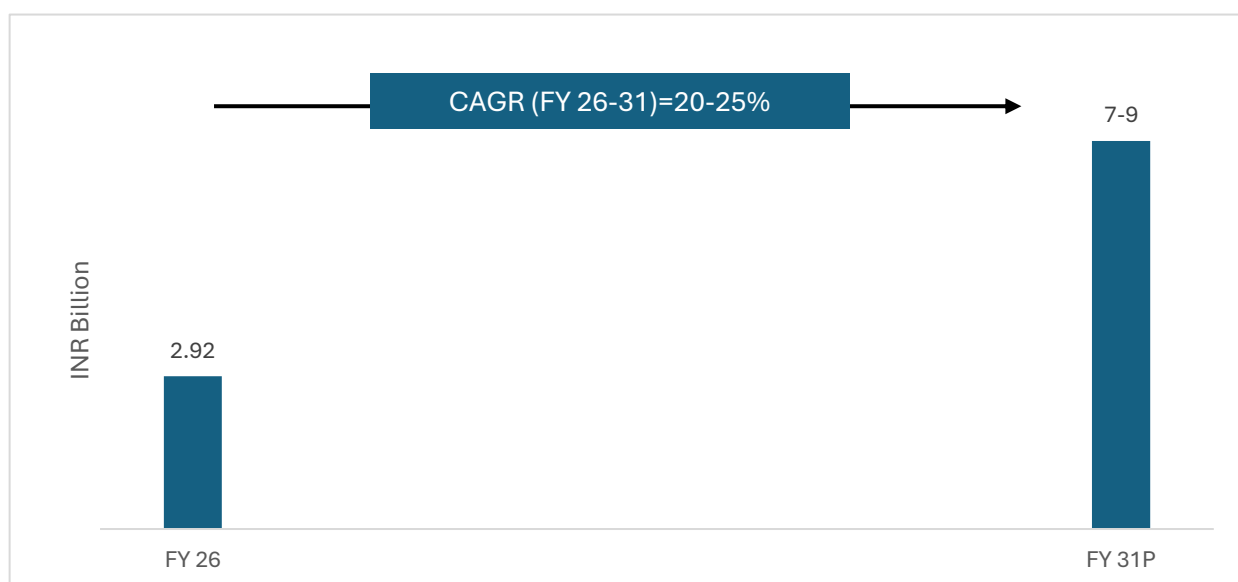
11) Deburring and component cleaning: Burrs and sharp edges generated during machining are removed. The components are washed and cleaned to eliminate metal chips, abrasive particles, oil and other contaminants.

12) Quality inspection and testing: The components are inspected for dimensional accuracy, surface finish, straightness, concentricity, runout, gear and spline geometry, hardness and case depth. Non-destructive testing, metallurgical examination and crack detection may also be undertaken based on customer specifications and component criticality.

13) Surface protection: The accepted components are phosphated, painted, blackened or coated with rust preventive material, as applicable, to provide protection against corrosion during storage and transportation.

Review and Outlook of 4WD Axle Components Industry

The market for critical 4WD axle components is poised for robust expansion over the medium to long term, reflecting a structural transformation within the agricultural machinery sector. The market size of 4WD front axle components is projected to grow from INR 2.92 billion in fiscal 2026 to an estimated range of INR 7- 9 billion by fiscal 2031. This trajectory represents a CAGR of 20 to 25%.



Includes overall market potential for only 4WD Tractors

Source: CRISIL Analysis

The primary catalyst underpinning this exponential growth is the aggressive upward trend in 4WD tractor penetration across the Indian market. Historically dominated by 2WD models, the Indian agricultural landscape is experiencing a decisive shift as farmers increasingly recognize the operational superiority of 4WD systems. These advanced tractors offer enhanced traction, reduced wheel slippage, and superior weight distribution. Such attributes are critical for operating in challenging terrains, including deep mud, wet paddy fields, and uneven topographies. Furthermore, the modern Indian farmer is rapidly adopting heavy agricultural implements such as rotary tillers, laser levelers, and front-end loaders. The

effective operation of these heavy implements necessitates higher torque, pulling power, and front-end stability that only a 4WD axle assembly can provide.

Beyond the direct need for enhanced traction, the broader push towards farm mechanization is acting as a significant macroeconomic tailwind. Persistent agricultural labor shortages and the imperative to increase crop yields per hectare are compelling farmers to upgrade to higher horsepower tractors. These higher horsepower machines inherently rely on 4WD configurations to effectively translate engine power to the ground without causing excessive soil compaction. Additionally, supportive government initiatives promoting mechanization, coupled with improved access to rural credit and financing, are empowering farmers to invest in these premium machines. The increasing deployment of tractors in non-agricultural and commercial haulage applications also demands highly durable drivetrains, further amplifying the need for robust 4WD systems.

The 4WD axle components segment, is Jai Parvati's fastest growing addressable market, is projected to grow at 20-25% CAGR over the same period driven by the increasing sales of 4WD tractors in India.

Growth Drivers

Rising Penetration of 4WD Tractors

Increasing farmer preference for four-wheel-drive models due to superior traction, reduced wheel slippage, and better performance in challenging terrains directly drives the demand for specialized front axle components.

Increasing Farm Mechanization and Labor Shortages

The growing scarcity of agricultural labor is accelerating the adoption of advanced machinery. This structural shift necessitates highly efficient, heavy-duty 4WD tractors to maintain and enhance farm productivity.

Shift Towards Higher Horsepower Tractors

The market is witnessing a steady transition toward higher horsepower tractors to improve crop yields per hectare. These powerful machines require robust 4WD axle configurations to effectively transfer increased engine torque to the ground without causing soil compaction.

Adoption of Heavy Agricultural Implements

The rising use of heavy, modern attachments such as rotary tillers, laser levelers, and front-end loaders requires enhanced front-end stability, load-bearing capacity, and pulling power that only forged 4WD axle parts can provide.

Expansion in Non-Agricultural Applications

The increased deployment of tractors in commercial haulage, construction, and rural infrastructure projects demands highly durable drivetrains, further boosting the requirement for high-strength forged axle components.

Favorable Government Initiatives and Rural Financing

Government subsidies promoting farm mechanization, coupled with improved access to rural credit and financing options, are empowering farmers to upgrade from traditional 2WD models to premium 4WD tractors.

Entry Barriers

High capital investment

Manufacturing 4WD axle components requires investment in forging or casting facilities, CNC and gear cutting machines, heat treatment equipment, grinding and finishing machines, inspection equipment, material handling systems and associated infrastructure. The capital-intensive nature of these facilities may restrict the entry of manufacturers without adequate financial resources.

Technical and metallurgical expertise

Components such as ring gears, kingpins, wheel shafts, mainshafts and wheel carrier hubs are subjected to high torque, impact, bending and wear during operation. Their manufacture requires expertise in material selection, forging or casting, precision machining, gear and spline generation, heat treatment and surface finishing.

Stringent quality requirements

4WD axle components are performance-critical parts that affect power transmission, steering, load carrying capacity and vehicle reliability. Manufacturers must maintain quality control across material procurement, forging or casting, machining, heat treatment, finishing and final inspection. Established suppliers typically employ in-process and final inspection systems to ensure conformity with customer specifications.

Customer approval and product validation

Entry into the original equipment manufacturer supply chain generally involves supplier assessment, prototype submission, product testing, process audits and production validation. Obtaining customer approval may require significant time and expenditure, particularly where the component is developed for a specific tractor platform.

Long customer qualification cycles

Original equipment manufacturers generally evaluate suppliers on parameters such as product quality, manufacturing capability, consistency, delivery performance, cost competitiveness and financial stability. The qualification and commercialisation process may extend over multiple stages, thereby delaying the generation of revenue from new customer programmes.

Established relationships with original equipment manufacturers

Existing suppliers may benefit from long-standing relationships, approved vendor status, knowledge of customer-specific requirements and an established delivery record. These relationships may make it difficult for new manufacturers to secure supply contracts unless they demonstrate improvements in quality, cost, technology or delivery capabilities.

Tooling and development costs

The manufacturers of different components and variants requires dedicated dies, patterns, cutting tools, jigs, fixtures, gauges and inspection arrangements. The initial cost of developing such tooling may be significant and is generally recoverable only after production reaches an adequate scale.

Skilled workforce requirements

The manufacturing process requires experienced personnel in areas such as tool design, metallurgy, forging, casting, CNC machining, gear cutting, heat treatment, quality assurance and maintenance. Recruiting and retaining suitably trained personnel may constitute an entry barrier, particularly for manufacturers seeking to produce high-precision and safety-critical components.

Module IX: Company Overview and Competitive Landscape of key players

JAI PARVATI FORGE LIMITED

Company Overview

Jai Parvati Forge Limited, incorporated in the year 2004, is a Punjab-based manufacturer of forged and high precision-machined automotive and industrial components. Jai Parvati Forge Limited is an unlisted public limited company.

Jai Parvati Forge Limited holds IATF: 16949: 2016 and ISO 9001:2015 certification and has established itself as integrated manufacturer of forged and complex precision-machined components with over 22 years of operating history. The Company manufactures components involving complex geometries, tight dimensional tolerances, stringent surface-finish requirements and multiple manufacturing operations, supported by its integrated capabilities across design and engineering, die manufacturing, forging, heat treatment, gear manufacturing, precision machining and finishing. It

supplies transmission, driveline, axle and hydraulic components in the 1 kg to 70 kg range to OEMs across the tractor, commercial vehicle, off-highway and industrial segments.

The company operates four manufacturing units with in-house capabilities spanning forging, heat treatment and precision machining across 300+ machines, positioning it as a single point of supply for its OEM customers.

In fiscal 2026, Jai Parvati Forge Limited recorded the highest revenue growth (21.42%), the highest return on equity (22.29%), the highest return on capital employed (20.18%) and the highest asset turnover (1.87x) among the key players profiled in this report. Over the last 3 years (FY24-FY 26), the company recorded the highest revenue growth CAGR amongst the key profiled peers

Key Products Manufactured

Jai Parvati Forge Limited manufactures over 800 active forged and machined component types, serving multiple end-use industries. The company has over 22 years of manufacturing experience. The product portfolio is as follows:

Table 10: Products Offered

Segment	Components / Products	Application & Technical Description	Raw Material	Gear Quality	Key Finishing Processes	Size Range (mm)	Weight Range (kg)
Bull Gears	Induction Hardened Bull Gears (spur and helical) Carburized Spur & Helical Bull Gears	External gears form part of the final reduction power drive of tractors and harvester combines; output is transferred to the rear wheels.	Low carbon alloy steel (carburized versions); medium carbon alloy steel (induction hardened versions)	DIN 8 – DIN 10	Gear shaving	Diameter: 200 – 500 Length: 30 – 150	10 – 65
Transmission Gears & Shafts	Bull Pinion Shafts, Hollow Shafts, Main Shafts Drive Shaft, Input Shaft, Lay Shaft, Intermediate Shaft, Counter Shaft Output Flange Helical Gear, Double Spur Gear, Helical Double Gear	Gears, geared shafts and spline shafts used in power transfer — from engine to gearbox and onward to the final drive — in tractors, commercial vehicles, earth moving equipment and construction machinery, with torque and power varied by gear set engagement.	Low carbon alloy steel (carburized versions); medium carbon alloy steel (induction hardened versions)	DIN 6 – DIN 9	Gear shaving; gear teeth grinding	Diameter: 40 – 250 Length: 450 - 700	2 – 20

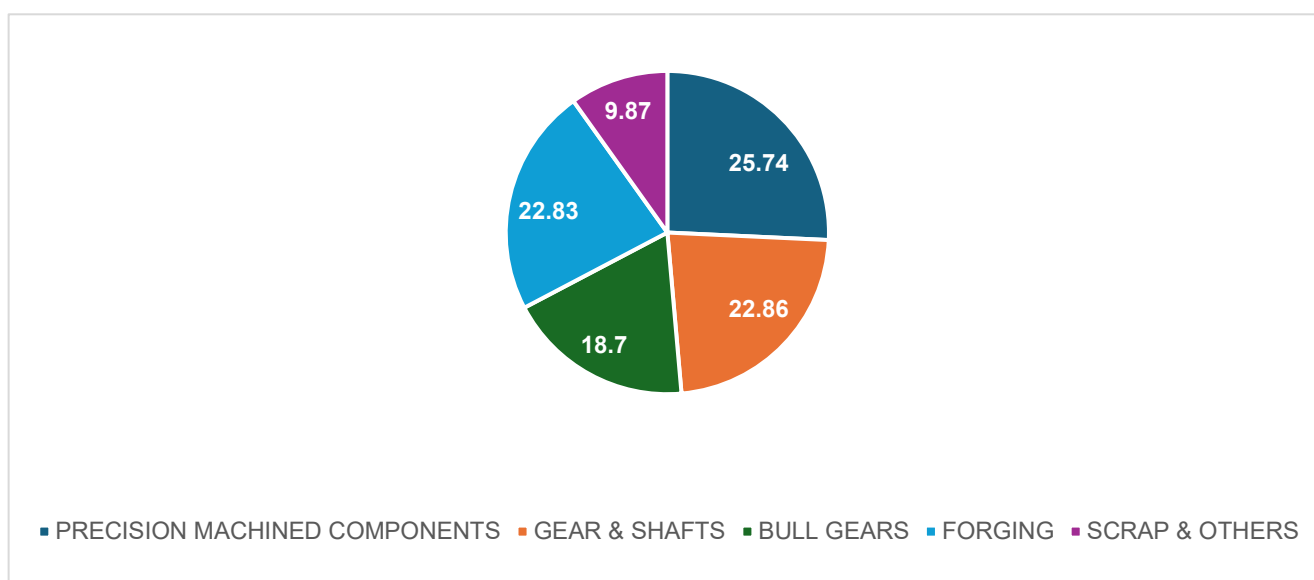
Planetary Reduction Parts	Torque Hubs, Ring Gear Carriers Ring Gears (plain and induction hardened) Hub Gears, Planetary Rings Planet Carrier Assemblies, Planet Gears, Sun Shafts Clutch Bell Housings, Ring Gear Supports, Hubs	External planet gears, internal ring gears, splined flanges, and geared/splined shafts forming part of the final reduction power drive of tractors, harvester combines, earth moving equipment and construction machinery; output is transferred to the rear wheels.	Low carbon alloy steel (carburized versions); medium carbon alloy steel (induction hardened versions)	DIN 6 – DIN 10	Spline hobbing; gear shaving; gear teeth grinding; power skiving	Diameter: 40 – 450 Length: 20 – 100	2 – 25
Axle & Chassis Components	Relay Drop Arms, Bell Crank Lever Assemblies Steering Levers, Equalizer Rod Assemblies Front Axle Hub Assemblies, Front Axle Spindle Assemblies Front Axle Steering Knuckles, Front Axle Steering Arms Front Axle Spindles, Axle Spindles, EBW Spindles	Profile forged and machined parts used in tractor steering linkages, front axle motion amplification, and commercial vehicle suspension linkages. Most parts carry internal splines machined by broaching and are supplied with primer paint.	Medium carbon alloy steel, hardened and tempered, with localised induction hardening	-	Profile forging; machining; broaching (internal splines); localised induction hardening; primer painting	Length: 100 – 400 Thickness : 15 – 50 Width: 30 – 100	3 – 20
Hydraulic Parts	Lift Arms Rocker Arms Response Valves Bodies	Profile forged and machined parts used in tractor hydraulic lifts for power-lifting agricultural implements. Most parts carry internal splines machined by	Medium carbon alloy steel, hardened and tempered, with localised induction hardening	-	Profile forging; machining; broaching (internal splines); localised induction	Length: 100 – 400 Thickness : 15 – 50 Width: 30 – 100	3 – 20

		broaching and are supplied with primer paint.			hardening; primer painting		
Precision Machined Parts	Engine and Transmission Gear Blanks Engine and Transmission Shaft Blanks Differential Crown and Pinion Blanks Bearing Race Blanks	These are used for manufacturing transmission gears, transmission shafts, bearings, Differential Spiral Bevel Crown and Pinions. These are parts processed from forgings and have CNC Turning, VTL, VMC, HMC Operations and Grinding Operations	Low Carbon Alloy Steel Normalised/ Iso Annealed and Medium carbon alloy steel, hardened and tempered	-	CNC Turning, VTL, HMC, VMC and Grinding	Length: 100 – 500 Thickness : 15 – 100 Width: 30 – 100	3 – 50

Source: Company website - Products page and company provided information

The product set is heavily oriented towards tractor/farm equipment transmission and driveline systems, with a secondary focus on commercial vehicle chassis and gearbox components, off-highway planetary drive systems, and industrial applications.

Segment wise revenue details



The company intends to increase the contribution of high value-added precision-machined and precision-engineered products within its overall product portfolio. Its strategy is focused on enhancing the share of products involving higher levels of machining, finishing and engineering complexity, which generally command improved realizations and support margin enhancement

Manufacturing Footprint

Jai Parvati Forge operates an integrated manufacturing network comprising three manufacturing units in Dera Bassi, Punjab, and one unit in Baddi (Dist.Solan), Himachal Pradesh. The company's manufacturing capabilities encompass both forging and precision machining operations.

Its forging infrastructure includes automated press lines and air-operated hammers equipped with three-way temperature-controlled pyrometer-sensed induction billet heaters. The forging lines are capable of producing components ranging from 1 kg to 70 kg and are designed to manufacture parts of varying complexities.

The company's machine shop is equipped with more than 300 machines supporting a wide range of precision machining operations, including CNC turning, vertical and horizontal machining, drilling, broaching, grinding, honing, balancing, washing, assembly, leak testing and marking. This integrated setup enables the company to undertake both forging and value-added machining under one manufacturing ecosystem.

High-capacity utilization across units (70-100% in FY26) demonstrating demand visibility. Additionally, acquisition of DS Engineers (Unit-IV) added machining capacity of ~8.6 lakh components p.a.

Table 11: Manufacturing Plants

Parameters	Detail			
Location	3 units in Dera Bassi, Punjab; 1 Unit in Baddi (Dist. Solan), Himachal Pradesh.			
No. of Plants	4			
Units	Particulars	Gross Capacity	Installed Capacity (as on April 1, 2026)	Capacity Utilization (as on March 31, 2026)
Unit-I	Forging	15900 (metric tonnes)	15900 (metric tonnes)	70%
	Precision Machined Components	932700 (numbers)	932700 (numbers)	83%
Unit-II	Bull Gears	418080 (numbers)	418080 (numbers)	94%
	Gears and Shafts	806832 (numbers)	806832 (numbers)	87%
	Precision Machined Components	240240 (numbers)	240240 (numbers)	110%
Unit-III	Forging	16200 (metric tonnes)	16200 (metric tonnes)	87%
Unit-IV*	Precision Machined Components	862800 (numbers)	862800 (numbers)	95%

Note: Jai Parvati Forge has acquired DS Engineers with effect from April 01, 2026, which is currently being operated as Unit-IV

Source: Company website; Company Brochure (2025)

End-User Industries & Customers Served

Table 12: Sectors Covered & Key Customers

Sector	Key Products Supplied	Notable Customers
Agriculture Equipment & Tractors	Bull gears, transmission gears & shafts, drive spindles, ring gears, planetary gears & carriers, flanges & couplings, steering knuckles & arms, lift arms	Mahindra (serving for more than 20 years), International Tractor Limited (Sonalika) (serving for more than 20 years), Siap SPA, Export (serving for more than 3 years), Escorts Kubota Ltd (serving for more than 15 years), Swaraj, TAFE (serving for more than 3 years), Tafe Motors & Tractors (serving for more than 3 years), CNH Industrial (serving for more than 12 years)
Commercial Vehicles	Gearbox parts for power transmission, chassis levers, bell crank housings & equalizer bar assemblies, ring gears & planetary gears	Ashok Leyland (serving for more than 15 years), Mahindra (serving for more than 10 years), TATA (serving for more than 5 years)

Off-Highway Vehicles	Gears for construction equipment and mining, complete planetary gear sets, final drives	Action Construction (serving for more than 3 years), Graziano Transmission India Pvt Ltd (Dana Group) (serving for more than 15 years), Carraro (serving for more than 15 years)
Industrial Application	Planetary drives, drive spindles, housings & gears	Dana, PMP, Bonfiglioli Transmission (serving for more than 2 years), Aerostar Group

Source: CRISIL Rating Rationale - JPFL (2025); Company website

Tractor powertrain electrification is projected to remain below approximately 1% penetration through fiscal 2031. Jai Parvati Forge Limited's concentration in tractor and off-highway driveline, reduction-drive, hydraulic and axle components therefore insulate its core demand base from the EV-driven content displacement faced by forging suppliers indexed to PV, CV, 2W and 3W vehicle segments.

Concurrently, the company has secured orders and even started supplying components with end-use applications in electric vehicles, renewable sector and power-generation systems, positioning it to participate in emerging EV driveline demand (rotor shafts, reduction gears, pinions and differential components) as it scales.

The Company has commenced manufacturing helical pinions, planetary ring gears, driven helical gears, planetary pinions and planetary sun gears for use in electric vehicle applications, with a focus on catering to global OEMs. This product portfolio is expected to expand the Company's presence in the global EV components market.

The Company supplies to all leading domestic tractor OEMs- Mahindra, TAFE, Escorts Kubota, Sonalika and Swaraj, alongside commercial-vehicle majors Ashok Leyland and Tata Motors and global Tier-1 suppliers including Dana (Graziano), Carraro and CNH Industrial, with relationship tenures exceeding 20 years with Mahindra and International Tractors Limited

The Company's customer relationships are underpinned by the extended OEM validation cycles and switching costs associated with safety-critical driveline components. Its IATF 16949-certified, forge-to-finished-component manufacturing model integrates forging, heat treatment and precision machining across more than 300 machines, enabling greater control over quality, process consistency and delivery timelines

With capacity utilization ranging from 70% to 100% across its manufacturing units, compared with the forging industry average of approximately 60%, the Company is positioned as a single-point supplier capable of addressing the integrated sourcing requirements of global OEMs, particularly as they increasingly seek to diversify their supply chains through China Plus One sourcing strategies in India

The Company's core addressable markets- transmission gears and shafts (Rs 46 billion), tractor reduction drives (Rs 11 billion), hydraulic components (Rs 4 billion) and 4WD axle components (Rs 3 billion) aggregated about Rs 64 billion in fiscal 2026 and are projected to reach Rs 103-110 billion by fiscal 2031, a CAGR of 10-12%, roughly twice the growth rate of underlying vehicle production, driven by rising content, material costs, complexity and machining value-addition per vehicle.

BHARAT FORGE LIMITED

Company Overview

Bharat Forge Limited, the flagship company of the Kalyani Group and incorporated in 1961 and headquartered in Mundhwa, Pune, Maharashtra, is a global leader in high-performance, safety-critical forged and machined components and engineering solutions. The company serves a broad cross-section of industries spanning automotive, aerospace, defence, oil & gas, railways, marine, construction & mining, and renewable energy. Over its six-decade operating history, Bharat Forge Limited has evolved from a domestic auto-component supplier into a diversified global engineering conglomerate, with manufacturing assets spanning five countries across three continents.

Bharat Forge Limited, Pune is recognized as the world's largest single-location forging facility and is India's largest exporter of auto components. The company operates on a Full Service Supplier model, offering integrated forging, machining, heat treatment, and testing capabilities to global OEMs.

HAPPY FORGINGS LIMITED

Company Overview

Happy Forgings Limited, incorporated in July 1979 and headquartered in Ludhiana, Punjab, is an Indian manufacturer of heavy forged and high-precision machined components. The company is the 2nd largest producer of commercial vehicle and high horsepower industrial crankshafts in India, and the 4th largest engineering-led manufacturer of complex, safety-critical heavy forged and high-precision machined components in the country.

Happy Forgings Limited operates on a vertically integrated model encompassing in-house die design, forging, heat treatment, machining, and quality inspection.

RACL GEARTECH LIMITED

Company Overview

RACL Geartech Limited (RACL), incorporated in 1983 under its original name Raunaq Automotive Components Limited and renamed RACL Geartech Limited in October 2015, is a precision auto-component manufacturer and exporter headquartered in Noida, Uttar Pradesh, with its registered office in New Delhi. RACL is listed on both the NSE and BSE.

The company specialises in high-precision automotive transmission gears and shafts, sub-assemblies, precision-machined parts, chassis components, and industrial gears. RACL operates as a Tier-1 supplier to a select group of marquee global OEMs across the premium motorcycle, passenger car, recreational vehicle, agricultural machinery, and commercial vehicle segments.

RAMKRISHNA FORGINGS LIMITED

Ramkrishna Forgings Limited (RKFL) is a public limited company headquartered Kolkata, West Bengal, India. Incorporated in November 1981, the company has established itself as a prominent player in the metal forming industry over more than four decades of operations.

RKFL is engaged in the manufacturing of forged, machined, and fabricated components serving a diversified customer base across industries such as automotive, railways, farm equipment, earthmoving, mining and construction, oil and gas, power, and general engineering. The company operates as an integrated forging manufacturer with capabilities spanning metallurgy optimisation, product design, tool manufacturing, forging, heat treatment, machining, and fabrication, enabling it to provide end-to-end solutions to its customers.

The company positions itself as one of India's leading integrated forging manufacturers and has developed a global presence through its supply of engineered components to domestic and international markets. Its broad manufacturing capabilities and diversified end-user exposure support its role as a key supplier to multiple industrial sectors.

M M FORGINGS LIMITED (MMFL)

Company Overview

M M Forgings Limited (MMFL), incorporated in 1946 as 'Madras Motors Limited' and listed on both the NSE and BSE, is one of India's oldest and most export-oriented manufacturers of closed-die hot steel forgings. The company transitioned from trading in Royal Enfield motorcycles to forging in 1974 when it established its first forge shop at Singampunari, Tamil Nadu. It was renamed M M Forgings Limited in April 1993 to reflect its manufacturing focus.

MMFL is one of the largest forging company in India with installed capacity of over 1,45,000 Tons. The company is headquartered at Chennai, Tamil Nadu.

MMFL is recognized as the largest exporter of steel forgings from South India, having received the EEPC (Engineering Export Promotion Council) award for Export Excellence for 31 consecutive years. All their facilities are certified to IATF 16949 and ISO 9001 standards.

COMPARATIVE SUMMARY - OPERATIONAL PROFILE

The following table provides a structured side-by-side comparison of all six companies across key operational dimensions.

Table 20: Comparative Summary

Parameters	Bharat Forge Ltd.	Happy Forgings Ltd.	RACL Geartech Ltd.	Jai Parvati Forge Ltd.	Ramkrishna Forgings Ltd.	MM Forgings Ltd.
Year of Incorporation	1961	1979	1983	2004	1981	1946
Headquarters	Pune, Maharashtra	Ludhiana, Punjab	Noida, Uttar Pradesh	Dera Bassi, Punjab	Kolkata, West Bengal	Guindy, Chennai, Tamil Nadu
Core Products	Forged & machined components (steel, Al); castings; defence systems; aerospace forgings	Heavy forged & machined CV/tractor components : crankshafts, front axle carriers, knuckles, differential housings	Precision transmission gears & shafts, sub-assemblies, chassis components, industrial gears; 1600+ SKUs	Bull gears, transmission gears/shafts, planetary reduction parts, front axle spindle assemblies, chassis levers, hydraulic parts; Precision Machined Parts; 800+ SKUs;	Commercial Vehicle components Front-axle, engine, transmission and rear-axle forgings; Light vehicle components including aluminium forgings; 2W crankshafts; farm-equipment crankshafts, gears and axle shafts; railway bogie frames, bolsters, screw couplings and hangers	Closed-die hot steel forgings (raw, semi-machined, fully machined): front axle beams, knuckles, crankshafts, hubs, High Pressure Valve bodies.
Manufacturing Locations	18 plants across 5 countries: India (11), North America (2), Europe (5)	3 plants, Ludhiana, Punjab (Kanganwal I, II; Dugri)	2 plants: Noida & Gajraula (UP); 3 European warehouses; 1 Austrian subsidiary	3 units in Dera Bassi, Punjab; 1 Unit in Baddi (Dist. Solan), Himachal Pradesh	18 plants across Jharkhand, West Bengal and Haryana 1 plant in Mexico	8 plants: Singampunari, Viralmalai, Chennai, Padappai, Ranipet, Pant Nagar (Uttarakhand), Lucknow (UP)
Capacity	7,16,500 TPA (total forging)	1,48,000 MTPA forging capacity; 68,000 MTPA machining capacity	>80,00,000 parts produced per annum	32,100 MT per annum forging capacity; 32,60,652 parts per annum machining capacity*	3,33,400 MT forging capacity; 62,400 casting capacity (16,200 MT to be added in Q1FY27)	1,45,000 Tons
Key End-User Sectors	Commercial Vehicles, Passenger	Commercial Vehicles, Farm	Two-Wheelers, Recreational	Agriculture/Tractors, Commercial Vehicles, Off-	Commercial vehicles, Railways, Mining, Earth	Commercial Vehicles, Passenger

	Vehicles, Oil & Gas, Defence, Aerospace, Railways, Marine, Construction, Power Generation	Equip., Off-Highway, Industrial, Passenger Vehicles	/ATV, Commercial Vehicles, Passenger Cars, Tractor	Highway Vehicles, Industrial Application	Moving & Farm Equipment, Electric Vehicles, Passenger Vehicles, Oil & Gas	Vehicles, Agriculture, Off-Highway Vehicles, High Pressure Valves.
Key Disclosed Customers	Daimler Group, VW Group, Meritor, Dana	SML Isuzu, JCB, Tata Motors, Mahindra Rise, Liebherr, IGW, Bonfiglioli, Hendrickson and Same Deutz-Fahr.	BMW, KTM, ZF, BRP, MAN Trucks, Piaggio, Kubota, TVS, Kawasaki	Mahindra, Ashok Leyland, TATA, Dana (Graziano), Escorts Kubota, Sonalika International, Dana Spicer	-	-

Source: CRISIL Rating Rationale - JPFL (2025); RACL Q4 FY26 Investor Presentation; Happy Forgings Limited Q4 & FY26 Investor Presentation - Sector Mix Slides; Bharat Forge Limited Q4 & FY26 Analyst Update (May 2026); RKFL Investor Presentation Q4FY26; MMFL Annual Report FY26;; Bharat Forge Limited Annual Report 2026; Company website.

*Machining capacity includes Precision Machined Components, Bull Gears, Gears & Shafts

PEER FINANCIAL BENCHMARKING

	Company Name	Units	FY24	FY25	FY26
Revenue from Operations	JPF	INR Millions	3,210.91	3,463.13	4,204.83
	HFL		13,582.36	14,088.95	15,463.36
	RKFL		37,045.45	40,341.07	42,380.77
	RACL		4,095.22	4,150.68	4,899.40
	MMFL		15,630.66	15,251.81	15,898.73

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Revenue Growth YOY	JPF	%	NA	7.86	21.42
	HFL		13.51	3.73	9.76
	RKFL		16.02	8.9	5.06
	RACL		14.32	1.35	18.04
	MMFL		6.92	-2.42	4.24

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Gross Profit	JPF	INR Millions	1,389.00	1,601.47	1,976.75
	HFL		7,616.41	8,172.28	9,145.28
	RKFL		18,429.88	20,345.58	20,760.23
	RACL		2,944.86	2,945.62	3,464.4
	MMFL		8,458.26	8,632.31	8,772.48

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
GP Margin	JPF	%	43.26	46.24	47.01
	HFL		56.08	58.0	59.14
	RKFL		49.75	50.43	48.99
	RACL		71.91	70.97	70.71
	MMFL		54.11	56.6	55.18

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
EBITDA	JPF	INR Millions	489.18	570.33	762.89
	HFL		3,875.37	4,066.98	4,706.89
	RKFL		7,729.12	5,595.55	6427.01
	RACL		958.79	850.19	1069.1
	MMFL		2,928.30	2,960.76	2,799.81

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
EBITDA Margin	JPF	%	15.24	16.47	18.14
	HFL		28.53	28.87	30.44
	RKFL		20.86	13.87	15.16
	RACL		23.41	20.48	21.82
	MMFL		18.73	19.41	17.61

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
PAT	JPF	INR Millions	238.14	258.18	412.17
	HFL		2,429.84	2,674.36	3,016.29
	RKFL		2,828.81	3,315.50	717.97
	RACL		394.01	237.74	489.5
	MMFL		1,350.40	1,218.62	986.66

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
PAT Margin	JPF	%	7.42	7.46	9.80
	HFL		17.89	18.98	19.51
	RKFL		7.64	8.22	1.69
	RACL		9.62	5.73	9.99
	MMFL		8.64	7.99	6.21

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Return on Equity (RoE)	JPF	%	18.84	17.06	22.29
	HFL		18.69	15.45	15.17
	RKFL		14.30	11.69	2.27
	RACL		21.17	11.02	16.91
	MMFL		18.48	14.49	10.56

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Return on Capital Employed (RoCE)	JPF	%	18.79	17.28	20.18
	HFL		21.45	16.97	16.63
	RKFL		16.47	6.75	5.63
	RACL		16.30	10.54	12.86
	MMFL		14.17	11.18	8.67

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Net Working Capital Days	JPF	Days	96	107	102
	HFL		173	213	223
	RKFL		111	105	89
	RACL		176	205	194
	MMFL		128	145	143

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Fixed Asset Turnover	JPF	Times	1.86	1.71	1.87
	HFL		1.56	1.37	1.15
	RKFL		1.40	1.16	1.03
	RACL		1.32	1.27	1.42
	MMFL		1.51	1.13	1.11

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Operating Cash Flows	JPF	INR Millions	348.62	348.11	562.20
	HFL		1,894.39	2,923.32	4,446.68
	RKFL		6,314.59	333.47	8,397.55
	RACL		352.92	563.00	918.50
	MMFL		1,486.67	1,816.21	2,296.87

Source: Company reports, Crisil Intelligence

	Company Name	Units	FY24	FY25	FY26
Debt to Equity	JPF	Times	0.75	0.72	0.60
	HFL		0.09	0.12	0.15
	RKFL		0.42	0.66	0.71
	RACL		1.37	1.35	0.64
	MMFL		1.03	1.18	1.10

Formulas used

1. Revenue from Operations is stated as per the Company Annual reports
2. Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period as stated in Restated Financial Statement.
3. Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchases of stock-in-trade and Change in Inventory as stated in Restated Financial Statement.
4. Gross Profit Margin is calculated as Gross Profit calculated as above divided by Revenue from Operations as stated in Restated Financial Statement

5. EBITDA is calculated as Profit before Exceptional items, Inc from JV and tax, plus finance costs and depreciation & amortization expenses reduced by other income as stated in Restated Financial Statement.
6. EBITDA Margin (%) is calculated as EBITDA calculated as above divided by Revenue from Operations.
7. *Profit After Tax is Profit for the period from continuing operations as per company annual reports.*
8. PAT Margin (%) is calculated as PAT mentioned above divided by Revenue from Operations.
9. RoE (Return on Equity) (%) is calculated as Profit after tax from continuing operation for the year divided by Average total equity as stated in Restated Financial Statement.
10. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs minus other income) divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing (excluding lease liabilities) & Short-Term Borrowing and Deferred Tax Liability/(Asset) as stated in Restated Financial Statement.
11. Net Working Capital Days is calculated as Net working capital as at the end of the year divided by revenue from operations multiplied by number of days in a year. Working Capital is calculated as Current Assets minus Current Liabilities (excluding short term borrowing).
12. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by closing sum of property, plant & equipment, intangible assets, ROU Asset and capital work in progress.
13. *Operating Cash flows are as per Cash flow statements.*
14. Total Debt to Equity Ratio is calculated as total borrowings (i.e. long-term borrowing and short-term borrowing) (excluding lease liabilities) divided total equity less revaluation surplus available to the equity shareholders of the Company as stated in Restated Financial Statement.

Module X: Threats and Challenges of the Gears, Shafts and Precision Components Industry

The Accelerated Transition to Electric Vehicles

The most profound structural threat to traditional automotive forging is the global shift toward electric mobility. Electric vehicles require significantly fewer moving parts compared to internal combustion engine vehicles. Critical forged components such as crankshafts, camshafts, connecting rods, and traditional transmission gears are eliminated in battery-electric architectures. While there remains a need for forged chassis, suspension, and steering components, the net reduction in forging content per vehicle threatens to create severe overcapacity and revenue contraction for manufacturers heavily indexed to powertrain components.

Raw Material and Energy Price Volatility

Forging is a highly energy and material-intensive process. Manufacturers are highly exposed to the price volatility of primary inputs, particularly steel, aluminum, and specialized alloys. Furthermore, the forging process requires substantial energy consumption for heating and heavy machinery operation. Geopolitical tensions, trade tariffs, and global supply chain bottlenecks frequently lead to input cost inflation, which manufacturers often struggle to pass on to original equipment manufacturers in a timely manner, resulting in margin compression.

Material Substitution and the Lightweighting Trend

To meet stringent fuel efficiency and electric vehicle range requirements, OEMs are aggressively pursuing vehicle lightweighting. This trend poses a direct threat to traditional steel forgings. There is an increasing substitution effect as automakers pivot toward lighter materials, such as high-strength aluminum, magnesium, and advanced carbon composites. Additionally, alternative manufacturing processes, such as high-pressure die casting and additive manufacturing, emerge as viable, cost-effective alternatives to traditional forging for complex parts.

Stringent Environmental and Sustainability Regulations

The forging industry is traditionally carbon intensive. As global regulatory bodies enforce stricter greenhouse gas emission standards and carbon taxes, forging manufacturers face mounting compliance costs. The push for green steel and carbon-neutral manufacturing processes requires substantial capital expenditure to upgrade legacy furnaces and transition to cleaner energy sources. Failure to meet the environmental, social, and governance expectations of major Tier-1 suppliers and OEMs could result in a loss of preferred vendor status.

High Capital Intensity and Technological Obsolescence

The forging industry is highly capital-intensive, requiring massive investments in heavy presses, dies, and automated production lines. The rapid evolution of automotive technology means that product lifecycles are shortening. Manufacturers face the risk of technological obsolescence, where expensive tooling and machinery dedicated to legacy internal combustion engine components become stranded assets. Pivoting to new product lines requires further capital expenditure, straining free cash flow and increasing leverage risks.

Supply Chain Vulnerabilities and Production Cuts

Forging manufacturers sit mid-stream in the automotive supply chain and are highly sensitive to broader macroeconomic shocks. Disruptions at the OEM level cascade down the supply chain, leading to sudden order cancellations or delayed production schedules. This lack of predictability complicates inventory management and capacity utilization planning.

Skilled Labor Shortages

The industry faces a persistent challenge in attracting and retaining skilled labor. The specialized knowledge required for die design, metallurgy, and heavy machinery operation is becoming scarce as the existing workforce ages. The traditional manufacturing environment often struggles to attract younger talent, necessitating increased investments in automation and robotics to bridge the labor gap.

OUR BUSINESS

To obtain a complete understanding of our business, prospective investors should read this section in conjunction with 'Risk Factors', 'Industry Overview', 'Restated Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 26, 170, 344 and 421, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read 'Forward-Looking Statements' on page 24 for a discussion of the risks and uncertainties related to those statements. You should also read 'Risk Factors', 'Financial Statements' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 26, and 421, 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. Additionally, our Company has acquired D. S. Engineers, an erstwhile sole proprietorship of our Promoter, Suman Chauhan, by way of slump sale agreement dated January 16, 2026 read with the addendum dated June 20, 2026 thereto, with effect from April 1, 2026 ("Acquisition"). For further details of the Acquisition, please see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 313. The Pro Forma Financial Information has been included in this Draft Red Herring Prospectus to indicate the results of operations and financial position that would have resulted had the Acquisition been completed as of April 1, 2025. For further information, see "Pro Forma Financial Information" on page 406.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Information included in this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus our financial statements as of and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024. For further information, see 'Restated Financial Information' on page 344. We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Information and may not have been subjected to an audit or review by our Statutory Auditors, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Gears, Shafts and Precision Components Industry Report' dated September, 2026 prepared by CRISIL Intelligence ("CRISIL Report"). The CRISIL Report has been exclusively commissioned, and paid for, by our Company pursuant to an engagement letter dated January 31, 2026, for the purpose of this Offer. A copy of the CRISIL Report shall be made available at www.jaiparvatiforge.com till the Bid / Offer Closing Date. Our Company, Directors, Promoters, Promoter Selling Shareholder, Key Managerial Personnel and members of our Senior Management and Promoter Group and are not related to CRISIL in any manner whatsoever. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' and 'Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL, which has been commissioned and paid for by the Company, for the purpose of this Offer' on pages 20 and 65, respectively.

Overview

We have established ourselves as an integrated manufacturer of forged and machined components with over 22 years of operating history, supplying bull gears, transmission gears & shafts and precision machined parts. Our Company manufactures components involving complex geometries, tight dimensional tolerances, stringent surface-finish requirements and multiple manufacturing operations, supported by its integrated capabilities across design and engineering, die manufacturing, forging, heat treatment, gear manufacturing, precision machining and finishing. We supply transmission, driveline, axle and hydraulic components in the 1 kg to 70 kg range to OEMs across the tractor,

commercial vehicle, off-highway and industrial segments. (Source: CRISIL Report) Over the last three Fiscals, our Company has recorded the highest revenue growth CAGR amongst the selected listed peers (Source: CRISIL Report). Our Company specializes in the manufacture of bull gears and holds an estimated 17.4% share based on value and 18.4% share based on volume of the Bull Gears market in Fiscal 2026, demonstrating its longstanding presence and established position within the tractor segment (Source: CRISIL Report).

We operate an integrated manufacturing business model with capabilities across the value chain including product design support, die development, forging, heat treatment, precision machining, gear cutting, gear tooth grinding, induction hardening and sub-assembly operations. Our integrated operations enable us to supply products at multiple stages of value addition including raw forgings, rough and finished precision machined parts, semi-finished and finished gears and shafts, and assembled sub-components. Currently, we operate four Manufacturing Units, comprising three units located in Punjab and one unit located in Himachal Pradesh, India, with aggregate installed capacity of 32,100 metric tonnes per annum for forging and over 3.26 million units per annum for machining components. For further details of our Manufacturing Units, see “- Our Manufacturing Units” and “- Capacity and Capacity Utilisation” on pages 255 and 290, respectively.

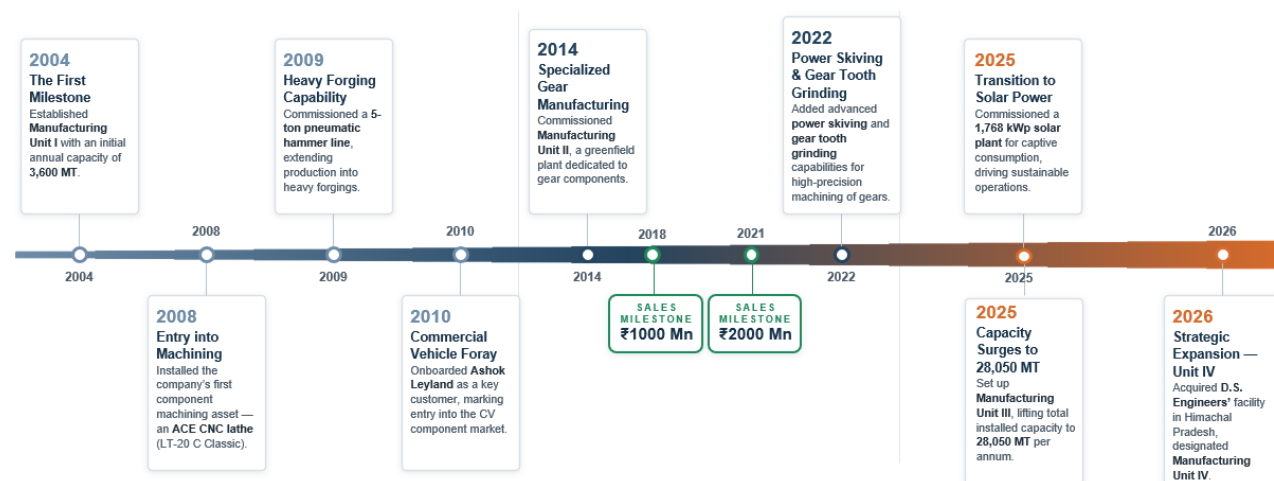
Our manufactured components have been supplied to customers across international markets, including Belgium, Italy, Turkey and the United States of America, and while a substantial majority of our revenue from operations is derived from the sale of products within India, our international business presence has grown over the recent years, with revenue generated from sales in foreign markets contributing approximately 2.21% , 1.19% and 0.03% of total revenue from sale of our products in Fiscals 2026, 2025 and 2024, respectively. For further details, see “- Geographical presence” on page 260.

Our revenue from operations has increased from ₹ 3,210.91 million in Fiscal 2024 to ₹ 4,204.83 million in Fiscal 2026 (CAGR of 14.44% between Fiscals 2024 and 2026) with an adjusted EBITDA margin of 18.14% in Fiscal 2026, demonstrating steady growth in recent years. For further details, see “- Key financial and operational metrics” on page 262. In Fiscal 2026, our Company recorded the highest revenue growth (21.42%), the highest return on equity (22.29%), the highest return on capital employed (20.18%) and the highest asset turnover (1.87x) among the selected listed peers (Source: CRISIL Report).

We have received ISO 9001:2015 certification and IATF 16949:2016 certification for our quality management systems relating to the manufacture of forged and machined components. Additionally, Manufacturing Unit II and Manufacturing Unit IV, our machining facilities from which a major portion of our products are supplied, have been certified under ISO 14001:2015 for Environmental Management Systems (“EMS”) and ISO 45001:2018 for Occupational Health and Safety Management Systems (“OHSMS”). We are also members of the Automotive Component Manufacturers Association of India (“ACMA”) and the Association of Indian Forging Industry (“AIFI”). Further, our manufacturing operations are supported by an in-house metallurgical laboratory and a team of experienced technical personnel, enabling us to undertake comprehensive mechanical and chemical testing of our products. These capabilities assist us in maintaining stringent quality standards and product tolerances in accordance with applicable international specifications and standards, including ISO, BS, DIN, ASTM, AGMA and JIS standards.

Our journey

A brief journey of our milestones is delineated below:



For further details, see “*History and Certain Corporate Matters - Major events and milestones of our Company*” on page 312.

Our Manufacturing Units

Three of our Manufacturing Units are located at Dera Bassi, Punjab, and are spread across approximately 690,000 square feet, with an aggregate covered area of approximately 300,000 square feet. As of Fiscal 2026, these Manufacturing Units had an aggregate installed forging capacity of 32,100 metric tonnes per annum and a machining capacity of over 2.20 million components per annum. Further, pursuant to our acquisition of D.S. Engineers, the erstwhile sole proprietorship concern of our Promoter, Suman Chauhan, we acquired Manufacturing Unit IV located in Solan, Himachal Pradesh, spread across approximately 61,419 square feet with an aggregate covered area of approximately 17,640 square feet, increasing our installed machining capacity by approximately 0.86 million components per annum, taking our aggregated machining capacity to approximately 3.26 million components per annum, effective as at April 1, 2026. Collectively, these Manufacturing Units support our forging and machining operations.

The details of our Manufacturing Units are as set forth below:

Manufacturing Unit	Key Activities	Installed Capacity	Land Area	Covered Area
Manufacturing Unit I – Dera Bassi, Punjab	Forging of gears, shafts and precision machined parts	15,900 MT per annum (forging) and approximately 0.93 million components per annum	Approximately 108,300 sq. ft.	Approximately 108,300 sq. ft.
Manufacturing Unit II – Dera Bassi, Punjab	Machining of gears, shafts and precision components	Approximately 1.47 million components per annum	Approximately 126,333 sq. ft.	Approximately 83,913 sq. ft.
Manufacturing Unit III – Dera Bassi, Punjab	Forging of gears, shafts and precision machined parts	16,200 MT per annum (forging)	Approximately 456,300 sq. ft.	Approximately 115,000 sq. ft.
Manufacturing Unit IV – Solan, Himachal Pradesh	Machining of gears, shafts and precision machined parts	Approximately 0.86 million components per annum	Approximately 61,419 sq. ft.	Approximately 17,640 sq. ft.

For further details, see “- *Capacity and Capacity Utilisation*” and “- *Properties*” on pages 290 and 295, respectively.

Over the years, we have consistently expanded our installed manufacturing capacity across both forging and machining operations in line with business growth, evolving customer requirements and our strategic focus on increasing value-added manufacturing capabilities. As of March 31, 2026, we had an aggregate installed forging capacity of 32,100 metric tonnes per annum, compared to an installed forging capacity of 20,100 metric tonnes per annum as of March 31, 2024, representing a CAGR of 26.37%, and our aggregate installed machining capacity has increased from 2,184,672 units to 3,260,652 units (post-acquisition of D.S. Engineers), representing a CAGR of 22.17%. Following the acquisition of D.S. Engineers with effect from April 1, 2026, our Company’s pro forma consolidated market share in this segment increased to 32.2%, strengthening its position within the axle and chassis components market (*Source: CRISIL Report*).

The table below sets forth the growth in our installed capacities across our Manufacturing Units over the periods indicated.:

Period	Total installed forging capacity (in metric tonne)	Total installed machining capacity (in components per annum)			
		For Bull Gears	For Gears & Shafts	For Precision Machined Parts	Total
As of April 01, 2026 (after acquisition of the erstwhile D.S. Engineers and addition of new machineries)	32,100	418,080	806,832	2,035,740	3,260,652
As of March 31, 2026	32,100	316,680	708,552	1,172,940	2,198,172
As of March 31, 2025	28,050	273,000	619,632	1,172,940	2,065,572
As of March 31, 2024	20,100	245,700	526,032	1,412,940	2,184,672

Product Portfolio

We manufacture a diversified product portfolio comprising over 800 active products catering to a wide range of applications across tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. During Fiscals 2026, 2025 and 2024, our Company offered and sold 719, 635 and 607 unique stock keeping units ("SKUs"), respectively. Our products are used in critical applications such as transmission systems, final reduction drives, planetary drive systems, axle assemblies, steering systems, hydraulic systems and windmill gearboxes.

Broadly, our product portfolio can be categorised into bull gears, gears and shafts, and precision machined parts. Gears and shafts are further categorised into transmission gears and shafts and planetary reduction parts, while precision machined parts comprise axle and chassis components, hydraulic parts and semi-machined components forming part of the aforementioned categories. Machining represents a downstream stage of our integrated manufacturing process, and the parts manufactured under our machining operations include bull gears, gear and shafts, and precision machined parts ("Machined Components").

Bull Gears



Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
- Induction Hardened Bull Gears (spur and helical) - Carburized Spur & Helical Bull Gears	External gears forming part of the final reduction power drive of tractors and harvester combines; output is transferred to the rear wheels.	Diameter: 200–500 Length: 30–150	10–65

(Source: CRISIL Report)

Transmission Gears & Shafts



Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
• Bull Pinion Shafts, Hollow Shafts, Main Shafts	Gears, geared shafts and spline shafts used in power transfer —	Diameter: 40 – 250 Length: 450-700	2–20

Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
• Drive Shaft, Input Shaft, Lay Shaft, Intermediate Shaft, Counter Shaft • Output Flange • Helical Gear, Double Spur Gear, Helical Double Gear	from engine to gearbox and onward to the final drive — in tractors, commercial vehicles, earth moving equipment and construction machinery, with torque and power varied by gear set engagement.		

(Source: CRISIL Report)

Planetary Reduction Parts



Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
• Torque Hubs, Ring Gear Carriers • Ring Gears (plain and induction hardened) • Hub Gears, Planetary Rings • Planet Carrier Assemblies, Planet Gears, Sun Shafts • Clutch Bell Housings, Ring Gear Supports, Hubs	External planet gears, internal ring gears, splined flanges, and geared/splined shafts forming part of the final reduction power drive of tractors, harvester combines, earth moving equipment and construction machinery; output is transferred to the rear wheels.	Diameter: 40–450 Length: 20–100	2–25

(Source: CRISIL Report)

Precision Machined Parts

Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
• Engine and Transmission Gear Blanks • Engine and Transmission Shaft Blanks • Differential Crown and Pinion Blanks • Bearing Race Blanks	These are used for manufacturing transmission gears, transmission shafts, bearings, Differential Spiral Bevel Crown and Pinions. These are parts processed from forgings and have CNC Turning, VTL, VMC, HMC Operations and Grinding Operations	Length: 100 – 500 Thickness: 15 – 100 Width: 30 – 100	3 – 50

(Source: CRISIL Report)

Axle & Chassis Components



Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
- Relay Drop Arms, Bell Crank Lever Assemblies - Steering Levers, Equalizer Rod Assemblies - Front Axle Hub Assemblies, Front Axle Spindle Assemblies - Front Axle Steering Knuckles, Front Axle Steering Arms - Front Axle Spindles, Axle Spindles, EBW Spindles	Profile forged and machined parts used in tractor steering linkages, front axle motion amplification, and commercial vehicle suspension linkages. Most parts carry internal splines machined by broaching and are supplied with primer paint.	Length: 100–400 Thickness: 15–50 Width: 30–100	3–20

(Source: CRISIL Report)

Hydraulic Parts



Components / Products	Application & Technical Description	Size Range (mm)	Weight Range (kg)
- Lift Arms - Rocker Arms - Response Valve Bodies	Profile forged and machined parts used in tractor hydraulic lifts for power-lifting agricultural implements. Most parts carry internal splines machined by broaching and are supplied with primer paint.	Length: 100–400 Thickness: 15–50 Width: 30–100	3–20

(Source: CRISIL Report)

Our product set is heavily oriented towards tractor/farm equipment transmission and driveline systems, with a secondary focus on commercial vehicle chassis and gearbox components, off-highway planetary drive systems, and industrial applications (Source: CRISIL Report).

Set forth below are the details of the sales of our products in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Precision machined	1,002.98	26.67	970.64	30.85	1,129.02	39.36

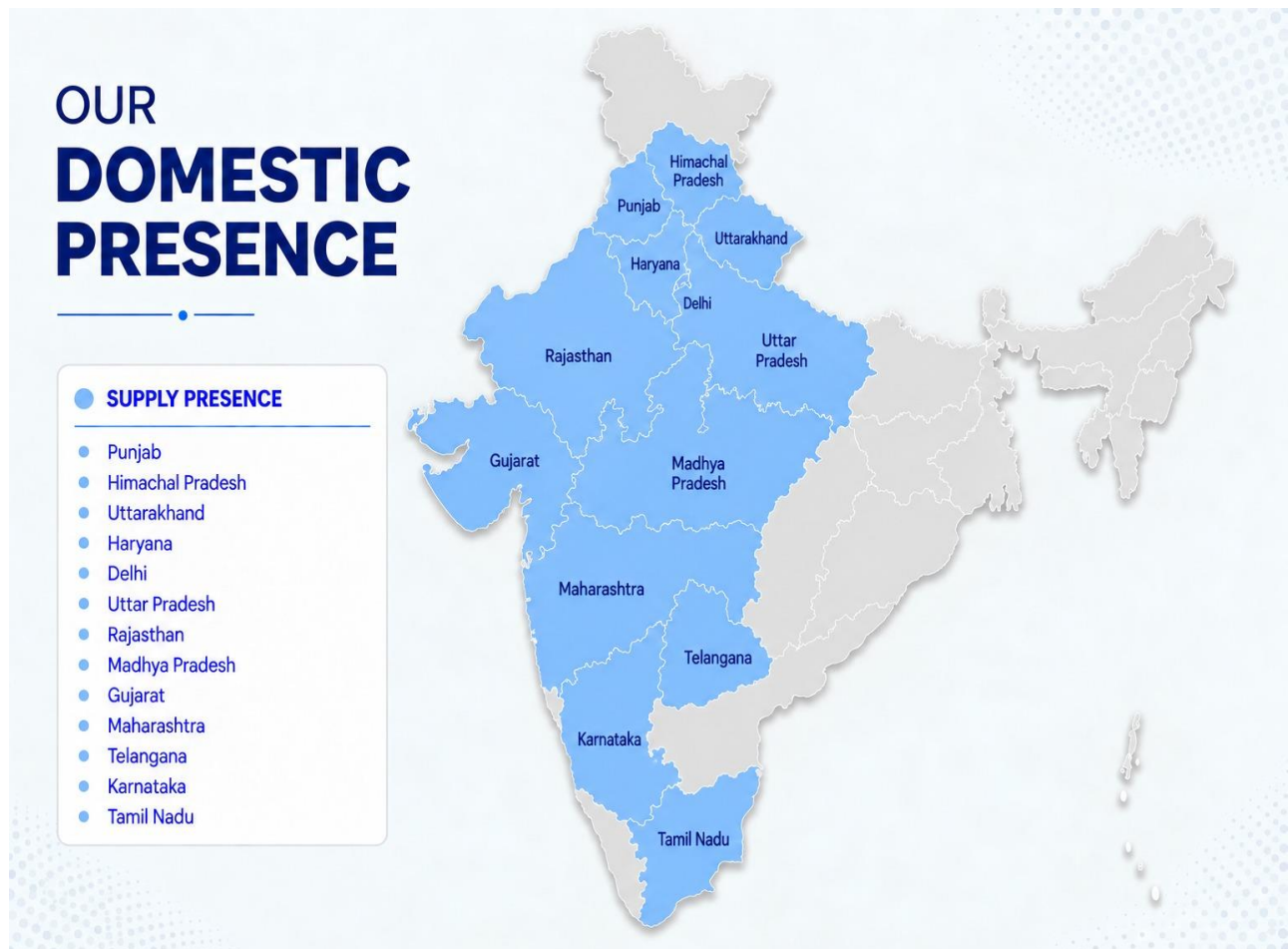
Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
parts						
Gears & shafts	996.97	26.51	823.38	26.17	595.86	20.77
Bull gears	794.32	21.12	686.96	21.83	638.35	22.26
Forging	966.24	25.69	665.69	21.16	505.03	17.61
Total	3,760.52	100.00	3,146.67	100.00	2,868.25	100.00

* Other Services include job work income and freight charges.

Our products are used in transmission systems, axles, hydraulic systems and drivetrain applications across multiple industries. Our manufacturing operations are supported by in-house metallurgical and metrology testing infrastructure, including spectrometers, tensile testing equipment, coordinate measuring machines (“CMM”), optical measuring machines (“OMM”), computer numerical control (“CNC”) gear testers, ultrasonic testing systems, contour tracers, digital air gauging systems and crack detection systems.

Our manufactured products are sold primarily to OEMs and aggregate manufacturers in the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. Our key customers include Mahindra & Mahindra Limited, Ashok Leyland Limited, Escorts Kubota Limited, Carraro India Private Limited and International Tractors Limited. A significant portion of our revenue is derived from long-standing customer relationships and repeat business. For further details of the revenue generated from our top customers, see “- Our Customers” on page 292.

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OUR GLOBAL PRESENCE



While a substantial portion of our revenue from operations is derived from the sale of our manufactured products within India, we also supply our products to customers in international markets. Between April 1, 2024 and March 31, 2026, we exported products to countries including the United States of America, Turkey, Belgium and Italy. Our revenue from exports amounted to ₹83.31 million, ₹37.62 million and ₹0.76 million in Fiscals 2026, 2025 and 2024, respectively, representing 2.21%, 1.19% and 0.03% of our revenue from operations during the corresponding periods. In this regard, we have recently received business orders from customers based in Germany and the United Kingdom for various components, including planetary gears, sun gears, helical gears, pinions and planetary ring gear components. These orders include scheduled deliveries extending into 2027 and demonstrate our ability to cater to the requirements of customers in international markets. In addition to direct exports, a portion of our products reaches international markets indirectly through our customers, and is classified as deemed exports.

The table below sets forth the revenue generated by our Company from (i) the sale of products within India, and (ii) direct exports to international markets, for the periods indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Sale of products inside India						
Punjab	1,181.66	31.42%	936.40	29.76%	852.69	29.73%
Maharashtra	654.34	17.40%	664.12	21.11%	691.02	24.09%
Haryana	532.79	14.17%	302.13	9.60%	245.88	8.57%
Himachal Pradesh	379.19	10.08%	417.19	13.26%	290.09	10.11%
Uttarakhand	376.19	10.00%	379.73	12.07%	359.52	12.53%
Uttar Pradesh	324.92	8.64%	260.09	8.27%	335.48	11.70%
Tamil Nadu	73.39	1.95%	50.29	1.60%	22.21	0.77%
Karnataka	43.79	1.16%	36.35	1.16%	36.39	1.27%
Telangana	39.74	1.06%	23.82	0.76%	10.09	0.35%

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products	Amount (₹ in million)	% of sale of products
Madhya Pradesh	38.72	1.03%	24.70	0.79%	5.50	0.19%
Rajasthan	15.49	0.41%	1.37	0.04%	7.16	0.25%
Delhi	9.01	0.24%	7.88	0.25%	6.74	0.23%
Gujarat	7.98	0.21%	4.42	0.14%	4.74	0.17%
Andhra Pradesh	0.00	-	0.55	0.02%	0.00	-
Total (A)*	3,677.21	97.78%	3,109.05	98.80%	2,867.50	99.97%
Sale of products outside India						
Belgium	0.10	0.00%	0.00	-	0.00	-
Italy	80.84	2.15%	37.59	1.19%	0.76	0.03%
USA	2.37	0.06%	0.00	-	0.00	-
Turkey	0.00	-	0.03	0.00%	0.00	-
Total (B)	83.31	2.21%	37.62	1.19%	0.76	0.03%
Total (A + B)	3,760.52	100.00%	3,146.67	100.00%	2,868.25	100.00%

* Out of our total sale of products, sale of products qualifying as deemed exports aggregated to ₹ 746.80 million, representing 19.86% of our total sale of products in Fiscal 2026, ₹ 558.37 million, representing 17.74% of our total sale of products in Fiscal 2025, and ₹ 522.97 million, representing 18.23% of our total sale of products in Fiscal 2024.

Awards and recognition

Over the years, our Company has received various awards, recognitions and quality certifications from customers and industry bodies in recognition of our manufacturing capabilities, operational reliability, quality standards and customer support.

In 2011, our Company received the Best SCM Performance Award for outstanding performance in Fiscal 2011 from the Swaraj Division of Mahindra & Mahindra Limited at the Supplier Performance Awards and the Best-in-Class Award from Oerlikon Drive Systems. In 2017, our Company received the Supplier Award for overall performance from the Swaraj Division of Mahindra & Mahindra Limited at the Supplier Performance Awards.

In 2024, our Company was awarded the Best Supplier Award (Forging & Gears) by Swaraj Tractors and received the Silver Award for superlative performance in agility from Ashok Leyland at the Supplier Summit 2024.

In 2025, our Company received appreciation from Mahindra in recognition of our timely supply of components and continued support, which contributed towards achieving a record-breaking production milestone in its Farm Division during Fiscal 2026. Further, in the year 2026, our Company has also received the Best Delivery Award from Escorts Kubota Limited.

For further details, see “History and Certain Corporate Matters - Awards, accreditations, certifications and recognitions received by our Company” on page 312.

Key financial and operational metrics

The table below highlights our key performance indicators across financial and operational metrics:

Particulars	Unit of measurement	As of and for the Fiscals		
		2026	2025	2024
Financial KPIs				
Revenue from Operations ⁽¹⁾	(In ₹ million)	4,204.83	3,463.13	3,210.91
Growth in Revenue from Operations ⁽²⁾	(In %)	21.42%	7.86%	-
Gross Profit ⁽³⁾	(In ₹ million)	1,976.75	1,601.47	1,389.00
Gross Profit Margin ⁽⁴⁾	(In %)	47.01%	46.24%	43.26%

Particulars	Unit of measurement	As of and for the Fiscals		
		2026	2025	2024
EBITDA ⁽⁵⁾	(In ₹ million)	762.89	570.33	489.18
EBITDA Margin ⁽⁶⁾	(In %)	18.14%	16.47%	15.24%
Profit After Tax ⁽⁷⁾	(In ₹ million)	412.17	258.18	238.14
PAT Margin ⁽⁸⁾	(In %)	9.80%	7.46%	7.42%
Total Debt to Equity Ratio ⁽⁹⁾	(in times)	0.60	0.72	0.75
RoE ⁽¹⁰⁾	(In %)	22.29%	17.06%	18.84%
RoCE ⁽¹¹⁾	(In %)	20.18%	17.28%	18.79%
Net Working Capital days ⁽¹²⁾	(In days)	102	107	96
Fixed Asset Turnover Ratio ⁽¹³⁾	(In times)	1.87	1.71	1.86
Operating Cash Flows ⁽¹⁴⁾	(In ₹ million)	562.20	348.11	348.62
Operational KPIs				
Forging				
Installed Capacity ⁽¹⁵⁾	(in MT)	32,100.00	28,050.00	20,100.00
Capacity Utilization ⁽¹⁶⁾	(In %)	78.72%	66.37%	82.92%
Machining				
Installed Capacity* ⁽¹⁵⁾	(in units)	2,198,172.00	2,065,572.00	2,184,672.00
Capacity Utilization ⁽¹⁶⁾	(In %)	88.95%	78.07%	72.67%
Number of SKUs ⁽¹⁷⁾	(in number)	719	635	607
Employee count ⁽¹⁸⁾	(in number)	1,082	1,033	890

* Includes installed capacity of Bull Gears, Gear & Shafts and Precision Machined Parts.

As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

Notes:

The above financial information has been extracted from the Restated Financial Information (to the extent available).

Our Company has acquired Net Assets of proprietorship named "D.S. Engineers" with effect from April 01, 2026. The entity/business unit is added in our Pro Forma Financial Information in accordance with applicable accounting standards. All metrics presented in this section exclude the data relating to "D.S. Engineers".

1. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information.
2. Profit after Tax means profit after tax for the year as appearing in the Restated Financial Information.
3. Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Information.
4. Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
5. Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchases of stock-in-trade and Change in Inventory.
6. Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
7. EBITDA is calculated as Profit before Extraordinary Items and Tax, plus finance costs and depreciation & amortization expenses reduced by other income.
8. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
9. PAT Margin (%) is calculated as Profit after tax for the year/period as a percentage of Revenue from Operations.
10. Total Debt to Equity Ratio is calculated as total borrowings (excluding lease liabilities) divided total equity less revaluation surplus available to the equity shareholders of the Company.
11. RoE (Return on Equity)(%) is calculated as Profit after Tax for the year / period divided by Average Shareholder's fund.
12. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes (Profit before extraordinary items and tax plus finance costs minus other income) divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing (excluding lease liabilities) & Short-Term Borrowing and Deferred Tax Liability/(Asset).
13. Net Working Capital Days is calculated as Net working capital as at the end of the year divided by revenue from operations multiplied by number of days in a year. Working Capital is calculated as Current Assets minus Current Liabilities (excluding short term borrowing).
14. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by sum of property, plant & equipment, intangible assets, ROU Asset and capital work in progress.
15. Installed Capacity refers to the aggregate installed capacity of respective process of all the manufacturing facilities taken together as of the last date of the relevant year/period, assuming all machines are running for 300 days.
16. Capacity Utilization has been calculated as Actual production divided by Installed capacity during the respective year/period.
17. Number of SKUs means number of products offered and sold by the Company during the respective year/period. Products are differentiated based on SKUs maintained by the Company which varies for different product with size, complexity, variants, etc.

It excludes traded products and sale of scrap.

18. Employee count has been calculated as number of employees on payroll of the Company in respective year/period.

COMPETITIVE STRENGTHS

Integrated manufacturing capabilities, advanced engineering experience, strong and diversified product portfolio and quality assurance systems

We operate an integrated manufacturing business model across our three Manufacturing Units located at Dera Bassi, Punjab and one Manufacturing Unit acquired from the erstwhile D. S. Engineers in Solan, Himachal Pradesh, with integrated capabilities spanning multiple stages of the manufacturing value chain for forged and machined components, enabling us to provide end-to-end manufacturing solutions to our customers across diversified end-use industries. Our integrated operations include product design support, die development, forging, heat treatment, precision machining, gear cutting, grinding, induction hardening, inspection and sub-assembly operations, supported by in-house metallurgical and metrology testing infrastructure and process engineering capabilities. For further details, also see “- Our Manufacturing Units” on page 255 above.

Our integrated manufacturing platform enables us to undertake a substantial portion of the manufacturing process in-house, beginning from raw material procurement and forging operations through to the manufacture of finished precision machined parts, gears, shafts and assembled sub-components. As a result, we are able to supply products across multiple stages of value addition, including raw forgings, rough and finished precision machined parts, semi-finished and finished gears and shafts and assembled sub-components, in accordance with customer specifications and application requirements. Over the years, we have also developed manufacturing capabilities across a diversified range of forged and machined components catering to applications including transmissions, axles, hydraulic systems and drivetrain assemblies. Since commencing operations in 2004 with an installed forging capacity of approximately 3,600 MT per annum, we have continuously expanded and upgraded our manufacturing infrastructure and operational capabilities through investments in forging, machining, gear manufacturing, heat treatment and precision engineering technologies. Our installed forging capacity has increased to approximately 32,100 MT per annum as of Fiscal 2026, supported by integrated machining and value-added processing capabilities across our Manufacturing Units.

Our forging capabilities are supported by dedicated heat treatment and metallurgical processes, including ultrasonic testing systems, spectrometers, crack detection equipment, coordinate measuring machines (“CMM”), optical measuring machines (“OMM”), computer numerical control (“CNC”) gear testers, and contour tracers, enabling us to manufacture components with specified mechanical and performance characteristics. We have also invested in technology upgradation initiatives, including installation of a power skiving line for ring gears and gear tooth grinding technology, which enhance our capability to manufacture higher precision and value-added components.

We manufacture a diversified portfolio of over 800 active forged and machined components catering to the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments, including bull gears, gears and shafts, and precision machined parts. Following is our list of active SKUs, as on the date of this Draft Red Herring Prospectus:

Product Segment	Number of active SKUs	End-User Sector
Bull Gears	47	Tractors and agriculture equipment; industrial application
<i>Gears & Shafts</i>		
Transmission Gears & Shafts	30	Tractors and agriculture equipment; commercial vehicles; industrial application
Planetary Reduction Parts	156	Tractors and agriculture equipment; commercial vehicles; industrial application
<i>Precision Machined Parts</i>		
Axle & Chassis Components	29	Tractors and agriculture equipment; commercial vehicles; industrial application
Front Axle Spindle Assemblies & Steering Arms	112	Tractors and agriculture equipment; commercial vehicles; industrial application
Hydraulic Parts	23	Tractors and agriculture equipment; commercial vehicles; industrial application
Transmission, Gear & Driveline Components	267	Tractors and agriculture equipment; commercial vehicles; industrial application

Product Segment	Number of active SKUs	End-User Sector
Forging	139	Tractors and agriculture equipment; commercial vehicles; industrial application
Total	803	

Our products are used in transmission systems, axles, hydraulic systems and drivetrain applications. For further details, please see “- *Overview – Product portfolio*” on page 256. Our Company specializes in the manufacture of bull gears and holds an estimated 17.4% share based on value and 18.4% share based on volume of the Bull Gears market in Fiscal 2026, reflecting its longstanding presence and established position within the tractor segment (*Source: CRISIL Report*).

Our manufacturing and testing infrastructure is further supported by comprehensive quality assurance and metrology systems including coordinate measuring machines, optical measuring machines, ultrasonic testing systems and crack detection equipment. We maintain close collaboration with our customers to gather valuable input and feedback, continually enhancing the performance of our critical components. We are focused on quality systems and process reliability. We have received ISO 9001:2015 certification and IATF 16949:2016 certification for our quality management systems relating to the manufacture of forged and machined components. For further details, see “- *Quality Assurance and Quality Control*” on page 295.

We utilise a range of software applications to support our manufacturing, engineering and business operations. Our technology infrastructure includes enterprise resource planning, accounting, inventory management, engineering design, tooling management, gauge calibration, human resource management and cloud-based productivity solutions. These systems support various functions, including product and tooling design, production planning, inventory management, financial accounting, payroll administration, calibration scheduling and tooling lifecycle management, thereby facilitating operational efficiency and process control across our manufacturing operations. For further details, see “- *Information Technology*” on page 296.

Further, our integrated manufacturing capabilities enable us to cater to diverse application requirements across the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments, positioning us favourably to capitalize on evolving industry demand trends and emerging opportunities across diversified end-use sectors.

Extensive and diverse customer base with long-standing and established customer relations with global and domestic OEM customers

Our diversified portfolio of over 800 active forged and machined components coupled with our integrated manufacturing capabilities enable us to cater to customers, primarily OEMs and aggregate manufacturers, across diverse end-use industry segments, including tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. For further details, see “- *Overview – Product portfolio*” on page 256 above. Over the years, we have established long-standing relationships with several Indian and global OEMs and aggregators by consistently supplying quality products in accordance with customer specifications and delivery requirements. Our customer relationships are underpinned by the extended OEM validation cycles and switching costs associated with safety-critical driveline components. Our IATF 16949-certified, forge-to-finished-component manufacturing model integrates forging, heat treatment and precision machining across more than 300 machines, enabling greater control over quality, process consistency and delivery timelines. (*Source: CRISIL Report*) In recognition of our performance, quality standards and long-standing customer relationships, we have received various awards and recognitions from our customers. For further details, see “- *Awards and recognition*” and “*History and Certain Corporate Matters - Awards, accreditations, certifications and recognitions received by our Company*” on pages 262 and 312, respectively.

The table below sets forth the details of the revenue generated from our various end-use segments across the last three Fiscals:

End-use customer segments	Years of experience in manufacturing	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue generated (₹ in million)	As % of sale of products	Revenue generated (₹ in million)	As % of sale of products	Revenue generated (₹ in million)	As % of sale of products
Tractors and Agriculture equipment	22 years	2,375.59	63.17%	2,033.55	64.63%	1,909.33	66.57%

End-use customer segments	Years of experience in manufacturing	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue generated (₹ in million)	As % of sale of products	Revenue generated (₹ in million)	As % of sale of products	Revenue generated (₹ in million)	As % of sale of products
Commercial vehicles	15 years	933.57	24.83%	595.28	18.92%	514.10	17.92%
Off highway vehicles	15 years	444.00	11.81%	513.35	16.31%	442.58	15.43%
<i>Industrial Applications</i>							
Windmill applications	2 years	4.99	0.13%	-	-	-	-
Mining application	3 years	-	-	4.34	0.14%	1.39	0.05%
Diesel generator application	1 year	2.37	0.06%	-	-	-	-

A significant portion of our revenue is derived from long-standing customer relationships and repeat business. We have established relationships with certain customers extending up to two decades. As of March 31, 2026, our top five and top ten customers (excluding the erstwhile D.S. Engineers) have been associated with us for an average period of 18.50 years and 12.22 years, respectively. The table set forth below presents a breakdown of revenue from customers, segregated based on the duration of the customer relationship:

Periods of customer relationship*	As of/ for the Financial Year ended March 31, 2026			As of/ for the Financial Year ended March 31, 2025			As of/ for the Financial Year ended March 31, 2024		
	Number of customers	Revenue generated from sale of products from such customers (₹ in million)	Percentage of sale of products (%)	Number of customers	Revenue generated from sale of products from such customers (₹ in million)	Percentage of sale of products (%)	Number of customers	Revenue generated from sale of products from such customers (₹ in million)	Percentage of sale of products (%)
More than 10 years	12	2,982.37	79.31%	9	2,722.80	86.53%	11	2,551.88	88.97%
More than five years but less than 10 years	3	76.59	2.04%	3	59.02	1.88%	2	7.20	0.25%
Five years and less	32	701.56	18.66%	26	364.84	11.59%	25	309.17	10.78%
Total	47	3,760.52	100.00%	38	3,146.67	100.00%	38	2,868.25	100.00%

*For customers belonging to the same group, the customer relationship period has been computed based on our Company's relationship with the respective customer group.

At the same time, we also seek to maintain a diversified customer base by continuously acquiring new customers. The total number of new customers acquired by us during Fiscals 2026 and 2025 were 11 and 8, respectively.

Set forth below is a breakdown of the total customers served by us in Fiscals 2026, 2025 and 2024:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total customers served	47	38	38
New customers served	11	8	-
Revenue from new customers (in ₹ million)	147.18	14.67	-
Revenue from new customers served as % of	3.91%	0.47%	-

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
total revenue from sale of products			
Repeat customers served*	15	12	13
Revenue from repeat customers (in ₹ million)	3,058.96	2,781.83	2,559.08
Revenue from repeat customers served as % of total revenue from sale of products	81.34%	88.41%	89.22%

* Repeat customers have been defined as customers who have been associated with our Company for a period of over five (5) years.

We believe that our ability to continue acquiring new customers while maintaining long-standing relationships with existing customers reflects the depth of our customer relationships, consistency of our quality standards, reliability of our execution capabilities and product offerings across end-use industries.

Significant entry barriers due to technical experience, high capital expenditure & established customer relationship

The manufacturing of hydraulic parts, axle and chassis components, reduction drive components, and transmission gears and shafts is characterized by significant entry barriers. As per the CRISIL Report, these include high capital expenditure and infrastructure requirements, stringent OEM approval and validation processes coupled with long gestation periods, advanced metallurgical, precision engineering and manufacturing experience, high switching costs and established customer relationships, and economies of scale, cost competitiveness and supply chain optimization, all of which create substantial barriers for new entrants and reinforce the competitive position of established manufacturers.

Our Company's customer relationships are underpinned by the extended OEM validation cycles and switching costs associated with safety-critical driveline components. Our IATF 16949-certified, forge-to-finished-component manufacturing model integrates forging, heat treatment and precision machining across more than 300 machines, enabling greater control over quality, process consistency and delivery timelines. With capacity utilisation ranging from 70% to 100% across our Manufacturing Units, compared with the forging industry average of approximately 60%, our Company is positioned as a single-point supplier capable of addressing the integrated sourcing requirements of global OEMs, particularly as they increasingly seek to diversify their supply chains through China Plus One sourcing strategies in India. (Source: CRISIL Report)

We leverage an integrated suite of software applications across our manufacturing and support functions, including engineering design, inventory management, accounting, human resource management, tooling lifecycle management, gauge calibration and cloud-based productivity solutions. These applications support operational planning, engineering activities, inventory visibility, financial management, workforce administration and quality control processes, enabling greater operational efficiency and supporting our manufacturing operations. For further details, see “-Information Technology” on page 296.

A substantial majority of our manufacturing equipment is equipped with computer numerical control (“CNC”) systems that enable programmable manufacturing operations for individual components, while certain equipment is operated through programmable logic control (“PLC”) systems. These systems facilitate process standardisation, repeatability and manufacturing consistency.

Our heat treatment facilities utilise supervisory control and data acquisition (“SCADA”) systems to monitor and control various process parameters across billet heating, normalising, spheroidising, gas carburising, sealed quenching, tempering and induction hardening operations, thereby supporting process reliability and quality consistency.

We have also deployed automation solutions across selected manufacturing operations, including automated loading systems for gear manufacturing processes.

Our integrated manufacturing model enables us to undertake multiple stages of value addition in-house, beginning from raw material procurement and forging operations through to the manufacture of finished precision machined parts, gears, shafts and assembled sub-components. We manufacture a diversified range of products used in transmission systems, axles, hydraulic systems and drivetrain applications across the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments.

We have also undertaken several initiatives focused on operational efficiency, energy optimization and sustainable manufacturing practices. We have transitioned certain manufacturing processes from furnace oil-based systems to electric heating systems and installed solar power infrastructure across our Manufacturing Units II and III.

Our aggregated installed solar capacity of 1,768 kilowatt-peak (kWp) contributes to reduced power costs and supports our sustainability objectives. We also continuously focus on automation, process optimization and productivity enhancement initiatives to improve operational efficiencies and cost competitiveness. For further details, see “-Competitive Strengths - Integrated manufacturing capabilities, advanced engineering expertise, strong and diversified product portfolio and quality assurance systems” on page 150. We believe our investments in technology and quality systems support precision manufacturing, operational reliability and scalability.

Strong financial performance and healthy balance sheet

Our Company has demonstrated a consistent track record of revenue growth, profitability and operational efficiency over the last three Fiscals, supported by capacity expansion, improved capacity utilisation and capital allocation. Our revenue from operations increased from ₹ 3,210.91 million in Fiscal 2024 to ₹ 4,204.83 million in Fiscal 2026, while our profit after tax increased from ₹ 238.14 million to ₹ 412.17 million during the same period. Our EBITDA increased from ₹ 489.18 million in Fiscal 2024 to ₹ 762.89 million in Fiscal 2026, with EBITDA margins improving from 15.24% to 18.14% during the aforesaid period, reflecting our ability to improve operating leverage as our business has scaled.

Our profitability has also been supported by efficient utilisation of manufacturing assets and management of costs. During Fiscal 2026, our gross profit margin, return on equity and return on capital employed were 47.01%, 22.29% and 20.18%, respectively. In addition, we generated operating cash flows of ₹ 562.20 million in Fiscal 2026, which has enabled us to continue investing in capacity expansion, technology upgradation and manufacturing infrastructure.

Our financial performance enables us to obtain financial facilities on competitive terms. Additionally, our Company has also obtained the following credit ratings from CRISIL Ratings Limited vide letters dated September 1, 2026, July 17, 2026 and June 4, 2025:

Rating Agency	Products	Credit rating	Date
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	September 1, 2026
	Short term rating	CRISIL A2+ (Reaffirmed)	
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	July 17, 2026
	Short term rating	CRISIL A2+ (Reaffirmed)	
CRISIL Ratings Limited	Long term rating	CRISIL A-; Stable (Reaffirmed)	June 4, 2025
	Short term rating	CRISIL A2+ (Reaffirmed)	

Experienced Promoters and management team with industry knowledge and execution capabilities

Our Company has been operating under the leadership and guidance of our Promoters, Vineet Chauhan and Sahender Singh Chauhan, who serve as our Managing Director and Executive Chairman and Whole-time Director, respectively, and Suman Chauhan, who was the sole proprietor of the erstwhile D.S. Engineers for 28 years prior to its acquisition by our Company. Together, our Promoters cumulatively possess over 69 years of experience in the metal and forging industry.

Our Company is supported by a dedicated management team with relevant technical and industry expertise. The experience of our Promoters, combined with our technical capabilities and industry understanding, positions us to pursue opportunities arising in the forging and manufacturing infrastructure in India.

We possess a qualified senior management team with considerable industry experience. We have an experienced Board of Directors, who actively contribute to and participate in our strategies, operations and development. Our Key Managerial Personnel and members of Senior Management have significant experience in areas of finance, compliance and operations, which positions us well to capitalize on future growth opportunities. Our management team, with extensive experience in the manufacturing industry, positions us well to capitalize on future growth opportunities. For further information, see “Our Management” on page 317

OUR STRATEGIES

Strengthen our position in core product segments while diversifying into industrial and new-age applications

We intend to further strengthen our position across our existing product categories and key end-use industry segments where we have established long-standing relationships with several original equipment manufacturers (“OEMs”) and aggregate manufacturers. Our products cater to customers operating in a range of end-use industry segments, including the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments,

and intend to leverage our integrated manufacturing capabilities, product development experience and customer relationships to enhance our market position within these segments. The key sectors in which we operate with their expected growth in production over the years is as follows:

End-user Industry	Production in FY 2026 (units in thousand)	Outlook on Production by FY 2031 (units in thousand unless otherwise mentioned)	Expected growth rate up to FY 2031
Tractors and Agriculture equipment	1242	1500-1650	4-6%
Commercial vehicles	1170	1400-1500	4-6%
<i>For US Market</i>	8880	10200-10500	2-4%
Off highway vehicles and construction equipment	137	160-175	3-5%
Windmill Application	6050 MW	9000-10000 MW	8-11%

(Source: CRISIL Report)

Our Company's core addressable markets- transmission gears and shafts (₹ 46 billion), tractor reduction drives (₹ 11 billion), hydraulic components (₹ 4 billion) and 4WD axle components (₹ 3 billion) aggregated about ₹ 64 billion in fiscal 2026 and are projected to reach ₹ 103–110 billion by fiscal 2031, a CAGR of 10-12%, roughly twice the growth rate of underlying vehicle production, driven by rising content, material costs, complexity and machining value-addition per vehicle (Source: CRISIL Report). We intend to increase the contribution of high value-added precision-machined and precision-engineered products within our overall product portfolio. Our strategy is focused on enhancing the share of products involving higher levels of machining, finishing and engineering complexity, which generally command improved realizations and support margin enhancement (Source: CRISIL Report).

We also intend to broaden our product portfolio within existing customer relationships through the supply of additional forged, precision-machined and value-added components across multiple stages of manufacturing and assembly requirements. During the last three Fiscals, we have added 112 new products to our product portfolio, including internal ring gears, teeth ground gears and shafts, and hollow shafts and main shafts. In addition, we are currently developing more than 175 new products based on customer purchase orders, technical specifications and evolving customer requirements, reflecting our continued focus on new product development and customer-led innovation.

We also intend to strengthen our engagement with existing and prospective customers by participating in domestic and international industry exhibitions, trade fairs and business promotion events to showcase our products, manufacturing capabilities and technological expertise. Over the years, we have participated in various exhibitions and trade fairs in India and overseas markets, and intend to continue leveraging such platforms to identify new business opportunities, expand our customer base and enter new end-use applications.

In addition, we intend to diversify our business into industrial and emerging end-use applications by leveraging our precision engineering, machining and manufacturing capabilities. For further details, also see “- Our Strategies - Expand our presence across high-growth renewal and electric vehicle applications” on page 270.

Continue capacity expansion and technology upgradation and improve operational efficiencies

As of March 31, 2026, we had an aggregate installed forging capacity of 32,100 metric tonnes per annum, compared to an installed forging capacity of 20,100 metric tonnes per annum as of March 31, 2024. Additionally, pursuant to our acquisition of the erstwhile D.S. Engineers effective from April 1, 2026, our machining capacity has further increased to over 3.26 million components per annum. For further details of the increase in our aggregated installed capacities across the Manufacturing Units in the recorded periods, see “- Capacities and Capacity Utilisation” on page 290.

We intend to continue investing in manufacturing capacity enhancement, automation and technology upgradation in line with anticipated demand growth, evolving customer requirements and our focus on increasing the share of precision-engineered and value-added products within our product portfolio. In particular, a portion of the Net Proceeds from the Offer is proposed to be utilised towards the expansion of our Manufacturing Unit III, which is expected to enhance our machining capacities and support our future manufacturing requirements. For further details, see “Objects of the Offer” on page 126.

In addition, pursuant to our acquisition of the business undertaking of the erstwhile D.S. Engineers with effect from April 1, 2026, we have expanded our manufacturing footprint through the addition of Manufacturing Unit IV located in Solan, Himachal Pradesh. We believe that the acquisition enhances our manufacturing capabilities, increases our operational scale and provides additional capacity to support future business growth and customer requirements.

Further, as part of our capacity expansion initiatives, our Company has placed orders for five hot forging press lines and is in the process of installing additional forging capacity, increasing our aggregated installed capacity by 30,600 metric tonnes per annum, which is expected to be commissioned during Fiscal 2027.

As part of this strategy, we also intend to undertake expansion of our forging capacities, modernization and upgradation of existing manufacturing facilities and deployment of automation technologies across various manufacturing processes. For details of our existing Manufacturing Units and capacity, see “- *Our Manufacturing Units*” and “- *Capacity and capacity utilisation*” on pages 255 and 290, respectively.

We also intend to continue investing in advanced machining, gear manufacturing and process engineering technologies to enhance our production capabilities, improve product quality and support the manufacture of complex precision-engineered components. In furtherance of this strategy, we have strengthened our technological capabilities through the installation of a power skiving line for the machining of ring gears and the introduction of gear tooth grinding technology with the installation of a CNC gear tooth grinding machine.

We also intend to improve our cost competitiveness through operational efficiency initiatives and productivity enhancement measures across our manufacturing operations. Our focus areas include increased automation, energy-efficient manufacturing practices, optimization of material utilization, reduction in process wastage and implementation of initiatives aimed at improving productivity and manufacturing throughput. We have also undertaken sustainability and energy optimization initiatives, including investments in solar power infrastructure and transition towards energy-efficient manufacturing systems. As part of these efforts, we have established Manufacturing Unit III in 2024, increasing our aggregate installed forging capacity to approximately 32,100 metric tonnes per annum. We have also undertaken sustainability and energy optimization initiatives and, in 2025, commissioned rooftop solar power infrastructure in Manufacturing Units II and III with an aggregated installed capacity of 1,768 kilowatt-peak (kWp) for captive consumption as part of our focus on energy efficiency and sustainable manufacturing practices. Additionally, we have placed orders for commissioning additional solar power equipment and infrastructure, with an aggregated capacity of 800 KW, at our Manufacturing Units III and IV, further reducing our reliance on grid electricity and advancing our environmental sustainability objectives.

Further reduce operating costs, improve operating efficiencies and deploy new technologies

Our focus areas include increased deployment of renewable energy, greater automation, energy-efficient manufacturing practices, optimisation of material utilisation and reduction in process wastage across our manufacturing operations. Towards these objectives, our Company commissioned rooftop solar power infrastructure in Manufacturing Units II and III with an aggregated installed capacity of 1,768 kilowatt-peak (kWp) in 2025 for captive consumption. We have also converted billet heating from furnace oil to induction heating and implemented SCADA-based process control systems across our heat treatment operations. As part of our technology upgradation initiatives, our Company has also installed a power skiving line for the machining of ring gears and introduced gear tooth grinding capabilities through the installation of a CNC gear teeth grinding machine, enabling us to manufacture more complex and higher-precision components.

These initiatives have contributed to improvements in our operating performance. Our gross margins increased from 43.26% in Fiscal 2024 to 47.01% in Fiscal 2026, primarily driven by a higher contribution from value-added machined and finished products. During the same period, the capacity utilisation of our machining facilities increased to 88.95% in Fiscal 2026, reflecting improved operational efficiency and higher utilisation of our installed manufacturing capacities. Further, power and fuel costs represented 9.36% of our total expenses in Fiscal 2026.

Going forward, we intend to continue strengthening our manufacturing capabilities through technology upgradation, automation, energy-efficient manufacturing practices and process optimisation, while leveraging our integrated manufacturing infrastructure and expanded production footprint to enhance productivity, improve cost efficiencies and support the long-term growth of our business.

Expand our presence across high-growth renewal and electric vehicle applications

We intend to expand our product portfolio and strengthen our presence across industrial and mobility applications, with a particular focus on wind energy, industrial power systems and electric vehicle ("EV") powertrain components. As part of our diversification strategy, we have expanded our presence into new sectors, including electric mobility and power infrastructure, through the supply of specialized forged and machined components. Our strategy is to leverage our integrated forging, precision machining, gear manufacturing, heat treatment and precision gear teeth grinding capabilities to develop and manufacture precision-engineered components for these sectors, while capitalising on favourable long-term industry demand trends and evolving customer requirements.

In the wind energy and industrial power segments, we intend to broaden our product portfolio by expanding our range of windmill gearbox components, including housing ring gears, planet gears, yokes and pinions, while also commercialising components currently under development for diesel generator sets and industrial transmission systems. We also intend to dedicate a portion of the machining capacity at Manufacturing Unit IV and the proposed expansion of Manufacturing Unit III towards the manufacture of industrial components, thereby strengthening our presence in these applications. For further details, see “*Objects of the Offer*” on page 126.

Further, we intend to establish a meaningful presence in the EV powertrain segment by leveraging our precision machining, gear cutting, heat treatment, hard-finishing and precision gear teeth grinding capabilities, to meet the requirements of EV drivetrain components.

During the last 5 years, EV penetration within overall CVs increased from 0.1% in fiscal 2020 to almost 1.87% by fiscal 2026. (Source: CRISIL Report) Although EVs currently make up a small portion of total production, their growth is outpacing that of traditional internal combustion engine (ICE) vehicles. EV production saw a growth from just over 132,000 units in CY2021 to more than 670,000 units by CY2025, and further to over 1.5 Mn units by CY2030. This rapid increase is driven by regulatory demands, corporate sustainability goals, and advancements in vehicle technology (Source: CRISIL Report).

Our Company has secured its first business orders for components used in EV e-drive and drivetrain applications for clients based in the United States of America, and is currently engaged in technical evaluations and commercial discussions with additional EV OEMs and aggregators. Our Company has commenced manufacturing helical pinions, planetary ring gears, driven helical gears, planetary pinions and planetary sun gears for use in electric vehicle applications, with a focus on catering to global OEMs. This product portfolio is expected to expand the Company’s presence in the global EV components market. (Source: CRISIL Report) We intend to build on this initial traction by expanding our EV product portfolio and customer base, while also increasing the contribution of non-automotive revenue over the medium term through greater participation in wind energy and industrial applications.

Capitalising on favourable industry tailwinds and market demands in the agricultural, automotive and industrial sectors

We intend to capitalise on the favourable long-term growth outlook across the agricultural, automotive and industrial sectors in which our customers operate.

Structurally, India remains one of the world's largest tractor markets, underpinned by a combination of robust domestic drivers and expanding global reach. The prevalence of small and fragmented landholdings continues to fuel steady demand for low-horsepower (HP) tractors, while increasing agricultural mechanization across semi-urban and rural regions further accelerates market growth. Additionally, favorable government schemes aimed at bolstering agricultural infrastructure provide strong institutional support. Beyond domestic consumption, the industry is increasingly capitalizing on growing export opportunities to Asian countries (Source: CRISIL Report). In the last three Fiscals, our Company has derived a vast majority of its revenue from operations from our sale of manufactured products to the agricultural and tractor end-use industry, and these industry trends are expected to support sustained demand for forged and machined components used in tractors and agricultural equipment. We intend to leverage our long-standing customer relationships, integrated manufacturing capabilities and product development expertise to further strengthen our presence in this segment.

As automotive markets in the United States and the European Union accelerate their transition towards electric vehicles, domestic suppliers in those regions are rapidly reallocating capital and manufacturing capacity away from traditional internal combustion engine components. This accelerated transition creates a significant supply chain vacuum for legacy automotive parts, which Indian forging companies are exceptionally well positioned to fill. (Source: CRISIL Report) We intend to capitalise on these opportunities by strengthening our engagement with existing international customers and expanding our presence across global markets. This strategy is evidenced by the growth in our direct export sales over the last three Fiscals, reflecting our increasing acceptance among international customers. We have further received business orders from customers based in Germany and the United Kingdom for various components, including planetary gears, sun gears, helical gears, pinions and planetary ring gear components. These orders include scheduled deliveries extending into 2027 and demonstrate our ability to cater to the requirements of customers in international markets.

Government initiatives aimed at promoting manufacturing self-reliance have provided a substantial impetus to the domestic auto component ecosystem. Interventions such as the Production Linked Incentive scheme (PLI scheme) encourage capital investment, capacity expansion, and technological upgrades. These supportive policies not only reduce import dependence but also strengthen the overall global competitiveness of the Indian forging sector by incentivizing

scale and quality enhancements. (Source: CRISIL Report) We intend to leverage favourable government policies that support manufacturing capacity expansion and industrial development.

OUR BUSINESS OPERATIONS

Our manufacturing operations are supported by four manufacturing units, comprising three facilities located at Dera Bassi, Punjab, and one facility located at Solan, Himachal Pradesh. For further details of our Manufacturing Units, see “– Overview – Our Manufacturing facilities” and “- Properties” on pages 255 and 295, respectively. For details of the aggregate installed and utilised capacity of our Manufacturing Units, see “- Capacity and Capacity Utilisation” on page 290.

Set out below are certain images of our Manufacturing Units:

Manufacturing Unit I



Manufacturing Unit II



Manufacturing Unit III





Manufacturing Unit IV

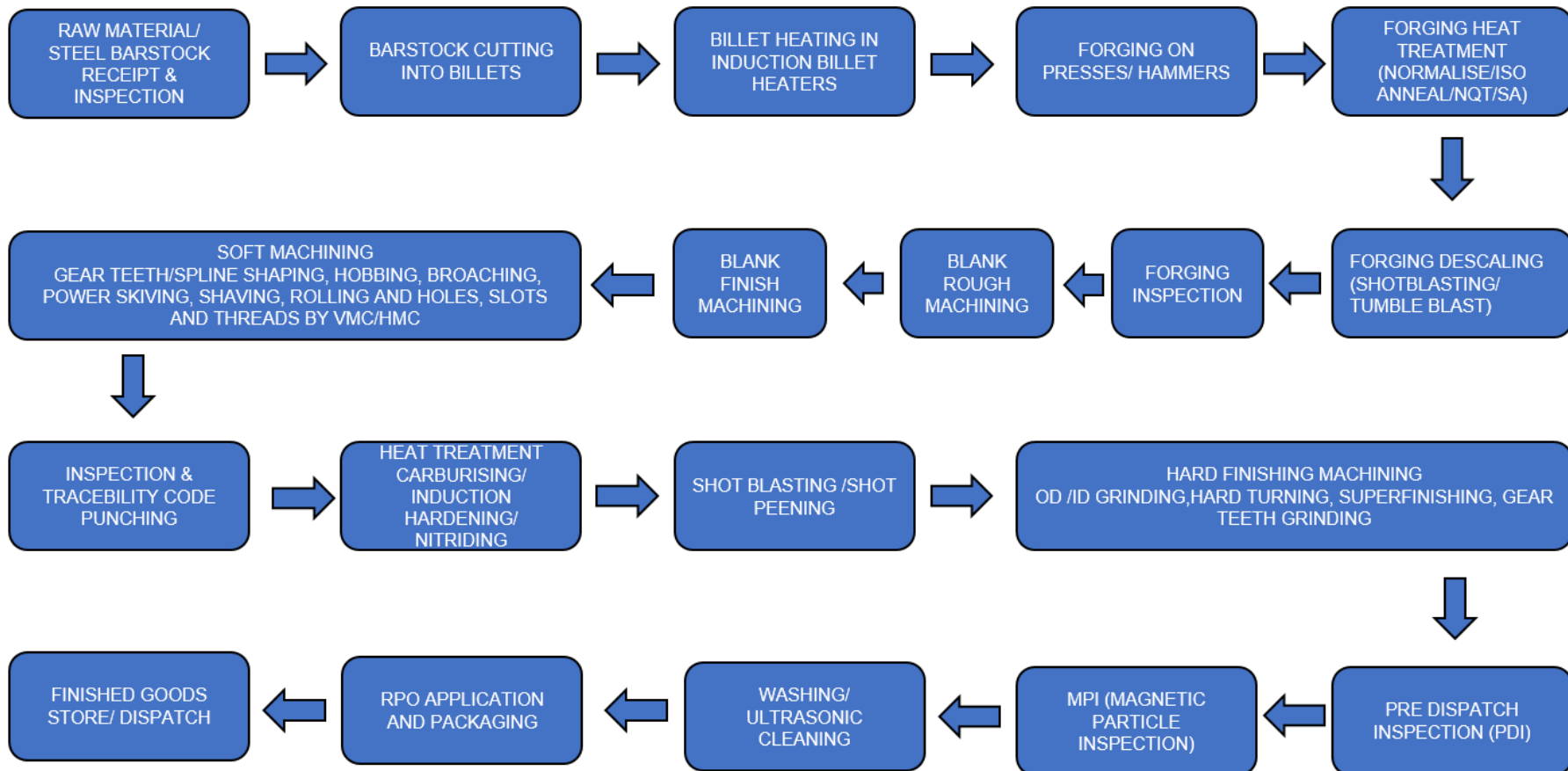




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Manufacturing operations

Our manufacturing process involves multiple stages designed to convert raw materials such as alloy steel into finished forged and machined components and is an integrated and quality-controlled process encompassing raw material inspection, forging, machining, heat treatment, finishing, inspection and dispatch.



The principal stages of our manufacturing process are set forth below:

Raw Material / Steel Barstock Receipt & Inspection

The manufacturing process commences with the receipt of alloy steel bar stock from approved suppliers. Incoming raw materials are inspected for dimensional specifications, material grade, chemical composition, metallurgical characteristics and mechanical properties before being released for production.



Bar stock storage



Chemical analysis spectrometer

Barstock Cutting into Billets

The inspected stock is cut into billets of the required section and length using CNC band saws. During this stage, the length and weight of each cut billet are inspected to ensure they align with the specifications for the specific component. Additionally, proper paint marks are inspected to maintain material grade traceability.



Circular sawing machine

Billet Heating in Induction Billet Heaters

Billets are heated in induction billet heaters to temperatures exceeding 1050°C, depending on the steel grade and forging complexity. The temperature is monitored online via pyrometers and SCADA controls, which include automated sorting systems to separate OK, underheated, and overheated parts.



Induction billet heater



Heated billet sorting

Forging on Presses/Hammers

The heated billets are forged into the required component profile using forging hammers and forging presses. Subsequent trimming and punching operations are carried out to achieve the required geometry. Forged components are inspected for dimensional accuracy, weight and grain flow characteristics.



Forging press



Trimming press



Forging hammer

Forging Heat Treatment

Forgings are heat-treated between 850°C and 950°C to achieve specific hardness and microstructure requirements. The heat treatment processes include normalising and ISO annealing with controlled cooling for low-carbon alloy steels, normalising, quenching and tempering (NQT) for medium-carbon alloy steels, and spheroidal annealing for special grade steels.



Continuous batch type heat treatment furnace

Forging Descaling

This process involved the removal of scales formed during the forging process using tumble blast machines (where parts are tumbled/vibrated in the drum/chamber) or shot blasting machines (where steel shots are sprayed at very high impact pressures on parts loaded on rotary tables).



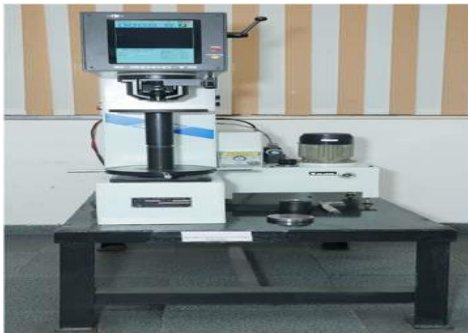
Tumble blast/shot blast machine

Forging Inspection

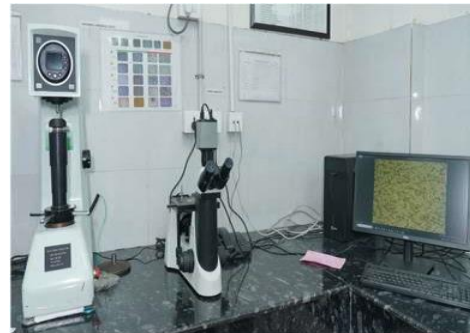
Forged components are subjected to dimensional, visual and metallurgical inspections on a sampling basis. Quality assurance activities include hardness testing, microstructural evaluation and magnetic particle inspection (MPI), where applicable, for detection of cracks, folds and other forging-related defects.

Magnetic Particle Inspection (MPI) – Post Forging

Forgings undergo Magnetic Particle Inspection (MPI) on a sampling basis to detect surface and near-surface defects, such as cracks and folds, before proceeding to rough machining. During the process, components are magnetised and ferromagnetic particles are applied, causing any defects to become visible under ultraviolet or white light. This serves as an important quality gate following the forging process.



Digital BHN tester



Micro inspection



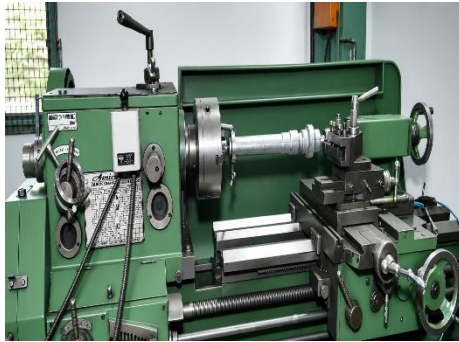
Grain flow inspection



MPI Machine

Blank Rough Machining

The forged components undergo rough turning and machining to establish holding parameters for subsequent finishing operations and to minimise stock removal during final machining. This stage is carried out using CNC turning, milling, drilling, facing and centering machines for shafts.



Rough Blanking



CNC rough turning

Blank Finish Machining

The rough-machined components are subjected to soft-stage finish machining to achieve the required external and internal diameters, drilled and fine-bored holes, threaded holes, deep holes, slots and keyways. The operations are performed using CNC Turning Centres, Vertical Turning Centres (VTC/VTL), Vertical Machining Centres (VMC), Horizontal Machining Centres (HMC) and deep-hole drilling machines.



CNC turning center



Gun drilling



Mazak Integrix



VMC

Soft Machining – Gear Teeth / Splines

Gear and spline teeth are produced through soft-stage machining using processes such as gear shaping, hobbing, broaching, power skiving, shaving and spline rolling. Depending on the required gear quality, gear teeth may either be finished at this stage or after heat treatment. Auxiliary operations, including gear tooth rounding, chamfering, drilling, threading and slotting, are also carried out to ensure the required geometric relationships.



Gear hobbing



Gear shaping

Inspection and Traceability Code Punching

Components are subjected to sampling-based visual and dimensional inspections to verify parameters that may be affected by subsequent heat treatment. Each component is then marked with a unique traceability code containing details such as the part number, raw material heat code, heat treatment batch code and manufacturing date using computerised engraving or laser marking machines.



Co-ordinate measuring machine



Lead and profile gear tester



Optical measuring machine

Heat Treatment – Carburising, Induction Hardening and Nitriding

Components undergo final heat treatment to enhance hardness, strength and wear resistance. Low-carbon alloy steels are typically gas carburised in sealed quench or gas carburising furnaces, often followed by press quenching, while medium-carbon alloy steels undergo gas or liquid bath nitriding or localised induction hardening, depending on product requirements.



Heat treatment line



Induction hardening



Induction hardening



Press quenching

Shot Blasting and Shot Peening

Following heat treatment, components are cleaned by shot blasting to remove soot and scale formed during carburising. Where required, shot peening is carried out by directing steel shots at specific areas to improve compressive strength and fatigue resistance.



Shot blasting machine



Shot blasting machine



Shot peening machine

Hard Finishing Machining

Heat-treated components undergo hard finishing operations to achieve final dimensional tolerances and surface finish requirements. These operations include external and internal grinding, hard turning, superfinishing, gear grinding and hard power skiving.



OD/ Cylindrical



ID grinding



Superfinishing



Gear teeth grinding

Pre-Dispatch Inspection (PDI)

Finished components are subjected to pre-dispatch inspections on a sampling basis to verify all critical form, fit and functional parameters in accordance with customer quality requirements. Certain product-specific characteristics are inspected on a 100% basis, and all components undergo visual inspection before dispatch.



PDI Area



Part gauging stations

Magnetic Particle Inspection (MPI) – Pre-Dispatch

A final Magnetic Particle Inspection is carried out after hard finishing to detect grinding cracks, induction hardening cracks and material-related defects such as inclusions. This inspection acts as the final quality gate to ensure that only defect-free components are dispatched to customers.

Washing and Ultrasonic Cleaning

Components are washed using hot-water cleaning systems to remove dust, oil and other contaminants before being dried with hot air. Products intended for direct assembly additionally undergo ultrasonic cleaning to meet enhanced cleanliness standards.



Washing machine



Ultrasonic cleaning machine

Rust Preventive Oil (RPO) Application and Packaging

Rust Preventive Oil (RPO) is applied to protect components against corrosion during storage and transportation, with the oil selected based on compatibility with the customer's lubrication requirements. The components are then packed using either single-use or returnable packaging in accordance with customer logistics arrangements.



RPO application



Part packing

Finished Goods Storage and Dispatch

Finished components are transferred to the finished goods store for consolidation and storage until dispatch. Products are subsequently dispatched to customers in accordance with planned release and delivery schedules.



Finished goods store



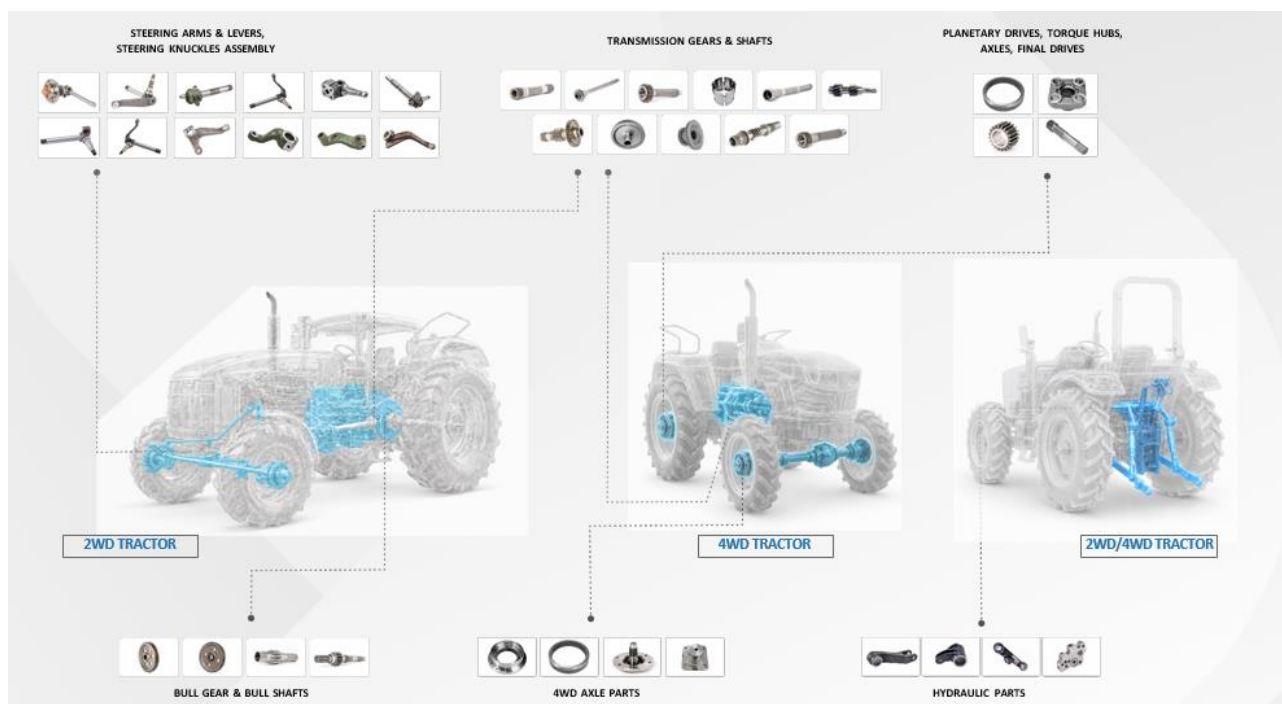
Storage racks

Manufacturing Verticals

Our manufacturing platform enables us to cater to customers across multiple end-use industries through specialised manufacturing processes tailored to the technical requirements of each product category. We manufacture a range of forged and machined components used in transmission systems, final drive assemblies, steering systems, hydraulic systems and other critical applications. Depending on the product and application, our manufacturing processes include gear hobbing, gear shaping, power skiving, spline hobbing, spline broaching, gear shaving, gear teeth grinding, hard turning, internal and external grinding, carburising, induction hardening, gas nitriding, press quenching, profile machining and painting.

Tractor and Agricultural Equipment

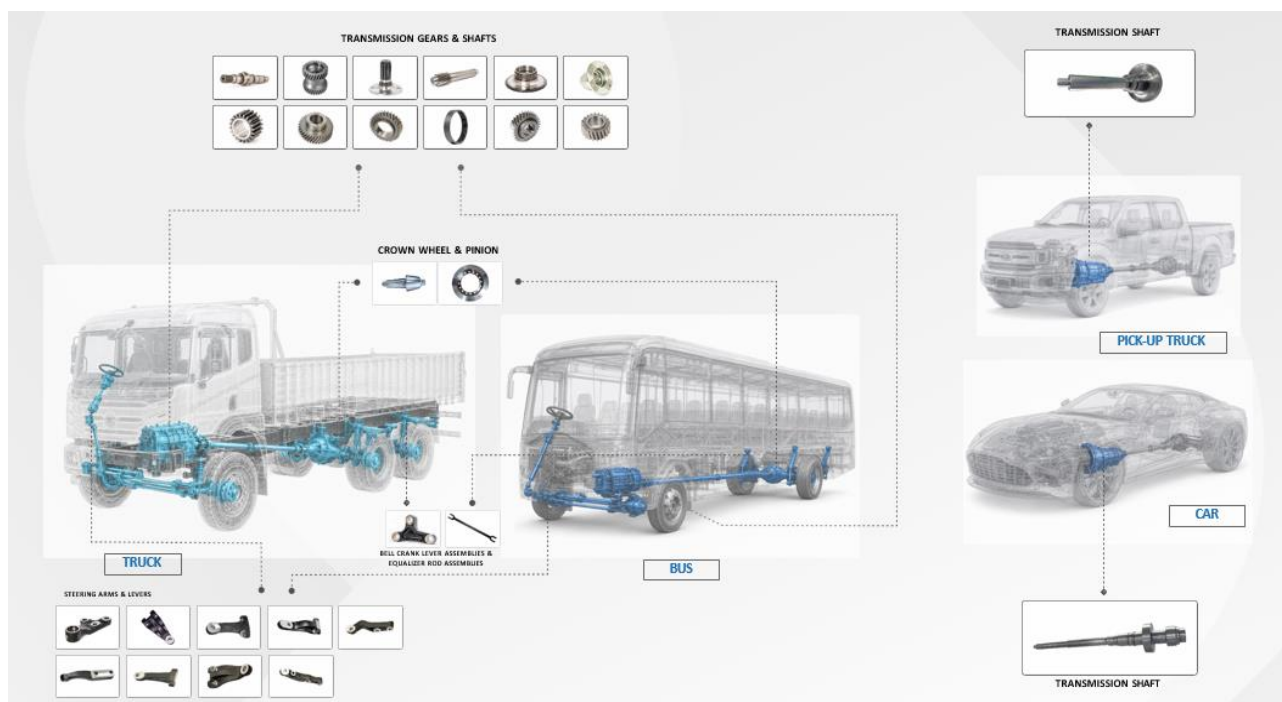
For the tractor and agricultural equipment sector, we manufacture components used in transmission systems, final reduction drives, four-wheel drive axle assemblies, steering systems and hydraulic applications. Our product portfolio for this sector includes bull gears and bull shafts, ring gears, planetary drive components, transmission gears and shafts, steering and axle components, lift arms, rocker arms, response valves and other precision-engineered components. These products are manufactured using specialised gear manufacturing, heat treatment, machining and profile forging processes designed to meet customer-specific technical specifications.



Product Category	Representative Products
Final reduction drive parts	Bull gears, bull pinion shafts
Planetary drive parts	Ring gears, planet gears, sun shafts/sun gears, planetary carriers
Transmission gears and shafts	Input shafts, layshafts, mainshafts, countershafts, hollow shafts, intermediate shafts, PTO shafts, drive shafts, speed gears and clutch bell housings
Axle and chassis parts	Steering levers, steering knuckle assemblies
Hydraulic components	Lift arms, rocker arms, response valves
4WD axle parts	Ring gears, king pins, wheel shafts, 4WD mainshafts and wheel carrier hubs

Commercial Vehicles

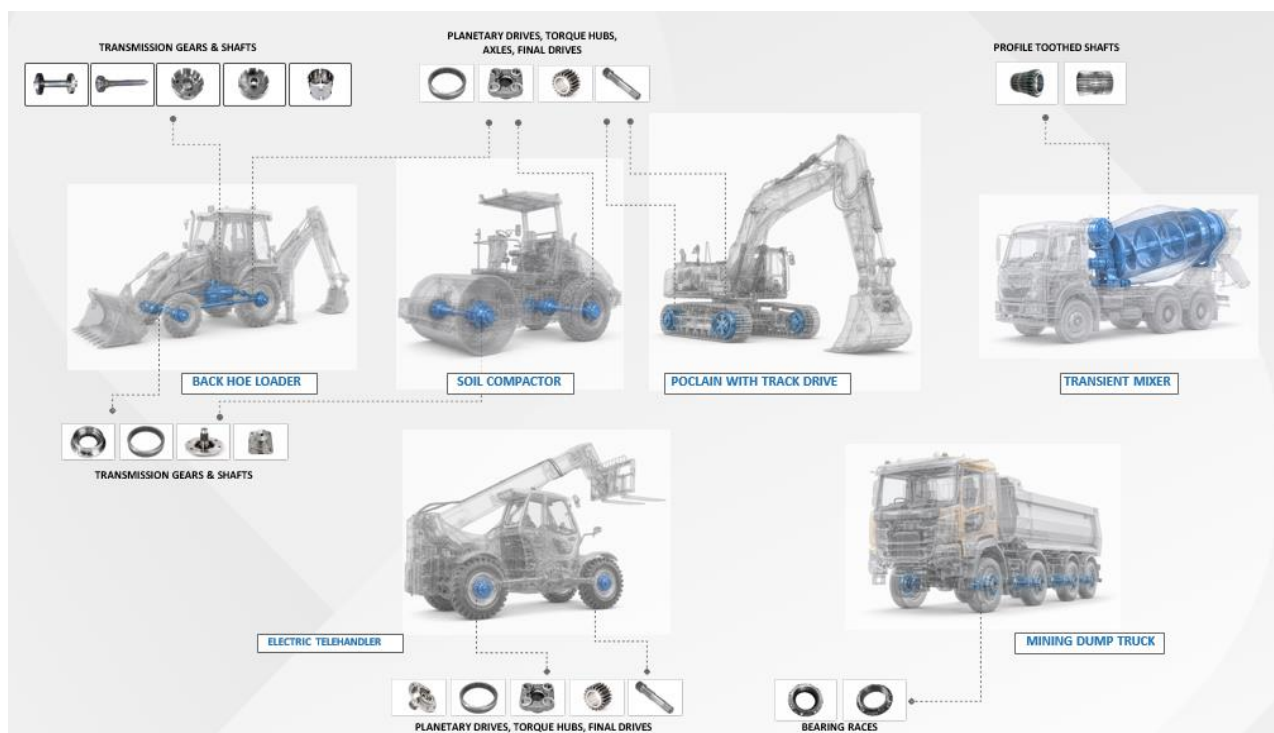
For the commercial vehicle sector, we manufacture components used in transmission systems, planetary drive assemblies, steering mechanisms and chassis applications. Our product portfolio includes ring gears, planetary gears, transmission gears and shafts, output flanges, spindles and steering and suspension components. The manufacturing process incorporates precision machining, gear finishing, heat treatment and profile machining operations to achieve the required dimensional accuracy and performance characteristics.



Product Category	Representative Products
Planetary drive parts	Ring gears, planet gears, sun shafts/sun gears, ring gear carriers
Transmission gears and shafts	Input shafts, layshafts, mainshafts, speed gears, spindles and output flanges
Axle and chassis parts	Relay drop arms, track rod levers, steering levers, bell crank lever assemblies and equalizer rod assemblies

Off-highway Vehicles

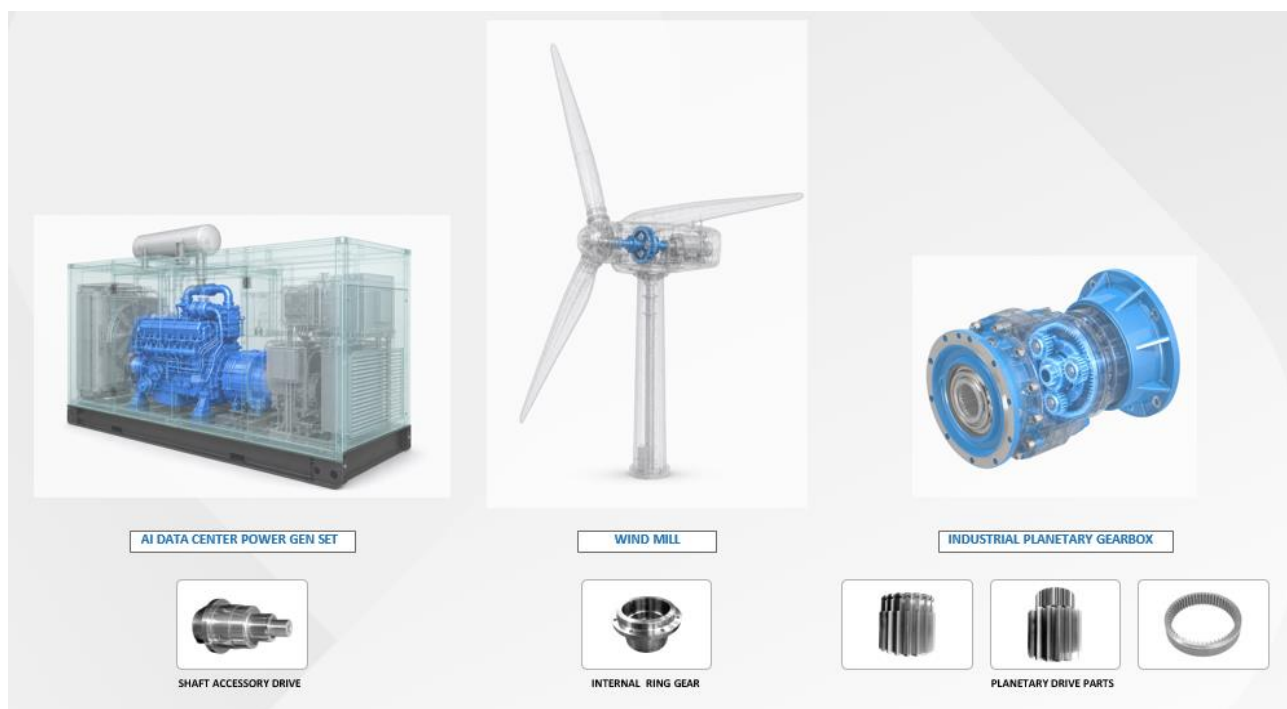
We manufacture a range of forged and machined components for off-highway and construction equipment applications. Our product portfolio includes transmission gears and shafts, such as input shafts, layshafts, mainshafts, countershafts, hollow shafts, power take-off (PTO) shafts, drive shafts, speed gears and clutch bell housings, as well as planetary drive components, including ring gears, planet gears, sun shafts/sun gears, planetary carriers and output/wheel drive spindles. These components are manufactured using specialised forging, gear manufacturing, precision machining, heat treatment and finishing processes to meet the performance, durability and reliability requirements of these applications.



Product Category	Representative Products
Transmission gears and shafts	Input shafts, layshafts, mainshafts, countershafts, hollow shafts, PTO shafts, drive shafts, speed gears and clutch bell housings
Planetary drive parts	Ring gears, planet gears, sun shafts/sun gears, planetary carriers and output/wheel drive spindles

Industrial Applications

We also manufacture components for industrial applications, including windmill gearbox components and transmission components used in diesel generator sets. Our product portfolio includes housing ring gears, planet gears, yokes and pinions for windmill gearbox applications, as well as drive shafts used in diesel generator transmission systems. These products are manufactured using specialised forging, precision machining, gear cutting, heat treatment and finishing processes to meet customer specifications and application-specific performance requirements.



Product Category	Representative Products
Windmill gearbox parts	Housing ring gears, planet gears, yokes and pinions
Transmission gears and shafts used in diesel generator	Drive shaft

For further details of our operations across various end-use sectors, see “*Competitive Strengths – Extensive and diverse customer base with long-standing and established customer relations with global and domestic OEM customers*” on page 265.

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Capacity and Capacity Utilisation

The table below sets out the actual capacity and capacity utilisation for each of the Manufacturing Units of our Company, in and for the Fiscals 2026, 2025 and 2024:

Particulars	Gross Capacity	Unit of measurement	Installed capacity as on April 1, 2026	For the Financial Year ended								
				March 31, 2026			March 31, 2025			March 31, 2024		
				Installed Capacity ⁽¹⁾	Actual Production ⁽²⁾	Capacity Utilisation (%) ⁽³⁾	Installed Capacity ⁽¹⁾	Actual Production ⁽²⁾	Capacity Utilisation (%) ⁽³⁾	Installed Capacity ⁽¹⁾	Actual Production ⁽²⁾	Capacity Utilisation (%) ⁽³⁾
Manufacturing Unit I												
Forging	15,900	Metric Tonnes	15,900	15,900	11,098	69.80%	19,050	11,925	62.60%	20,100	16,667	82.92%
Precision Machined Parts	932,700	Numbers	932,700	932,700	777,730	83.38%	932,700	683,000	73.23%	932,700	711,126	76.24%
Manufacturing Unit II												
Machining												
- Bull Gears	4,18,080	Numbers	418,080	316,680	296,212	93.54%	273,000	240,258	88.01%	245,700	217,624	88.57%
- Gears & Shafts	8,06,832	Numbers	806,832	708,552	616,196	86.97%	619,632	454,229	73.31%	526,032	352,338	66.98%
- Precision Machined Parts	2,40,240	Numbers	240,240	240,240	265,058	110.33%	240,240	235,129	97.87%	480,240	306,449	63.81%
Manufacturing Unit III												
Forging	16,200	Metric Tonnes	16,200	16,200	14,172	87.48%	9,000	6,693	74.37%	-	-	-

1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal. The installed capacity are based on various assumptions and estimates, including standard capacity calculation practice in the Indian industrial gases industry and capacity of other ancillary equipment installed at the relevant operating facility. Assumptions and estimates taken into account for measuring installed capacities include 300 working days in a year, at 3 shifts per day, each operating for 8 hours a day.

(2) Actual production represents quantum of production in the relevant facility in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the annual available capacity during such Fiscal.

(4) Includes the capacity figures for Ground Gears and Ring Gears.

(5) Company has added certain machineries in Fiscal 2026 but put to use as on April 01, 2026

Manufacturing Unit IV (acquired from the erstwhile D.S. Engineers with effect from April 1, 2026)

Particulars	Gross Capacity	Unit of measurement	Installed Capacity as on April 01, 2026	For the Financial Year ended		
				March 31, 2026		
				Installed Capacity ⁽¹⁾	Actual Production ⁽²⁾	Capacity Utilisation (%) ⁽³⁾
Precision Machined parts	862,800	Numbers	862,800	862,800	820,336	95.08%

Note: The Manufacturing Unit 4 was owned and operated by the erstwhile D.S. Engineers which has been acquired by our Company with effect from April 1, 2026.

1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal. The installed capacity are based on various assumptions and estimates, including standard capacity calculation practice in the Indian industrial gases industry and capacity of other ancillary equipment installed at the relevant operating facility. Assumptions and estimates taken into account for measuring installed capacities include 300 working days in a year, at 3 shifts per day, each operating for 8 hours a day.

(2) Actual production represents quantum of production in the relevant facility in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the annual available capacity during such Fiscal.

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Our Customers

We have established long-standing relationships with several domestic and international customers across multiple end-use industries. Between April 1, 2023 and March 31, 2026, we served more than 50 customers, including affiliated entities of OEMs.

Our customer base comprises several leading domestic and global original equipment manufacturers ("OEMs") and component manufacturers operating across the tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments, including Mahindra & Mahindra Limited and International Tractors Limited, among others. As of March 31, 2026, our top 10 customers (excluding the erstwhile D.S. Engineers) in terms of revenue from operations had been associated with us for an average period of more than 12 years. Customers with whom we have maintained relationships for more than 10 years contributed 79.31%, 86.53% and 88.97% of our revenue from sale of products in Fiscals 2026, 2025 and 2024, respectively.

Set out below is a break-up of the revenue contribution of our top 1, 3, 5 and 10 customers to our revenues from operations in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Top customer	814.31	19.37%	640.62	18.50%	557.89	17.38%
Top 3 customers	1,615.62	38.42%	1,413.49	40.82%	1,371.22	42.71%
Top 5 customers	2,336.87	55.58%	2,111.37	60.97%	2,067.75	64.40%
Top 10 customers	3,329.93	79.19%	2,940.98	84.92%	2,752.65	85.73%

Notes:

1. In Fiscal 2026, our top 10 customers included Mahindra & Mahindra Limited, International Tractors Limited, Ashok Leyland Limited, Carraro India Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
2. In Fiscal 2025, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, International Tractors Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
3. In Fiscal 2024, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, Graziano Transmission India Private Limited, International Tractors Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.

For further details, see “- Overview” and “- Competitive Strengths - Extensive and diverse customer base with long-standing and established customer relations” on pages 265 and 341, respectively.

Raw Materials and Suppliers

The primary raw material used in our manufacturing operations is steel, including alloy steel grades, which are used in the manufacture of forged and machined components. We also consume various direct materials and production inputs, including furnace oil, diesel and LPG, in our manufacturing operations. In addition, we procure forged components for further machining and processing as part of our production activities. We procure all our raw materials primarily from domestic suppliers based on purchase orders, and such procurement is undertaken in accordance with our production requirements, technical specifications and customer-specific quality standards.

Set out below is the cost of materials procured from our top supplier, top 3 suppliers, top 5 suppliers and top 10 suppliers for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Raw material purchased (₹ in million)	As a % of raw material purchased	Raw material purchased (₹ in million)	As a % of raw material purchased	Raw material purchased (₹ in million)	As a % of raw material purchased
Top supplier	1,122.20	45.38%	728.92	35.23%	568.72	29.90%

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Raw material purchased (₹ in million)	As a % of raw material purchased	Raw material purchased (₹ in million)	As a % of raw material purchased	Raw material purchased (₹ in million)	As a % of raw material purchased
Top 3 suppliers	1,688.85	68.30%	1,035.71	50.06%	936.81	49.25%
Top 5 suppliers	1,937.65	78.36%	1,265.58	61.17%	1,209.42	63.58%
Top 10 suppliers	2,176.15	88.01%	1,640.38	79.29%	1,514.30	79.61%

[^]Raw material includes alloy steel and forged parts as well as furnace oil, diesel and LPG.

* The names of our suppliers have not been disclosed to preserve confidentiality.

Sales and Marketing

Our Company maintains a dedicated sales and marketing team comprising of seven members, with two individuals focussed specifically on new business development.

Our sales and marketing initiatives primarily comprise the following:

Participation in Industry Exhibitions and Trade Fairs: We participate in domestic and international industry exhibitions and trade fairs to showcase our products and manufacturing capabilities, strengthen relationships with existing customers and engage with prospective customers. Over the years, we have participated in various exhibitions and trade fairs in India and overseas markets, including Germany.



Market Intelligence and Customer Identification: We utilise various sources of market intelligence and industry data to identify potential customers, assess market opportunities and understand industry trends. Such information supports our customer acquisition efforts and enables our sales and marketing team to focus on targeted market segments and customer categories.

International Business Development: We engage independent representatives and agents in select international markets to support customer outreach and business development activities. These arrangements assist us in strengthening our presence in overseas markets and identifying opportunities for export growth.

Our sales and marketing efforts include participation in trade exhibitions, international outreach initiatives, and structured engagement programs aimed at strengthening customer relationships.

Engineering and Production

Our manufacturing operations are supported by a dedicated production team, comprising 729 personnel, responsible for manufacturing process planning, tooling development and new product industrialisation. The manufacturing engineering team is involved from the request for quotation ("**RFQ**") stage and undertakes technical feasibility assessments, manufacturability evaluations and process planning based on customer specifications, product drawings and technical requirements.

Our engineering and production functions are supported by specialised software applications for product engineering, production support and inventory management. We utilise AutoCAD Mechanical 2026 for tooling and fixture design, forging die design, process standard operating procedures and engineering estimations, specialised gauge calibration software for managing calibration schedules and maintaining the calibration history of gauges and measuring instruments, and specialised software for inventory and stores management of direct and indirect production materials with real-time stock visibility, thereby supporting efficient manufacturing operations and process control. For further details, see "*-Information Technology*" on page 296.

The development process for new products is undertaken through a cross-functional approach involving personnel from the quality assurance, inspection and marketing functions. The process includes technical review, product feasibility assessment, prototype and sample development, tooling validation, production trials, Production Part Approval Process ("**PPAP**") documentation, customer approvals and commencement of serial production.

The manufacturing engineering function also prepares and maintains manufacturing documentation, including standard operating procedures ("**SOPs**"), process flow diagrams, control plans, work instructions and inspection documents to support production activities and customer requirements.

Design and Development

Our design and development activities are primarily focused on process engineering, manufacturing technology, tooling development and product engineering support for forged and machined components. Since our products are generally manufactured in accordance with customer specifications and technical drawings, our research and development efforts are directed towards enhancing manufacturing processes, improving productivity, optimising material utilisation and supporting the development of new products and manufacturing solutions.

Our design and development activities are supported by 11 dedicated personnel and are undertaken through our in-house engineering and testing infrastructure located at our Manufacturing Units.

Our design and development infrastructure includes metallurgical laboratories across each of our Manufacturing Units, carrying out raw material and forging metallurgy, dimensional, geometrical and feature checks, and heat treatment and finishing metallurgy, in addition to tests for digital hardness, grain flow inspection, die inspection, and raw material metallurgy, among others. These facilities support activities including product validation, metallurgical evaluation, process development, tooling optimisation and inspection methodology development.

Our research and development activities include, among others:

- development and optimisation of forging processes and process parameters;
- forging die design and die life enhancement initiatives;
- tooling, fixture, gauge and inspection aid design;
- development of machining processes for precision-engineered components;
- evaluation of alternative materials and manufacturing methodologies;
- process automation and productivity enhancement initiatives; and

- customer-specific product development and engineering support.

Our research and development function works closely with our manufacturing, quality assurance and customer engineering teams to support new product introduction, process improvement initiatives and the development of value-added precision-engineered components in accordance with customer requirements. During the last three Fiscals, we have added around 112 new products to our product portfolio, including internal ring gears, teeth ground gears and shafts, and hollow shafts and main shafts. In addition, we are currently developing more than 175 new products based on customer purchase orders, technical specifications and evolving customer requirements, reflecting our continued focus on new product development and customer-led innovation.

Quality Assurance and Quality Control

We have implemented quality control procedures across each stage of the manufacturing process, commencing from raw material inspection through forging, heat treatment, machining and final inspection. Our quality management systems are designed to ensure consistency in manufacturing processes, product performance and compliance with applicable industry and customer-specific standards.

Our manufacturing operations are supported by in-house metallurgical and metrology testing infrastructure and quality control systems across various stages of the manufacturing process, including raw material inspection, forging, heat treatment, machining and final inspection. For further details, see “- *Design and Development*” on page 294. Our testing and quality assurance infrastructure includes spectrometers, coordinate measuring machines (“CMM”), optical measuring machines (“OMM”), computer numerical control (“CNC”) gear testers, ultrasonic testing systems, contour tracers, tensile testing machines, crack detection systems and other inspection and measurement equipment. These systems enable us to monitor process parameters, maintain dimensional accuracy and support product traceability and consistency.

Additionally, our quality inspection infrastructure employs methods designed for bulk approval checks, which include tests for design for manufacturability (“DFM”), dimensional validation, material validation, performance validation, reliability / durability validation, process capability standards, packing approvals, aesthetic validation and traceability checks.

We have also implemented quality management systems and manufacturing practices in accordance with industry standards and customer requirements. Our Company has received ISO 9001:2015 certification and IATF 16949:2016 certification for our quality management systems relating to the manufacture of forged and machined components.

Our quality assurance function is supported by a dedicated team of 117 personnel responsible for monitoring and maintaining quality standards across various stages of the manufacturing process. We maintain close collaboration with our customers to gather valuable input and feedback, continually enhancing the performance of our critical components. We also undertake periodic calibration of inspection and testing equipment, maintain process traceability and conduct in-process quality audits to support compliance with customer specifications and applicable quality standards.

Properties

Our Registered and Corporate Office is located at Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India which is owned by us. Our other Manufacturing units, being Manufacturing Units II, III and IV, are also owned by us, the details of which are set out in the table below.

Sr. No.	Property	Address	Owned/Leased	Area of the property (in sq. feet)
1.	Registered and Corporate Office and Manufacturing Unit I	Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India	Owned	108,300
2.	Manufacturing Unit II	Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India	Owned	126,333
3.	Manufacturing Unit III	Village Behra, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India	Owned	456,300
4.	Manufacturing Unit IV*	Village Dassomajra, Hadbast, Tehsil	Owned	61,419

Sr. No.	Property	Address	Owned/Leased	Area of the property (in sq. feet)
		Baddi, District Solan – 201 001, Himachal Pradesh, India		
5.	Land parcel 1	Village Kasoli, Tehsil Dera Bassi, Dist. SAS Nagar, Mohali – 140 507, Punjab, India	Owned	350,179.00
6.	Land Parcel 2	Village Behra, Tehsil Dera Bassi, District SAS Nagar, Mohali – 140 507, Punjab, India	Owned	64,411.20

**Manufacturing Unit IV was acquired from our Promoter, Suman Chauhan, pursuant to the acquisition by our Company of her erstwhile sole proprietorship concern, D. S. Engineers, with effect from April 1, 2026.*

None of our properties are held on a leasehold or rental basis.

INTELLECTUAL PROPERTY

As on the date of this Draft Red Herring Prospectus, our Company has applied for the registration of its trademark in India, comprising the  logo of our Company. The details of the application are as set forth below:

Sr. No.	Application No.	Trademark	Class	Date of registration / application / renewal application	Status	Validity
1.	7083691		12	June 26, 2025	Formalities check passed	NA

For further details and information on risks related to our intellectual property, see “Risk Factors – We may be unable to adequately obtain, maintain, protect or enforce our intellectual property rights and may also be subject to intellectual property infringement claims” on page 60.

Domain Name

As on the date of this Draft Red Herring Prospectus, our Company maintains the following registered domain name, website and digital identifier in connection with its business operations:

Sr. No	Domain Name and ID	Sponsoring Registrar name	Registrant Organization	Creation Date
1.	jaiparvatiforge.com	Digitech Software Solutions Private Limited	Jai Parvati Forge Limited	December 27, 2025 (renewable on December 26, 2026)

Information Technology

Our technology systems encompass digital platforms, enterprise applications, cybersecurity tools, all hosted over a private cloud for the core ERP for our evolving digital footprint. The details in relation to the specific uses of each of the software and technological tools are as follows:

Sr. No	Software	Utility/ application
1.	Microsoft 365	Cloud-based productivity suite developed for integrated office applications, cloud services, device management, and digital security
2.	Autocad Mechanical 2026	Product engineering: design of toolings & fixtures, process SOPs,

Sr. No	Software	Utility/ application
		estimations, forging die designs
3.	BUSY	Stores activities management of direct and indirect production goods with real-time stock visibility
4.	HRMS	Integrated platform for handling human resource functions, inter alia including automation of payroll, attendance, leave, recruitment, performance, and compliance
5.	TallyPrime	Business management and accounting software for financial accounting and invoicing activities
6.	Calitrack Gauge Calibration	Specialised software solutions for calibration schedules, due dates and history of all gauges & instruments.
7.	AmTech Tooling Management System	Tool management & special tool lifecycle software for tracking issue/receipt, inventory, resharpening history, and residual life

Utilities

Power and fuel

Our manufacturing operations require continuous supply of electricity for which we depend on the state board electricity supply. Additionally, we have also undertaken initiatives towards energy optimization and sustainable manufacturing practices. In 2025, our Company commissioned rooftop solar power infrastructure in Manufacturing Units II and III with an aggregated installed capacity of 1,768 kilowatt-peak (kWp) for captive consumption as part of our focus on energy efficiency and sustainable manufacturing practices. Further, we have placed orders for commissioning additional solar power equipment and infrastructure, with an aggregated capacity of 800 KW, at our Manufacturing Units III and IV, further reducing our reliance on grid electricity and advancing our environmental sustainability objectives. Additionally, to ensure operational continuity in the event of power disruptions, our manufacturing units are equipped with diesel generator (DG) sets for backup power for sanctioned connected loads ranging between 2,000.00 kilowatt to 3,000.00 kilowatt.

Set out below are the power charges incurred by us for periods/years indicated:

Particulars	Financial year ended March 31, 2026		Financial year ended March 31, 2025		Financial year ended March 31, 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
Power and fuel charges*	344.10	9.36%	294.97	9.46%	252.77	8.74%

* Includes furnace oil, LPG consumed and electricity charges.

Water

The water requirements of our manufacturing facilities are fulfilled through groundwater sources, which are utilised for various operational and manufacturing processes.

Transportation

We rely on a combination of our self-owned transportation fleet and third-party logistics service providers for the transportation of raw materials and finished products. Raw materials procured from domestic suppliers are transported to our Manufacturing Units through our transportation fleet and/or through independent logistics providers. Similarly, finished products are transported from our Manufacturing Units to customer locations through rail and road transportation for domestic sales and through ocean freight for export sales. While we do not own or operate all our transportation assets, we maintain relationships with multiple logistics service providers to support the timely movement of materials and finished goods. For further information, see “Risk Factors – We are dependent on third-party logistics service providers for the transportation of raw materials and manufactured products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects” and “Risk Factors – The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business” on pages 35 and 70, respectively.

Competition

We face competition from both domestic and international manufacturers operating across the forging, machining and precision-engineered components segments. Certain of our competitors include Happy Forgings Limited, Bharat Forge Limited, RACL Geartech Limited, M. M. Forging Limited and Ramkrishna Forgings Limited. For further details regarding risks relating to competition in our industry, see “*Risk Factors – We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures and our inability to compete effectively could have a material adverse effect on our operating margins, business growth and prospects, financial condition and results of operations and may lead to a lower market share*” and “*Risk Factors – We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business*” on pages 67 and 72, respectively.

For more information on operational benchmarking and financial benchmarking with respect to our key competitors, see “*Basis for Offer Price – Key Performance Indicators*” and “*Industry Overview*” on pages 155 and 170, respectively.

Human Resources

As on March 31, 2026, our Company had 1,082 full-time employees, including 233 employees and 849 workmen, and 177 contractual employees. The table below sets out the details of the full-time employees of our Company for the period indicated:

Department	Number of employees as at March 31, 2026
Administration	60
Marketing and sales	7
Finance and accounts	18
Production	729
Quality Assurance	117
Human resources	6
Laboratory	35
Stores & Maintenance	64
Design & Development	11
Inspection	7
Packaging & Dispatch	28
Total	1,082

The table below provides the attrition rate for our employees, key managerial personnel and senior management as well as our workmen for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of permanent employees	233	204	211
Employee attrition rate	9.87%	28.92%	24.17%
Number of Key Managerial Personnel	5	6	4
Key Managerial Personnel attrition rate	60.00%	-	-
Number of Senior Management Personnel	6	5	4
Senior Management attrition rate	-	-	-
Number of workmen	849	829	679
Workmen attrition rate	35.45%	29.35%	47.28%

Health and employee safety

We endeavour to adhere to laws and regulations relating to protection of health and employee safety. We carry out our activities while following appropriate standards of work safety and our working conditions seek to promote a healthy and safe work environment. We have implemented various measures aimed at promoting workplace safety and environmental protection across our manufacturing facilities. These initiatives include: (i) conducting periodic in-house training programmes, safety awareness initiatives and mock drills for employees; and (ii) establishing and implementing standard operating procedures, safety protocols and operational manuals relating to workplace safety, environmental management

and emergency response. We have also obtained ISO 14001:2015 certification for Environmental Management Systems (EMS) and ISO 45001:2018 certification for Occupational Health and Safety Management Systems (OHSMS) for Manufacturing Unit II and Manufacturing Unit IV, which house our machining operations.

Insurance

We maintain insurance coverage under various policies to protect our assets, operations and employees against risks associated with our business. Our insurance portfolio includes standard fire and special perils policies covering our buildings, plant and machinery, furniture, fixtures and fittings, and inventories across our manufacturing facilities. We also maintain burglary insurance policies covering specified assets and inventories, as well as stock floater policies for inventories held at our facilities.

Our Company has also obtained customer liability insurance with coverage of up to ₹ 430.00 million, to cover liabilities that may be incurred by our customers on account of the failure of any components supplied by the Company. Further, we maintain a marine cargo open policy (inland transit) covering the movement of goods, including domestic purchases and sales, exports, inter-unit transfers, job-work movements and transportation of capital goods. In addition, we maintain group personal accident insurance coverage for our employees and comprehensive motor vehicle insurance policies for our fleet of commercial and passenger vehicles, covering own damage, third-party liability and other applicable risks. All of the insurance policies held by our Company are valid as on the date of this Draft Red Herring Prospectus.

During the last three Fiscals, no material claims have been made under our insurance policies. We believe that our insurance coverage is consistent with the nature and scale of our operations. However, our insurance policies are subject to customary terms, conditions, exclusions and limits, and may not be sufficient to cover all losses that may arise in connection with our business operations. For further details, please see “*Risk Factors – Our insurance coverage may not be adequate to cover all losses that we may incur in connection with our business operations*” on page 60.

As of March 31, 2026, the aggregate insurance coverage secured by our Company in respect of its tangible assets amounts to ₹ 2,579.58 million. The table below sets forth the details of our total insurance coverage as well as insurance coverage in terms of our total assets, as contained in the Restated Financial Information:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total tangible assets (₹ in million)*	2,645.35	2,327.06	1,916.92
Insurance coverage (₹ in million)#	2,579.27	2,436.18	1,685.47
Insurance coverage, as a % of total tangible assets	97.50%	104.69%	87.93%

* Total tangible assets = Net value of Property, plant and equipment including tangible capital work-in-progress and inventories, but does not include freehold land

Insurance coverage shall be sum of all insurance coverage amount in relation to tangible assets.

Corporate Social Responsibility

In compliance with the requirements of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”), our Board of Directors has constituted a Corporate Social Responsibility (“**CSR**”) Committee. Through our CSR initiatives, we undertake and support programmes aimed at contributing to social welfare and community development.

Our CSR activities have focused on areas such as education, healthcare, rural development, animal welfare and environmental sustainability. These initiatives include support for child literacy programmes through Manav Kalyan Foundation, environmental conservation initiatives including tree plantation drives undertaken through Swachh Paryavaran Trust, construction and repair of infrastructure at a Government Senior Secondary School in Pandwala, Dera Bassi, Punjab, healthcare and preventive health programmes in Bihar and Uttar Pradesh, rural development and infrastructure-related initiatives in Mohali, Punjab, and support for animal welfare initiatives through Deen Dayal Kamdhenu Goushala Samiti in Mathura, Uttar Pradesh.

The table below provides details of CSR expenditure in the last three Fiscals:

(₹ in million)			
Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Details of CSR expenditure made for the respective Fiscals	6.66	5.71	5.05

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from publications available in the public domain. The description of laws and regulations set out below is not exhaustive but is indicative and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For further details of government approvals obtained by our Company, see 'Government and Other Approvals' on page 463.

Business Related Laws

The Electricity Act, 2003 ("Electricity Act")

The Electricity Act consolidates the laws relating to generation, transmission, distribution, trading and use of electricity. It lays down provisions in relation to transmission and distribution of electricity. It states that the Central Electricity Authority may in consultation with the State Government specify suitable measures for specifying action to be taken in relation to any electric line or electrical plant, or any electrical appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use.

Consumer Protection Act, 2019 ("COPRA")

The Ministry of Consumer Affairs notified certain sections of the Consumer Protection Act, 2019 by way of the notification dated July 15, 2020 (with effect from July 20, 2020), including sections regulating the formation and functioning of the Consumer Protection Council at the national, state and district levels, the formation and functioning of Consumer Dispute Redressal Commissions at the national, state and district levels, mediation of consumer disputes, product liability actions and punishment for manufacturing for sale or storing, selling or distributing or importing products containing adulterants and spurious goods. The COPRA has been enacted to provide for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement.

The COPRA provides a mechanism for the consumer to file a complaint against a product manufacturer, seller, or service provider in cases of unfair contract or trade practices, restrictive trade practices, defected goods, goods which are hazardous or likely to be hazardous to life being sold in contravention to safety standards, deficiency in services and price charged being unlawful. It also places product liability on a manufacturer or product service provider or product seller, to compensate for any harm caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has, inter alia, also introduced a Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements, which are prejudicial to the interests of public and consumers and promote, protect, and enforce the rights of consumers.

The COPRA has also brought e-commerce entities and their customers under its purview including providers of technologies or processes for enabling product sellers to engage in advertising or selling goods or services to a consumer, online marketplaces and online auction sites. The Ministry of Consumer Affairs issued the Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") under the COPRA on July 23, 2020, which govern the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or platform for electronic commerce ("E-Commerce Entities"), all models of e-commerce (including marketplace or inventory based), and all ecommerce sellers. The E-Commerce rules lay down the duties and liabilities of E-Commerce Entities and ecommerce sellers.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (**Metrology Act**) seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matter's incidental thereto. The Metrology Act, *inter alia*, provides for: (a) regulation of weight or measure used in transaction or for protection; (b) approval of model of weight or measure; (c) verification of prescribed weight or measure by Government approved Test Centre; (d) exempting regulation of weight or measure or other goods meant for export; (e) nomination of a person by the companies who will be responsible for complying with the provisions of the enactment; and (f) empowering the Central Government to make rules for enforcing the provisions of the

enactment. Any non-compliance or violation of the provisions of the Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

National Steel Policy, 2017 (“NSP”)

The NSP, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the NSP, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. The NSP covers, inter alia, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management. Through policy measures the Ministry of Steel will ensure availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates.

Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA Act”)

Contract Labour (Regulation and Abolition) Act, 1970 has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period, in case the contractor does not provide such facilities. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Factories Act, 1948 (“Factories Act”)

The Factories Act, 1948 defines a ‘factory’ to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

Sale of Goods Act, 1930

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)

The Micro, Small and Medium Enterprises Development Act, 2006 provides for the classification, promotion and development of micro, small and medium enterprises (“MSMEs”) in India. Enterprises are classified based on their investment in plant and machinery or equipment and turnover thresholds, as prescribed under the Act and the rules framed thereunder. Entities may obtain registration under the MSMED Act through the Udyam Registration system, which enables them to avail various benefits, including priority sector lending, access to government schemes and protections in relation to delayed payments.

The MSMED Act also contains provisions to safeguard MSMEs against delayed payments from buyers, including the right to receive interest on delayed payments and the ability to approach Micro and Small Enterprises Facilitation

Councils for dispute resolution. As an MSME-registered entity, our Company is required to comply with applicable provisions under the MSMED Act, including those relating to classification, disclosures and reporting. Any failure to comply with the provisions of the MSMED Act or changes in the eligibility criteria or benefits available to MSMEs may adversely affect our business, financial condition and results of operations.

Environmental Legislations

The Environment (Protection) Act, 1986 (“EPA”)

The Environment (Protection) Act, 1986 is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986 and the Environment (Protection) Second Amendment Rules, 2022, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water (Prevention and Control of Pollution) Act, 1974 aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air (Prevention and Control of Pollution) Act, 1981 provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Plastic Waste Management Rules, 2016

The Ministry of Environment, Forest and Climate Change published the Plastic Waste Management Rules, 2016 with the aim of facilitating collection and recycling of plastic waste. It delegates responsibility to the waste generators for waste segregation and disposal. Plastic Waste Management (Amendment) Rules, 2018 prescribed a central registration system for the registration of the producer/importer/brand owner. Recently, the government has proposed draft Plastic Waste Management Rules, 2021 which aims to ban the manufacture, import, stocking, distribution, sale and use of specific single use plastic from January 1, 2022. The draft has also extended the applicability of rules to brand owner, plastic waste processor, including the recycler and co-processor etc.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 define the term ‘hazardous waste’ and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an ‘occupier’. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorization from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Public Liability Insurance Act, 1991 (the “Public Liability Act”)

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the GoI by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include legislations such as Code on Wages, 2019, Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rights of Persons with Disabilities Act, 2016.

Further, in order to rationalize and reform labour laws in India, the Government of India, through Gazette notifications dated November 21, 2025, has implemented four labour codes, namely:

- (a) Code on Wages, 2019, subsumes four separate 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 aims at strengthening workers' rights and promoting uniformity in wage-related compliances for employers.
- (b) Industrial Relations Code, 2020, subsumes three legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. It aims to consolidate and amend laws in relation to trade unions and conditions relating to employment and retrenchment of employment in industrial undertakings.
- (c) Code on Social Security, 2020, subsumes several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972. This code seeks to extend social security coverage to employees and workers in both the organised and unorganised sectors.
- (d) The Occupational Safety, Health and Working Conditions Code, 2020, subsumes certain legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code provides for, among other things, standards for health, safety and working conditions for employees of establishments.

Pursuant to the notification of the four labour codes, the Government of India, on May 8, 2026, has notified the Occupational Safety, Health and Working Conditions (Central) Rules, 2026, Industrial Relations (Central) Rules, 2026, Code on Wages (Central) Rules, 2026, and Social Security (Central) Rules, 2026, to provide, among other things, the procedures for enforcement of the labour codes.

Intellectual Property Laws

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. In India, patents, trademarks and copyrights enjoy protection under both statutory and common law. The key legislations governing intellectual property in India are the Trade Marks Act, 1999, Patents Act, 1970, Copyright Act, 1957 and the Designs Act, 2000.

SEBI Act and regulations

From time to time, our Company will be required to comply with various regulations notified by the SEBI including the SEBI Act, SCRA, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003, SEBI ICDR Regulations. Set out below is a summary of these regulations:

- (i) *Securities and Exchange Board of India Act, 1992 ("SEBI Act")*

SEBI Act establishes SEBI as the principal regulatory authority overseeing India's securities markets. It confers comprehensive powers upon SEBI to regulate all facets of securities markets, including issuance, listing, and trading activities. The SEBI Act authorizes SEBI to safeguard investor interests, maintain market integrity, and foster market development through regulations, circulars, and guidelines. Furthermore, it empowers SEBI to conduct investigations into potential violations, impose administrative and monetary sanctions, and pursue enforcement actions against non-compliant market participants.

(ii) *Securities Contracts (Regulation) Act, 1956 ("SCRA")*

SCRA regulates securities transactions and establishes the legal infrastructure for stock exchanges within India. It comprehensively defines securities and financial instruments while governing listing requirements and prohibiting unauthorized trading. The SCRA establishes parameters for recognition of exchanges and empowers the central government and SEBI to implement measures for intervention when necessary to protect investor interests or preserve market stability. It also provides the statutory basis for regulation of derivatives and other complex financial instruments.

(iii) *Securities Contract (Regulation) Rules, 1957 ("SCR Rules")*

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 people 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 these rules.

(iv) *Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")*

SEBI Listing Regulations delineate ongoing compliance obligations and disclosure requirements for companies with listed securities. It establishes requirements for financial disclosures, corporate governance standards, investor grievance mechanisms, and timely reporting of material events. The SEBI Listing Regulations mandates specific committee compositions, independent director requirements, and related party transaction approvals. It prescribes formats and timelines for periodic submissions to exchanges and requires the appointment of qualified compliance officers to ensure adherence to regulatory requirements.

(v) *Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations")*

SEBI PIT Regulations prohibit trading in securities while in possession of unpublished price-sensitive information ("UPSI"). It deals with insider trading offenses, establishes trading restrictions for designated persons, and mandates disclosure requirements for promoters, directors, and key management personnel of a company. It requires companies to formulate a code of conduct, implement trading plans for insiders, and establish mechanisms for identifying and protecting UPSI. The SEBI PIT Regulations further prescribe structured digital databases to track UPSI recipients and specify procedures for legitimate communications with stakeholders.

(vi) *Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 ("SEBI PFUTP Regulations")*

SEBI PFUTP Regulations prohibit 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.

(vii) *Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI Takeover Regulations")*

Under the SEBI Takeover Regulations, any acquisition of shares or voting rights in a listed company beyond prescribed thresholds triggers mandatory disclosure and open offer requirements to protect investor interests. An

acquirer who intends to acquire shares or voting rights that would result in holding 25% or more of the target company must make an open offer to public shareholders. SEBI Takeover Regulations requires the acquirer to submit a detailed letter of offer to SEBI, outlining the terms and conditions of the acquisition. The SEBI Takeover Regulations also provides exemptions from open offer obligations in specific cases, such as inter-se transfers among promoters.

Laws relating to Taxation

The Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), relevant state's Goods and Services Act, 2017 (SGST), Union Territory Goods and Services Act, 2017 (UTGST), Integrated Goods and Services Act, 2017 (IGST), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income Tax Act, 2025 ("The IT Act, 2025") has been enacted to replace the Income Tax Act, 1961 and came into effect on April 01, 2026 and applies to income earned on or after such date. To operationalise the provisions of the IT Act, 2025 the Government of India notified the Income Tax Rules, 2026 on March 20, 2026. The IT Act, 2025 has been enacted to simplify and rationalise the framework governing direct taxation in India by restructuring provisions relating to computation of income, tax administration, tax deduction at source, assessment procedures and appellate mechanisms. It introduces the concept of a unified "tax year" in place of the earlier framework of "previous year" and "assessment year", and consolidates provisions relating to taxation of virtual digital assets within the revised statutory structure. It also provides revised compliance timelines for filing updated or revised returns, subject to prescribed conditions. The provisions of the Income Tax Act, 1961 continue to apply to income earned up to the financial year ending March 31, 2026. Accordingly, with effect from April 1, 2026, the Company is required to comply with the provisions of the Income Tax Act, 2025, and the rules notified thereunder, to the extent applicable.

In addition, state registration requirements and requirements to pay professional tax are applicable to *inter alia* professionals, trades and establishments in terms of professional tax legislations applicable in various states in India including the Punjab State Development Tax Act, 2018.

Customs Act, 1962 ("Customs Act")

The Customs Act, 1962, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods. Any entity intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India.

Laws governing foreign investments

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**") along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy ("**Consolidated FDI Policy**") issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Further, the RBI has enacted the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and 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. Requirements under these laws currently include restrictions on pricing, issue transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice for approval of the Government of India. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Under the Consolidated FDI Policy, foreign direct investment is permitted up to 100% on the automatic route, in sectors which are not specifically listed or prohibited in the Policy (including the information technology sector), subject to applicable laws or regulations, security and other conditionalities. Accordingly, the Consolidated FDI Policy permits our Company 100% FDI under the automatic route. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, all investments 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, as prescribed in the Consolidated FDI Policy. The Ministry of Finance further amended the FEMA Rules on April 22, 2020, to reflect this change. Subsequently, in accordance with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the Consolidated FDI Policy has been further amended to, inter alia, define the expression "beneficial owner"

and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note. 2 (2026 Series) came into effect from May 2, 2026, i.e., the date of notification of the corresponding amendments to the FEMA Rules.

Foreign Exchange Management (Overseas Investment) Rules, 2022 (“ODI Rules”)

The RBI, with an aim to operationalise a new overseas investment regime, has introduced the ODI Rules and the Foreign Exchange Management (Overseas Investment) Regulations, 2022 (“ODI Regulations”), vide Notification No. G.S.R. 646(E) and Notification No. FEMA 400/2022-RB dated August 22, 2022 respectively. Further, the Foreign Exchange Management (Overseas Investment) Directions, 2022 (“ODI Directions”) were introduced to be read with the ODI Rules and the ODI Regulations. The new regime simplifies the framework to cover wider economic activity and thereby, significantly reducing the need for specific approvals. Investment may be made by an Indian entity only in a foreign entity engaged in activities permissible under the law in force in India and the host jurisdiction. Any manner of Overseas Direct Investment (“ODI”) by an Indian entity shall be made as prescribed in the ODI Rules, namely: (i) subscription as part of MoA or purchase of equity capital, (ii) acquisition through bidding or tender procedure, (iii) acquisition of equity capital by way of rights issue or allotment of bonus shares, (iv) capitalisation of any amount due from the foreign entity subject to applicable conditions, (v) swap of securities, and (vi) merger, demerger, amalgamation or any scheme of arrangement.

Foreign Trade (Development and Regulation) Act, 1992 (FTA) and the Foreign Trade (Regulation) Rules, 1993 and the Foreign Trade Policy, 2023

The FTA aims to facilitate the increase in foreign trade by regulating imports and exports to and from India. It authorizes the government to announce and subsequently formulate the export and import policy and to keep amending the same on a timely basis. The 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 FTA read along with the Indian Foreign Trade Policy, 2023 provides that no person or company can make exports or imports without having obtained an importer exporter code (“IEC”) number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce. An IEC number allotted to an applicant is valid for all its branches, divisions, units, and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

Export Promotion Capital Goods Scheme (“The EPCG Scheme”)

The EPCG Scheme provides that importers can benefit from zero customs duty on the import of capital goods provided that they fulfil an export obligation to export a prescribed amount, such amount being a multiple of the duty saved, within a specified period. In addition, authorized importers are required to fulfil the average export obligation achieved in the preceding three licensing years for the same and similar product.

Other Applicable Laws

The respective State legislatures in India have the power to endow the municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, Indian Contract Act, 1872, Transfer of Property Act, 1882, The Competition Act, 2002, Prevention of Corruption Act, 1988, the Prevention of Money Laundering Act, 2002, RBI guidelines, Insolvency and Bankruptcy Code, 2016, Civil Procedure Code (CPC), Bharatiya Nyaya Sanhita, 2023, Bharatiya Nagarik Suraksha Sanhita, 2023, Negotiable Instruments Act, 1881, employment laws, fire-safety related laws, Depositories Act, 1996 and the regulations and bye-laws framed thereunder, and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws where we operate.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as '*Jai Parvati Forge Private Limited*' as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated January 23, 2004 issued by the Registrar of Companies, Jalandhar at Punjab, H.P. & Chandigarh. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a special resolution passed by our Shareholders, at the EGM held on March 22, 2007. Consequently, the name of our Company was changed to '*Jai Parvati Forge Limited*', and the original certificate of incorporation dated January 23, 2004 was modified by the Registrar of Companies, Jalandhar at Punjab, H.P. & Chandigarh to reflect the deletion of the word 'Private' from the name of our Company, with effect from May 01, 2007. Subsequent to the change in our registered office from the Union Territory of Chandigarh to the State of Punjab, pursuant to the approvals accorded by our Board and Shareholders on October 19, 2018 and November 12, 2018 respectively, a fresh certificate of registration dated December 13, 2019* was issued by the Registrar of Companies, Chandigarh.

**The intervening period represents the time taken for filing and processing of the application before the Regional Director, Northern Region, Delhi under Section 13(4) of the Companies Act, 2013, including submission of additional information and issuance of the final order.*

Changes in the registered office

The following table sets forth the details of the change in registered office of the Company since its date of incorporation:

Effective Date	Details of change in address of our registered office	Reason for change
March 15, 2005	The registered office of our Company was changed from 201, Adarshi Nagar, Manimajra, Chandigarh, India to 5073, Modern Complex, Manimajra, Chandigarh, India	Improve operational efficiency
March 22, 2007	The registered office of our Company was changed from 5073, Modern Complex, Manimajra, Chandigarh, India to SCO 42-43, Sector 9-D, Chandigarh, 160017, India	Improve operational efficiency
June 19, 2010	The registered office of our Company was changed from SCO 42-43, Sector 9-D, Chandigarh, 160017, India to 5059/GF, MHC Manimajra, Chandigarh, 160101, India	Improve operational efficiency
January 20, 2015	The registered office of our Company was changed from 5059/GF, MHC Manimajra, Chandigarh, 160101, India to SCF 286, Motor Market Manimajra, Chandigarh, 160101, India	Improve operational efficiency
November 13, 2019	The registered office of our Company was changed from SCF 286, Motor Market Manimajra, Chandigarh, 160101, India to Village Bhagwanpur, Barwala Road, Tehsil Dera Bassi, District SAS Nagar, Mohali, Punjab - 140507, India	Shift the registered office of our Company to a location in close proximity to our Manufacturing Unit I

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

- To carry on the business of manufacturers, engineers, technocrats, dealers, traders, fabricators, importers, exporters, and stockists of forgings, machined, pressed, stamped, and roll-formed components of all types, including Precision Machined Components, spares, parts, gears, shafts, attachments, and ancillaries for use in vehicles, automobiles, industrial applications, renewable energy, and windmill applications, including but not limited to agricultural vehicles, commercial vehicles, electric vehicles, off-highway vehicles, railways, construction equipment, and electricity generators, or for any other application whatsoever.*

2. *To carry on the business of iron and steel founders and forgers, mechanical engineers, manufacturers of and dealers in machinery and implements of all kinds, tool-making, electrical and engineering goods, and to buy, sell, manufacture, repair, convert, alter, let on hire, take on hire, and otherwise deal in machinery, implements, rolling stock, and hardware of every description.*

The objects clause as contained in the Memorandum of Association enables our Company to carry on the business presently being carried out and proposed to be carried on by our Company.

Amendments to the Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus

Set out below are the amendments to our Memorandum of Association, in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Resolution/ Effective Date	Nature of Amendment
November 13, 2019	Clause II of the MoA was amended to shift the registered office of the Company from the Union Territory of Chandigarh to the state of Punjab within the jurisdiction of Registrar of Companies, Punjab and Chandigarh.
April 20, 2023	In order to align with the provisions of the Companies Act, 2013, our incidental or ancillary objects set out in Clause III(B) of the Memorandum of Association were restated and substituted as follows: <i>(B) Matters which are necessary for furtherance of the objects specified in clause III (A) are:</i> 1. <i>To enter into any arrangement or agreement or contract with any person, association firm or corporation whether in India or outside, for technicians, or for such other purpose that may seem beneficial and conducive to the objects of the Company.</i> 2. <i>To acquire and undertake all or any part of business, property liabilities and rights of any person, firm, or Company carrying on any business which this Company is authorised to carry on or be possessed of property suitable for the purpose of the Company.</i> 3. <i>To enter into any agreement with government or authority, (supreme, local municipal or otherwise) that may seem conducive to Company's objects or any of them and to obtain from any such Government or authority all rights, concession and privileges, which the Company may think desirable to obtain in connection with its business and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions.</i> 4. <i>To design, develop, alter, exchange, deal either as principal agents, let on hire, import or export, technical know how, machinery, assembling, components and such other parts specified above and ancillaries thereof.</i> 5. <i>To institute, conduct, defend, compound, compromise any legal proceedings against or by the Company.</i> 6. <i>To remunerate any person, firm or Company for services rendered or to be rendered in the acquisition of property by the Company or conduct of its business.</i> 7. <i>Generally to purchase or take on lease, or in exchange, hire or otherwise acquire any movable or immovable property and any rights or privileges which the Company may think necessary or convenient with reference to any of these objects and capable of being profitable dealt with in connection with and of the company's property or right, for the time being.</i> 8. <i>To employ, expert to investigate and examine into the condition, prospect value, character and circumstances of any business concern and undertaking and generally of any assets</i>

	<i>property or rights proposed to be acquired by the company.</i> 9. <i>To sell, Improve, manage, develop, exchange, lease, mortgage, dispose off, or otherwise deal in all or any part of the property and rights of the Company.</i> 10. <i>To open account or accounts with any individual, firm or company or with any Bank or Bankers, Financial institutions and to pay into and to withdraw money from such account.</i> 11. <i>To distribute as dividend or bonus, among the members or to place to reserve or otherwise to apply as the company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and money arising from the sale by the Company of forfeited shares.</i> 12. <i>To undertake the study of consumer or medical tastes in Indian or foreign markets, and to co-operate with Trade Associations, Government Agencies.</i> 13. <i>To establish, purchase and take on lease or otherwise acquire and run shops, showrooms, distributing, centres, stores and depots at any place in India or abroad.</i> 14. <i>To acquire, purchase and take on lease all or any of the fixed assets, machinery, furniture, stores, stock: of raw and finished materials, privileges, quota rights, goodwill pertaining to any business to achieve the aforesaid objects.</i> 15. <i>To guarantee the performance of any contract or obligations of and the payment of money unsecured of and interest on, any debenture, stock or securities of any Company, corporation, firm or person in any case in which such guarantee may be considered likely directly or indirectly to further the main objects of the company and in the above context to act as securities.</i> 16. <i>To lend money, either with or without security, and generally to such persons and upon such terms and conditions as the Company may think fit in connection with its business and also invest the money of the company not immediately required in such manner as from time to time may be determined, provided that the company shall not carry on the business of banking in such manner as defined under the Banking Regulations Act, 1949.</i> 17. <i>To borrow from any state financial corporations, Banks, companies, firms or other financial institutions any terms loan or other sums on such security and other charges as stipulated by the financial corporation or Banks with mortgage on all or any of property of the Company whether present or future or both.</i> 18. <i>To adopt such means of making known the products of the Company as may deem expedient and in particular by advertising in the press, by circular, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and dominations.</i> 19. <i>To take interest and promote and undertake the formation and establishment of such institutions and companies as may be considered to be conducive to the interest of the Company and also to promote subsidiaries.</i> 20. <i>To sell, lease, mortgage, or otherwise dispose off property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stocks, debentures or securities or any other such Company having objects altogether or in part similar to those of this Company.</i> 21. <i>To employ/acquire technical experts, technocrats, consultants. engineers, mechanics, foremen, skilled and unskilled labour for the business of the Company.</i> 22. <i>To amalgamate with or take any other company or companies having objects altogether or in part similar to those of this Company.</i>
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	23. <i>To insure with any person or company against losses, damages, risk and liabilities of any kind which may affect the Company either wholly or in part directly or indirectly.</i> 24. <i>To enter into partnership, agreements or arrangements for sharing profits or any union of interest, joint venture, reciprocal concession or co-operation with any person or persons, company or companies carrying on or engaged in or about to carry on or engage in or being authorised to carry on or engage in any business or transaction which this company is authorised to carry on or engage in, or any business or transaction capable, of being conducted so as directly or indirectly to benefit the company.</i> 25. <i>To apply for; purchase or otherwise acquire and protect and renew in any part of the world, any design/trademarks/copy rights, patent rights, invention, licenses, concessions and the like conferring any exclusive or non-exclusive or limited rights their use or any information as to any invention which may seem calculated directly or indirectly to benefit the company in connection with its business and to use, exercise, develop or grant licenses in respect of the information so acquired and to spend money in experimenting upon, testing or improving any such patents, inventions or rights.</i> 26. <i>To produce the registration or other recognition of company in any country, state or place and to establish and to regulate agency for the purpose of the company's business and to apply or join in applying to any parliament, Local Government, Municipal or other authority or body, Indian or foreign, for any Acts or Parliament Laws, objects or any of them and to oppose any proceedings or applications which may seem calculated directly/indirectly or to prejudice company's interest.</i> 27. <i>To do all or any of company's business as principals, agents or the business as representative of any person, firm, company or corporation, having business or objects, altogether or in part similar to those of this company and to carry on the business of the company with foreign collaboration on terms and conditions subject to laws governing the same.</i> 28. <i>To invest in any, real or personal property rights or interest acquired by or belonging to the Company on behalf of or for the benefit of the company but with the declared trust in favour of the company.</i> 29. <i>To carry on any business or branch of a business which this company is authorised to carry on by means of or through the agency of any subsidiary or ancillary Company or companies and to enter into any arrangement with any such subsidiary company/companies for taking the profits or losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement which may seem desirable with reference to any other business or branch so carried on, and to appoint Directors or managers of any such company.</i> 30. <i>To take such steps as may be necessary to give the Company the same rights or privileges in any part of the world as are possessed by local companies or concerns of a similar nature.</i> 31. <i>To create depreciation fund, reserve fund, sinking fund, insurance fund, provident fund or any special or other fund, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for any other such purpose whatsoever conducive to the interest of the Company.</i> 32. <i>To pay all costs, charges and expenses of and incidental to the promotion, registration and establishment of the Company.\</i> 33. <i>To draw, accept, make, endorse, discount and negotiate promissory notes, cheques, hundies, bills of exchange, bill of lading and other negotiable instruments of all types in connection with the business of the company.</i>
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	34. To train or pay for the training in India or abroad of any of the Company's officers, employees or any candidate in the interest of or for the furtherance of the company's objects. 35. To make donations to such persons or institutions either in cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and to provide for the welfare of the directors, officers, employees and ex-directors, ex-officers and ex-employees of the Company and wives, widows and families of the dependents. 36. To give to officers, servants or employees of the Company any share or interest in the profits of the Company's business or any branch thereof and whether carried on by means of or through the agency of any subsidiary/ancillary Company or not and for that purposes to enter into any arrangements, the Company may think it. 37. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident, pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pension, allowances or employment or any other pecuniary aid to any persons who are or were at any time in the employment or service of the company, or of any company, which is a subsidiary of the Company or is allied to or associated with the Company. 38. To provide residential and/or sleeping accommodation for workmen and in connection with to afford to such persons facilities and convenience for washing, bathing, cooling, reading and writing and for the purchase, sale and consumption of provision both liquid and solid and for the safe custody of goods. 39. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers hereinbefore set forth. Clause III(C) of objects clause of the MoA which contained 'Other objects for which the company is established are' was deleted.
February 20, 2025	Clause V of the Memorandum of Association was amended to reflect the increase of the authorized share capital from ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10/- each to ₹ 200,000,000 divided into 20,000,000 Equity Shares of face value of ₹ 10/- each.
February 16, 2026	Clause V of the Memorandum of Association was amended to reflect the subdivision of the existing equity shares of face value of ₹ 10/- each to Equity Shares of face value of ₹ 2/- each. Clause V of the Memorandum of Association was amended to reflect the increase of the authorized share capital from ₹ 200,000,000 divided into 100,000,000 equity shares having face value of ₹ 2/- each to ₹ 250,000,000 divided into 125,000,000 Equity Shares having face value of ₹ 2/- each.
July 25, 2026	Clause III (a) of the Memorandum of Association was amended to alter the main object clause of the MoA as follows: <i>III. (A) The objects to be pursued by the company on its incorporation are:—</i> <i>1. To carry on the business of manufacturers, engineers, technocrats, dealers, traders, fabricators, importers, exporters, and stockists of forgings, machined, pressed, stamped, and roll-formed components of all types, including Precision Machined Components, spares, parts, gears, shafts, attachments, and ancillaries for use in vehicles, automobiles, industrial applications, renewable energy, and windmill applications, including but not limited to agricultural vehicles, commercial vehicles, electric vehicles, off-highway vehicles, railways, construction equipment, and electricity generators, or for any other application whatsoever.</i> <i>2. To carry on the business of iron and steel founders and forgers, mechanical engineers, manufacturers of and dealers in machinery and implements of all kinds, tool-making, electrical and engineering goods, and to buy, sell, manufacture, repair, convert, alter, let on</i>

	<i>hire, take on hire, and otherwise deal in machinery, implements, rolling stock, and hardware of every description.</i>
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Major events and milestones of our Company

Calendar Year	Event
2004	Incorporated under the name and style of ‘Jai Parvati Forge Private Limited’ and commenced business operations.
	Established our Manufacturing Unit I with annual capacity of 3,600 MT per annum.
2007	Conversion of our Company from a private limited company to a public limited company.
2008	Pursuant to the commissioning of our machine shop, our Company entered the Machining vertical with the installation of its first component manufacturing machine, namely an ACE CNC Lathe (Model: LT-20 C Classic).
2009	Installed and operationalised a 5-ton pneumatic hammer line for the production of heavy forgings.
2010	Forayed into the commercial vehicle segment with the onboarding of a Ashok Leyland as a customer.
2014	Established our Manufacturing Unit II, a greenfield gear manufacturing plant, for production of gear components.
2018	The revenue from operations of our Company crossed ₹ 1,000.00 million.
2021	The revenue from operations of our Company crossed ₹ 2,000.00 million.
2022	Installed a power skiving line for machining of ring gears through the acquisition and installation of a scudding machine from an overseas supplier.
	Installed gear tooth grinding technology with the installation of a CNC gear hobbing machine.
2025	Set up our Manufacturing Unit III, increasing our total installed capacity to 28,050 MT per annum.
2025	Commissioned a solar power plant for captive consumption with an installed capacity of 1,768 kilowatt-peak (kWp).
2026	Acquired the erstwhile D.S. Engineers, including its automobile component manufacturing undertaking and industrial facility situated at Village Dassomajra, Baddi, Himachal Pradesh, now known as Manufacturing Unit IV, on a going concern basis through a slump sale transaction.

Awards, accreditations, certifications and recognitions received by our Company:

Calendar Year	Award/Accreditation/Certification/Recognition
2011	Received the Best Supply Chain Management (“SCM”) Performance Award for outstanding performance in Fiscal 2011 from Swaraj Division of Mahindra & Mahindra Limited at the Supplier Performance Awards.
	Received the Best-in-Class Award from Oerlikon Drive Systems.
2017	Received the Supplier Award 2017 for overall performance from Swaraj Division of Mahindra & Mahindra Limited at the Supplier Performance Awards.
	Received Partners in Progress recognition from Ashok Leyland at Supplier Summit on April 22, 2017.
2022	Received appreciation as a Long-Term Business Partner at the Carraro India Key Supplier Meet 2022 by Carraro India.
	Recognized as supplier of Escorts Agri Machinery for achieving the benchmark in quality, cost, delivery, support during pandemic under strategic theme business excellence in January 2022.
2024	Awarded the Best Supplier Award (Forging & Gears) by Swaraj Tractors at the Supplier Meet 2024.
	Received the Silver Award for superlative performance in agility from Ashok Leyland at the Supplier Summit 2024.
	The Company has received a renewed ISO 9001:2015 certification by DQS Holding GmbH for

	quality management system for the manufacture of forged and machined components for industrial and farming equipment.
	The Company has received a renewed IATF 16949:2016 certification by DQS Holding GmbH for quality management system for the manufacture of forged and machined components.
2025	Received appreciation in recognition of our timely supply of components and unwavering support in Fiscal 2026, which contributed significantly to achieving a record-breaking production milestone in the Farm Division from Mahindra.
	Received appreciation of our consistent efforts in maintaining higher levels of Quality and Performance in Year 2025 from Allison Off-Highway Drive & Motion Systems Kohlapur.
2026	Awarded the Best Delivery Award at the EKL Supplier Meet from Escorts Kubota Limited.
	The Company has received ISO 14001:2015 certification by TÜV Rheinland for the 'manufacture of machined components' for its Manufacturing Unit-II.
	The Company has received ISO 45001:2018 certification by TÜV Rheinland for the 'manufacture of machined components' for its Manufacturing Unit-IV.

Other details regarding our Company

For details regarding the description of our activities, services, market of each segment, the growth of our Company, technology, management, major suppliers and customers, exports, location, environmental issues, market, marketing and competition, see sections titled “*Our Business*”, “*Our Management*” and “*Industry Overview*” on pages 253, 317 and 170, respectively.

Capacity/ Facility creation, location of plants/launch of key products or services, entry into new geographies or exit from existing markets

For details of capacity/ facility creation, location of our Manufacturing Units, key products or services launched by our Company, entry into new geographies or exit from existing markets, to the extent applicable, see “*Our Business*” and “– *Major events and milestones*” on pages 253 and 312, respectively.

Lock-out and strikes

There have been no instances of strikes or lock-outs at any time in our Company.

Time and cost over-runs

There have been no time and cost over-runs in the setting up of projects by our Company since incorporation.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks

Significant financial or strategic partners

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business or undertaking, mergers, amalgamations, and revaluation of assets, if any, in the last 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Slump sale agreement dated January 16, 2026, entered into between the erstwhile D.S. Engineers and our Company (“Slump Sale Agreement”) and an addendum slump sale agreement dated June 20, 2026 (collectively, the “Slump Sale Agreements”)

Pursuant to the Slump Sale Agreements, the erstwhile D.S. Engineers transferred its business of manufacturing

automobile components and operating a manufacturing unit situated at Village Dasomajra, BPO Bhud, Teh. Baddi, Distt. Solan, Himachal Pradesh, where automobile components are being manufactured (“**D.S. Engineers Business**” and such manufacturing unit, “**Manufacturing Unit IV**”), for a consideration of ₹ 65.40 million, payable to Suman Chauhan acting on behalf of D.S. Engineers in her capacity as the sole proprietor thereof, with effect from, April 01, 2026 (“**Closing Date**”).

Pursuant to the Slump Sale Agreements, our Company acquired the D.S. Engineers Business as a going concern on a slump sale basis together with all assets and liabilities of the business undertaking, including fixed assets, plant and machinery, inventories, furniture and fixtures, computers and accessories, contracts, approvals, licenses, registrations, receivables, security deposits, customer databases, employees transferred with continuity of service, and all books, records and documents pertaining to the D.S. Engineers Business. However, certain assets and liabilities originally contemplated to form part of the transfer were subsequently excluded or adjusted pursuant to the addendum slump sale agreement dated June 20, 2026. In particular, certain term loan liabilities were discharged by the erstwhile D.S. Engineers on account of non-receipt of consent from a bank and a non-banking financial company for transfer or novation of such liabilities in favour of our Company. Further, certain assets, including GST refunds under the inverted duty structure, prepaid expenses, income-tax refunds pertaining to previous years and cash and bank balances, were not transferred to our Company. Income-tax liabilities pertaining to Suman Chauhan in her capacity as the sole proprietor of the erstwhile D.S. Engineers were also not assumed by our Company. Further, the transfer was undertaken on a going concern basis in accordance with Section 2(42C) read with Section 50B of the Income-tax Act, 1961 and was intended to qualify as a transfer of a going concern exempt from Goods and Service Tax pursuant to applicable provisions of the Central Goods and Services Tax Act, 2017.

Suman Chauhan, the sole proprietor of the erstwhile D.S. Engineers is also one of the Promoters of our Company. Details in relation to the transaction are set out below:

Particulars	Details
Date of acquisition	April 01, 2026
Name of Transferee	Our Company
Name of Transferors	Erstwhile D.S. Engineers
Relationship of the Promoters or Directors of our Company with the entities/person from whom our Company has acquired	Suman Chauhan, the Promoter of our Company, is also the proprietor of the erstwhile D.S. Engineers.
Summarized Information about Valuation	In terms of the valuation certificate dated June 25, 2026, issued by M/s. Ashwani K Gupta and Associates, Chartered Accountants, the value of the undertaking, as per the net asset value (“NAV”) method, has been determined to be ₹65.40 million as on April 01, 2026. The valuation certificate dated June 25, 2026, issued by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, has been included in “<i>Material Contracts and Documents for Inspection – Material Documents</i>” on page 541.

Additionally, in connection with the Slump Sale Agreements, a sale deed dated January 19, 2026 was executed between the erstwhile D.S. Engineers, and our Company (the “**Sale Deed**”), pursuant to which our Company acquired the land and building situated at Village Dassomajra, Post Office Bhud, Tehsil Baddi, District Solan, Himachal Pradesh, together with the industrial building constructed thereon, for an aggregate consideration of ₹ 30.60 million, payable to Suman Chauhan acting on behalf of the D.S. Engineers in her capacity as the sole proprietor thereof and who is also one of the Promoters of our Company. Pursuant to the Sale Deed, actual, physical and vacant possession of the land and building was handed over to our Company, and our Company was granted absolute rights to hold, possess, use and enjoy the property as owner thereof. Further, the Sale Deed entailed prior approval under Section 118 of the Himachal Pradesh Tenancy and Land Reforms Act, 1972 for purchase of the land and building for industrial purposes from the Government of Himachal Pradesh vide letter dated December 24, 2025.

Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, Our Company does not have any subsidiaries.

Our associates and joint ventures

As of the date of this Draft Red Herring Prospectus, our Company has no associates and joint ventures.

Details of shareholders' agreements

Our Company does not have any subsisting shareholders' agreements among our Shareholders vis-à-vis our Company.

Agreements with Key Managerial Personnel, Senior Management Personnel, Director, 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 or Senior Management Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of agreements required to be disclosed under Clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations

There are no agreements entered into by our Shareholders, our Promoters, our members of the Promoter Group, related parties, our Directors, our Key Managerial Personnel, members of our Senior Management, our employees among themselves or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restrictions or create any liability upon our Company, except as entered into in the normal course of business, whether or not our Company is a party to such agreements, as required to be disclosed pursuant to Clause 5A of Paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

Key terms of other subsisting material agreements

Except as disclosed above, as on the date of this Draft Red Herring Prospectus, our Company has not entered into any subsisting material agreements including inter-se agreements, agreements with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of the business of our Company or which are otherwise material and need to be disclosed in this Draft Red Herring Prospectus in context of the Offer.

Details of guarantees given to third parties by the Promoter offering Equity Shares in Offer

Our Promoter Selling Shareholder, Suman Chauhan, has provided personal guarantees for our borrowings, amounting to ₹ 624.93 million, as of March 31, 2026.

The abovementioned guarantees are typically effective for a period till the underlying borrowing is repaid by us. The financial implications in case of default by us would entitle the lenders to invoke the personal guarantees by our Promoters to the extent of outstanding loan amounts. We have not paid any consideration to the Promoter Selling Shareholder for providing these guarantees. The borrowings are secured. For further details, see, "*Financial Indebtedness – Principal terms of the borrowings currently availed by us*" on page 418.

Other Confirmations

Our Company, our Promoters and the Shareholders are not a party to any other agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter se agreement/ arrangement or agreements of like nature, with respect to securities of our Company.

There are no other material covenants in any of the agreements (specifically related to primary and secondary transactions of securities and financial arrangements), other than the ones already disclosed in this Draft Red Herring Prospectus.

Further, we confirm there are no other agreements and clauses or covenants which our Company, our Promoters, the members of the Promoter Group or the Shareholders are a party to, in relation to securities of our Company, which are

material and need to be disclosed and that there are no other clauses / covenants which are adverse or pre-judicial to the interest of the minority / public Shareholders or nor are there agreements that our Company has entered into that are required to be disclosed under the SEBI ICDR Regulations or non-disclosure of which may have a bearing on the investment decisions of the Bidders, except as already disclosed in this Draft Red Herring Prospectus. Further, there is no inter-se agreement / arrangement between the Shareholders.

There are no findings/observations of any of the inspections by SEBI or any other regulators which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision.

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on this Offer or this Draft Red Herring Prospectus. There are no special rights available to any Shareholder under the Articles of Association.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Company.

There is no conflict of interest between the lessors of the immovable properties (crucial for operations of our Company) and our Company.

OUR MANAGEMENT

In terms of the Companies Act, 2013 and the Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors. As of the date of this Draft Red Herring Prospectus, our Board comprises of six (6) Directors, of whom 1 (one) is the Managing Director, 1 (one) is the Executive Chairman and Whole-Time Director and (1) is a woman Whole-Time Director and three (3) are Independent Directors, including one (1) woman Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Board of Directors

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
Sahender Singh Chauhan <i>Designation:</i> Executive Chairman and Whole-Time Director* <i>Current Term:</i> For a period of 3 years, with effect from April 1, 2024, liable to retire by rotation <i>Period of Directorship:</i> Since January 23, 2004 <i>Address:</i> House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India. <i>Occupation:</i> Business <i>Date of Birth:</i> July 1, 1965 <i>Age:</i> 61 years <i>DIN:</i> 01723352	<i>Indian Companies</i> • Jai Parwati Suksham Foundation <i>Foreign Companies</i> Nil
Vineet Chauhan <i>Designation:</i> Managing Director <i>Current Term:</i> For a period of 3 years, with effect from February 1, 2026, liable to retire by rotation <i>Period of Directorship:</i> Since March 16, 2007 <i>Address:</i> House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India. <i>Occupation:</i> Business <i>Date of Birth:</i> July 2, 1985 <i>Age:</i> 41 years <i>DIN:</i> 01635995	<i>Indian Companies</i> Nil <i>Foreign Companies</i> Nil
Smriti Sindhu Chauhan <i>Designation:</i> Whole-Time Director	<i>Indian Companies</i> • Sanskardhani Developers Private Limited

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<i>Current Term:</i> For a period of 3 years, with effect from September 27, 2025, liable to retire by rotation <i>Period of Directorship:</i> Since September 27, 2025 <i>Address:</i> House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India. <i>Occupation:</i> Service <i>Date of Birth:</i> May 18, 1989 <i>Age:</i> 37 years <i>DIN:</i> 02291176	<i>Foreign Companies</i> Nil
Arshdeep Kaur <i>Designation:</i> Independent Director <i>Current Term:</i> For a period of 5 years, w.e.f. December 1, 2023, and not liable to retire by rotation <i>Period of Directorship:</i> Since December 1, 2023 <i>Address:</i> House No. 767, Phase-6, Mohali, Chandigarh Sector-55, S.A.S. Nagar, Mohali – 160 055, Punjab, India. <i>Occupation:</i> Professional <i>Date of Birth:</i> July 30, 1990 <i>Age:</i> 36 years <i>DIN:</i> 08056826	<i>Indian Companies</i> • Syschem India Limited (<i>listed company</i>) • Indo Farm Equipment Limited (<i>listed company</i>) • Leeford Healthcare Limited • Spray Engineering Devices Limited • Susquehanna Management Services Private Limited <i>Foreign Companies</i> Nil
Maninder Singh Grewal <i>Designation:</i> Independent Director <i>Current Term:</i> For a period of 5 years, w.e.f. September 27, 2025, and not liable to be retire by rotation <i>Period of Directorship:</i> From September 27, 2025 <i>Address:</i> House No. 186, Phase-6, Mohali, Chandigarh Sector-55, S.A.S. Nagar, Mohali – 160 055, Punjab, India. <i>Occupation:</i> Professional <i>Date of Birth:</i> July 2, 1964 <i>Age:</i> 62 years <i>DIN:</i> 09128789	<i>Indian Companies</i> Nil <i>Foreign Companies</i> Nil
Kulwant Kumar Sharma <i>Designation:</i> Independent Director	<i>Indian Companies</i> Nil

Name, designation, term, period of directorship, address, occupation, date of birth, age and DIN	Directorships in other companies
<i>Current Term:</i> For a period of 5 years, w.e.f. October 31, 2025, and not liable to be retire by rotation <i>Period of Directorship:</i> From October 31, 2025 <i>Address:</i> D-47, Army Flats, Sector-4, Mansa Devi Complex, Panchkula – 134 114, Haryana, India. <i>Occupation:</i> Service <i>Date of Birth:</i> September 11, 1952 <i>Age:</i> 73 years <i>DIN:</i> 11359491	<i>Foreign Companies</i> Nil

** Sahender Singh Chauhan was re-appointed as the managing director pursuant to a resolution passed by our Board dated April 1, 2024, and the resolution passed by our Shareholders' dated September 30, 2024, for a period of 3 years with effect from April 1, 2024. Consequently, he was re-designated to Executive Chairman and Whole-Time Director with effect from February 1, 2026, for the remaining part of his tenure.*

Brief profiles of our Directors

Sahender Singh Chauhan is the Executive Chairman and Whole-Time Director of our Company. He is also one of the Promoters of our Company. He has been on the Board of Directors of our Company since incorporation. He has been conferred a doctorate of philosophy in the specialised course of politics and social services from the Social Awareness and Peace University, Florida. He is responsible for overseeing the product development and sourcing functions of our Company and the day-to-day management of our Company's affairs. He has over 22 years of professional experience in the metal and forging industry.

Vineet Chauhan is the Managing Director of our Company. He is also one of the Promoters of our Company. He has been on the Board of Directors of our Company since 2007. He has obtained a bachelor's degree in commerce from Panjab University and holds a master of arts degree in finance and investment from the University of Nottingham, England. He is responsible for the day-to-day functioning of our Company, strategizing growth initiatives and building strong customer relations, and has over 19 years of professional experience in the metal and forging industry.

Smriti Sindhu Chauhan is a Whole-Time Director of our Company. She has been on the Board of Directors of our Company since September 27, 2025. She holds a master's of science in accounting from the Sawyer Business School, Suffolk University, USA, and is also an associate member of the Institute of Company Secretaries of India. She is responsible for overseeing the human resources and CSR activities of our Company. Prior to joining the Company, she was associated with the erstwhile D.S. Engineers, which has been merged with our Company with effect from April 1, 2026, and has over 8 years of professional experience in the field of administrative operations.

Arshdeep Kaur is an Independent Director of our Company. She has been on the Board of Directors of our Company since December 1, 2023. She holds a bachelor's degree in business administration and a master's degree in finance and control, both from the Panjab University. She is an associate member of and holds a certificate of practice from the Institute of Company Secretaries of India. She also serves on the board of directors of Syschem India Limited, Indo Farm Equipment Limited, Leeford Healthcare Limited, Susquehanna Management Services Private Limited and Spray Engineering Devices Limited. She was previously associated with Siddharth Super Spinning Mills Limited, and has nearly 10 years of experience in secretarial practices.

Maninder Singh Grewal is an Independent Director of our Company. He has obtained his bachelor's degree in commerce from the University of Delhi, and has passed the examinations for qualified Company Secretary from the Institute of Company Secretaries of India and qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has also completed the global program for management development from the Ross School of Business, Michigan. He has been associated with Punjab Tractors Limited and Mahindra & Mahindra Limited, and has served as the chief financial officer and the chief executive officer of Swaraj Engines Limited. He has over 30 years of professional experience in the field of finance and accounting.

Kulwant Kumar Sharma is an Independent Director of our Company. He holds a bachelor's degree in science from the Jawaharlal Nehru University, a master's of science degree in defence from the University of Madras, a master's degree in business administration from the Indira Gandhi National Open University, and has completed the doctorate of management from the Swiss Management Center University. He has also obtained a post-graduate diploma in human rights from the Indian Institute of Human Rights, diploma in senior defence management from the Devi Ahilya Vishwavidyalaya, Indore, and has completed the course on post-graduate studies from the Defence Services Staff College, Wellington, India. He has over 31 years of professional experience, including with the Ministry of Defence India, followed by senior leadership roles in education and training, including positions at Everonn Education Limited, and as professor and dean at Chitkara Business School. He has been awarded the United Nations Medal for his role in peacekeeping operations in Cambodia and has served as a facilitator in United Nations Military Observers and Civilian Police Officers training programmes conducted by the Department of Peacekeeping Operations, New Delhi.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

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 their 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 Senior Management are related to each other:

- (i) Vineet Chauhan, our Managing Director, is the son of Sahender Singh Chauhan, our Executive Chairman and Whole-Time Director;
- (ii) Smriti Sindhu Chauhan, our Whole-Time Director, is the spouse of Virat Chauhan, who is the son of Sahender Singh Chauhan, our Executive Chairman and Whole-Time Director, and the brother of Vineet Chauhan, our Managing Director.

Terms of appointment of our Managing Director

Vineet Chauhan

Vineet Chauhan is the Managing Director, and one of the Promoters of our Company. He has been associated with our Company since 2007. He was appointed as the Managing Director of our Company pursuant to the resolution passed by our Board dated January 23, 2026, and the resolution passed by our Shareholders dated February 16, 2026, for a period of 3 years with effect from February 1, 2026.

According to the resolution of the Board dated January 23, 2026, and the Shareholders' resolution dated February 16, 2026, he is entitled to the following remuneration and perquisites:

Date of appointment	February 1, 2026
Term of appointment	For a period of 3 years, w.e.f. February 1, 2026
Remuneration	(i) Annual remuneration within the range of ₹ 7.50 million to ₹ 12.50 million, during the term of appointment with power to the Board of Directors to fix the remuneration within the said range. (ii) Monthly remuneration of ₹ 0.63 million, including house rent allowances and other allowances, w.e.f. February 1, 2026.
Accommodation	Entitled to House Rent Allowance as per the rules of our Company within the overall limit specified above.
Car/Telephone	Eligible for use of Company car with driver and of telephones at his residence and mobile phone. The use of car and telephones will not be considered as perquisites.
Leave	Entitled to leave as per the applicable staff rules of our Company.

Other perquisites	(i) He shall be entitled to participate in any provident fund and gratuity fund or scheme for the employees which our Company may establish. (ii) Our Company may also take life insurance or any other type of insurance for him.*
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* Our Company has obtained a life insurance policy for Vineet Chauhan. In Fiscal 2026, an amount of ₹0.50 million was paid by the Company towards the premium for such insurance policy.

Terms of appointment of our Whole-Time Directors

Sahender Singh Chauhan

Sahender Singh Chauhan is the Executive Chairman and Whole-Time Director, and one of the Promoters of our Company. He has been associated with our Company since incorporation. He was re-appointed as the managing director of our Company pursuant to the resolution passed by our Board dated April 1, 2024, and the resolution passed by our Shareholders' dated September 30, 2024, for a period of 3 years with effect from April 1, 2024. Consequently, he was re-designated to Executive Chairman and Whole-Time Director with effect from February 1, 2026, pursuant to a resolution of our Board dated January 23, 2026 and a resolution of our Shareholders dated February 16, 2026, for the remaining part of his tenure.

According to the resolution of the Board dated April 1, 2024, and the Shareholders' resolution dated September 30, 2024, read with resolution of our Board dated January 23, 2026 and a resolution of our Shareholders dated February 16, 2026, he is entitled to the following remuneration and perquisites:

Date of appointment	April 1, 2024
Term of appointment	For a period of 3 years, w.e.f. April 1, 2024
Remuneration	₹ 10.86 million per annum*
Perquisites	(i) the actual travelling expenses incurred by him in or about the business of our Company; (ii) the actual entertainment expenses and approved club membership fees reasonably incurred by him in or about the business of our Company; (iii) Medical Expenses Reimbursement: For self and family subject to a ceiling of one month salary in a year as per our Company's policy (iv) He shall be entitled to use the Company's car, all the expenses for maintenance and running of the same including salary of the driver to be borne by our Company; (v) Our Company shall provide him with rent free furnished accommodation and will pay electricity and water charges; (vi) He shall also be entitled to use our Company's telephone at his residence, the charges whereof shall be borne by our Company; (vii) He shall be entitled to participate in any provident fund and gratuity fund or scheme for the employees which our Company may establish; (viii) Earned Leave: Twenty days in a year to be accumulated upto 240 days as per our Company's policy. Leaves accumulated and not availed during his tenure may be allowed to be encashed as per our Company's policy.

* Pursuant to Sections 197(9) and 197(10) of the Companies Act, 2013, the Board of Directors and the Shareholders of our Company, vide their resolutions dated July 2, 2026 and July 25, 2026 respectively, approved the waiver of recovery of excess remuneration paid/payable to Sahender Singh Chauhan in the form of life insurance premiums aggregating up to ₹2.01 million for Financial Years ended March 31, 2025, March 31, 2026 and March 31, 2027, which exceeded the remuneration limits approved upon his appointment.

Smriti Sindhu Chauhan

Smriti Sindhu Chauhan is a Whole-Time Director of our Company. She has been associated with our Company since September 27, 2025. She was appointed as a Whole-Time Director of our Company pursuant to the resolution passed by our Board dated September 27, 2025, and the resolution passed by our Shareholders dated February 16, 2026, for a period

of 3 years with effect from September 27, 2025.

According to the resolution of the Board dated September 27, 2025, and the Shareholders' resolution dated February 16, 2026, she is entitled to the following remuneration and perquisites:

Date of appointment	September 27, 2025
Term of appointment	For a period of 3 years, w.e.f. September 27, 2025
Remuneration	(i) Annual remuneration within the range of ₹ 3.60 million to ₹ 4.50 million, during the term of appointment. (ii) Monthly remuneration of ₹ 0.30 million, including house rent allowances and other allowances, w.e.f. September 27, 2025.
Accommodation	Entitled to house rent allowance as per the rules of our Company within the overall limit specified above.
Car/Telephone	Eligible for use of Company car with driver and of telephones at her residence and mobile phone. The use of car and telephones will not be considered as perquisites.
Leave	Entitled to leave as per the applicable staff rules of our Company.
Other perquisites	- She shall be entitled to participate in any provident fund and gratuity fund or scheme for the employees which our Company may establish. - Our Company may also take life insurance or any other type of insurance for her.

Terms of appointment of our Independent Directors

Pursuant to Board resolution dated April 27, 2026, each Independent Director is entitled to receive sitting fees not exceeding ₹ 0.06 million per meeting for attending meetings of the Board or of the respective committees of the Board, within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

Payment or benefit to Directors of our Company

Details of the remuneration and sitting or other remuneration paid to our Directors in Fiscal 2026 are set forth below.

Remuneration to our Managing Director and Whole-Time Directors

Details of the remuneration paid to our Managing Director and Whole-Time Directors in Fiscal 2026 is set forth below:

(in ₹ million)

Sr. No.	Name of the Director	Remuneration
1.	Sahender Singh Chauhan	11.36
2.	Vineet Chauhan	8.00
3.	Smriti Sindhu Chauhan	1.82

Remuneration to our Independent Directors

Details of the sitting paid to our Independent Directors in Fiscal 2026 is set forth below:

(in ₹ million)

Sr. No.	Name of the Director	Remuneration
1.	Arshdeep Kaur	0.10
2.	Maninder Singh Grewal	0.12
3.	Kulwant Kumar Sharma	0.10

Bonus or profit-sharing plan for our Directors

None of our Directors are party to any bonus (excluding performance linked incentive which is part of their remuneration) or profit-sharing plan of our Company.

Contingent and deferred compensation payable to our directors

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

Remuneration paid or payable to our Directors by our subsidiaries and associates

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries or associates.

Shareholding of our Directors in our Company

Our Articles of Association do not require our Directors to hold any qualification shares. Except as disclosed in “*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*” on page 122, none of our Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Arrangement or understanding with major shareholders, customers, suppliers or others

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors are appointed on the Board.

Further, none of our Key Managerial Personnel and members of our Senior Management have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Further, our Company does not have any Director, KMP or members of our Senior Management or other person nominated by any Shareholder or any other person.

Interest of Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable, if any, to them for attending meetings of our Board and committees thereof, and reimbursement of expenses payable to them. Our Managing Director may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to him as stated in “- *Terms of appointment of our Managing Director*” on page 320. Our Whole-Time Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them as stated in “- *Terms of appointment of our Whole-Time Directors*” on page 321. Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors, kartas or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. For further details regarding the shareholding of our Directors, see “*Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company*” on page 122.

Further, our Directors may also be directors on the board, or are shareholders, kartas, proprietors, members or partners, of entities with which our Company has had transactions and may be deemed to be interested to the extent of the payments made by our Company, or services provided by our Company, if any, to these entities.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business.

Certain of our Directors, namely, Sahender Singh Chauhan and Vineet Chauhan have extended personal guarantees in favour of our lenders to secure the borrowings availed by our Company and may be deemed to be interested to that extent. For further details, see “*Financial Indebtedness*” on page 418.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of our Company) of our Company and our Directors.

There is no conflict of interest between our Directors and the lessors of the immovable properties of our Company that are crucial to our operations.

None of our Directors have any interest in any property acquired in the preceding three year or proposed to be acquired by our Company.

Interest in transactions for acquisition of land, construction of building or supply of machinery

None of our Directors have any interest in any property acquired by our Company, during the three years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company, or in the transactions for acquisition of land, construction of building or supply of machinery.

Interest in promotion of our Company

Except for Vineet Chauhan and Sahender Singh Chauhan, who are also 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.

Loans to Directors

As on the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our Company.

Confirmations

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, trusts or companies in which they may be partners or members respectively or in which they have interest, either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm, trust or company in which he/she is interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by Reserve Bank of India.

None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Changes in our Board during 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 of Director	Date of Change	Reasons
Animesh Maiti	March 31, 2026	Resignation as Whole-Time Director
Vineet Chauhan	February 1, 2026	Appointment as Managing Director
Kulwant Kumar Sharma	October 31, 2025	Appointment as Independent Director ⁽¹⁾
Maninder Singh Grewal	September 27, 2025	Appointment as Independent Director ⁽²⁾
Smriti Sindhu Chauhan	September 27, 2025	Appointment as Whole-Time Director Director ⁽²⁾
Virat Chauhan	September 27, 2025	Resignation as Whole-Time Director
Varinder Kanda	June 30, 2025	Resignation as Independent Director
Narender Singh	April 24, 2025	Resignation as Whole-Time Director
Animesh Maiti	January 1, 2025	Appointment as Whole-Time Director ⁽³⁾
Sahender Singh Chauhan	April 1, 2024	Appointment as Executive Chairman and Whole-Time Director ⁽⁴⁾
Arshdeep Kaur	December 1, 2023	Appointment as Independent Director ⁽⁵⁾

⁽¹⁾ Kulwant Kumar Sharma was originally appointed as an additional director, and regularised as Independent Director pursuant to a resolution of our Shareholders dated February 16, 2026.

⁽²⁾ Maninder Singh Grewal and Smriti Sindhu Chauhan were originally appointed as additional directors. Smriti Sindhu Chauhan was re-designated as a Whole-Time Director pursuant to resolution of our Board dated September 27, 2025, and a resolution of our Shareholders dated February 16, 2026. Maninder Singh Grewal was regularised as Independent Director pursuant to a resolution of our Shareholders dated February 16, 2026.

- ⁽³⁾ Animesh Maiti was originally appointed as an additional director, and was re-designated as a Whole-Time Director pursuant to a resolution of our Board dated December 18, 2024, and a resolution of our Shareholders dated February 20, 2025.
- ⁽⁴⁾ Sahender Singh Chauhan was re-appointed as the managing director pursuant to a resolution passed by our Board dated April 1, 2024, and the resolution passed by our Shareholders' dated September 30, 2024, for a period of 3 years with effect from April 1, 2024. Subsequently, he was re-designated to Executive Chairman and Whole-Time Director with effect from February 1, 2026, for the remaining part of his tenure.
- ⁽⁵⁾ Arshdeep Kaur was originally appointed as an additional director, and regularised as Independent Director pursuant to a resolution of our Shareholders dated September 30, 2024.

Borrowing Powers

Pursuant to a resolution passed by our Shareholders at their meeting dated July 25, 2026, our Board is authorized to borrow any sum or sums of money from time to time at their discretion for the purpose of the business of the Company, from any one or more banks, financial institutions, mutual funds and other persons, firms, bodies corporate or by way of loans or credit facilities (fund based or non-fund based) or by issue of bonds on such terms and conditions and with or without security as the Board may think fit, which together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) and being borrowed by the Company at any time shall not exceed in the aggregate at any time ₹ 5,000.00 million irrespective of the fact that such aggregate amount of borrowings outstanding at any one time may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose.

Corporate Governance

In terms of the Companies Act, 2013 and the Articles of Association, our Company is required to have a minimum of three Directors and a maximum of up to fifteen Directors. As of the date of this Draft Red Herring Prospectus, our Board comprises of six (6) Directors, of whom 1 (one) is the Managing Director, 1 (one) is the Executive Chairman and Whole-Time Director and (1) is a woman Whole-Time Director and three (3) are Independent Directors, including one (1) woman Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

In compliance with Section 152 of the Companies Act, 2013, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee; and
- (d) Corporate Social Responsibility Committee

Audit Committee

The Audit Committee was originally constituted by a resolution passed by our Board dated July 12, 2018 and thereafter re-constituted by resolutions passed by our Board dated December 1, 2023, July 8, 2025, September 27, 2025 and April 27, 2026. 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 Audit Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Maninder Singh Grewal	Independent Director	Chairman
2.	Arshdeep Kaur	Independent Director	Member
3.	Vineet Chauhan	Managing Director	Member

Terms of Reference:

The Audit Committee shall be responsible for, among other things, as may be required by the stock exchange(s) from time to time, the following:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act, 2013, as amended and SEBI Listing Regulations.
- (6) to approve the key performance indicators to be disclosed in the Offer related documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified and audited details for all the key performance indicators pertaining to the Company that have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus / Red Herring Prospectus are disclosed under '*Basis for Offer Price*' section of the offer document.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation to the Board for appointment, re-appointment, replacement, removal, remuneration and terms of the Company including internal auditor, cost auditor and statutory auditor or any other external auditor of the Company, and fixation of the audit fee and approval for payment for any other services;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) 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;
- (5) formulation of a policy on related party transactions, which shall include materiality of related party transactions;
- (6) 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 sub-section 3 of section 134 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.

- (7) reviewing, with the management, the quarterly, half-yearly, annual financial statements and any other special purpose financial statements before submission to the Board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
- (9) reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- (10) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (11) Seeking information from any employee, obtain external professional advice, and secure attendance of outsiders with relevant expertise if necessary.
- (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) approval of any subsequent modification 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;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (14) 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 regulation 23 and such other conditions prescribed under the SEBI Listing Regulations;
- (15) scrutiny of inter-corporate loans and investments;
- (16) valuation of undertakings or assets of the Company, wherever it is necessary;
- (17) evaluation of internal financial controls and risk management systems;
- (18) reviewing, with the management, 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) discussion with internal auditors of 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) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (23) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (24) reviewing the functioning of the whistle blower mechanism;

- (25) monitoring the end use of funds raised through public offers and related matters;
- (26) 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;
- (27) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (28) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10.00% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
- (29) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its Company's shareholders;
- (30) approving the key performance indicators for disclosure in the offer documents; and
- (31) to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
- (32) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was originally constituted by a resolution passed by our Board dated July 12, 2018 and thereafter re-constituted by resolutions passed by our Board dated December 1, 2023, September 27, 2025, October 31, 2025 and April 27, 2026. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Maninder Singh Grewal	Independent Director	Chairman
2.	Arshdeep Kaur	Independent Director	Member
3.	Kulwant Kumar Sharma	Independent Director	Member

Terms of Reference

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“**Remuneration Policy**”);
- For appointment of an independent directors, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.

- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- (1) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation 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. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- 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;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that-
 - a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- perform 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:
 - a. administering the employee stock option plans of the Company, as may be required;
 - b. determining the eligibility of employees to participate under the employee stock option plans of the Company;
 - c. granting options to eligible employees and determining the date of grant;
 - d. determining the number of options to be granted to an employee;
 - e. determining the exercise price under the employee stock option plans of the Company; and
 - f. construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company.
 - g. the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - h. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - i. the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - j. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

- k. re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
- l. the grant, vest and exercise of option in case of employees who are on long leave;
- m. allow exercise of unvested options on such terms and conditions as it may deem fit;
- n. the procedure for cashless exercise of options;
- o. forfeiture/ cancellation of options granted;
- p. formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - for this purpose, follow global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
 - the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
 - To make available its terms of reference and review annually those terms of reference and its own effectiveness and recommend any necessary changes to the Board.
 - The committee is authorised by the Board to:
 - (a) investigate any activity within its terms of reference;
 - (b) seek any information from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties;
 - (c) call any director or other employee to be present at a meeting of the Committee as and when required, and
 - (d) If the Committee considers it necessary so to do, it is authorised to obtain appropriate external advice including but not limited to legal and professional advice to assist it in the performance of its duties and to secure the services of outsiders with relevant experience and expertise and to invite those persons to attend at meetings of the Committee. The cost of obtaining any advice or services shall be paid by the Company within the limits as authorised by the Board.
- frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- Developing a succession plan for our Board and senior management and regularly reviewing the plan;
- carrying out any other activities as may be delegated by the Board and other functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated April 27, 2026. The composition and terms of reference of Stakeholders' Relationship Committee are in compliance with Section 178 and any other applicable law of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Maninder Singh Grewal	Independent Director	Chairman
2.	Arshdeep Kaur	Independent Director	Member
3.	Vineet Chauhan	Managing Director	Member

Terms of Reference

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
- resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares transfer/of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report, balance sheet or profit and loss account non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints.;
- formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, split of Equity Shares, compliance with all the requirements related to shares, debentures or any other securities;
- issue of duplicate certificates and new certificates on split/consolidation/renewal/replacement, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar & share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- to dematerialize or rematerialize the issued shares, to monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as may be specified by the Board from time to time or contained/provided under the Companies Act, the SEBI Listing Regulations or by any other regulatory authority or any other applicable law, as and when amended from time to time.
- To authorise affixation of common seal of the Company.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities; and

- 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 originally constituted by a resolution passed by our Board dated July 12, 2018 and thereafter re-constituted by resolutions passed by our Board dated December 1, 2023, July 8, 2025, October 31, 2025 and April 27, 2026. The composition and terms of reference of the Corporate Social Responsibility Committee are in compliance with applicable provisions of the Companies Act 2013. The Corporate Social Responsibility Committee currently comprises of:

Sr. No.	Name of Director	Designation	Committee Designation
1.	Sahender Singh Chauhan	Executive Chairman and Whole-Time Director	Chairman
2.	Smriti Sindhu Chauhan	Whole Time Director	Member
3.	Kulwant Kumar Sharma	Independent Director	Member

Terms of Reference

The Corporate Social Responsibility Committee be and is hereby authorized to perform the following functions:

- formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects, details of need and impact assessment, if any, for the projects undertaken by the Company;
- identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.
- To provide assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013;

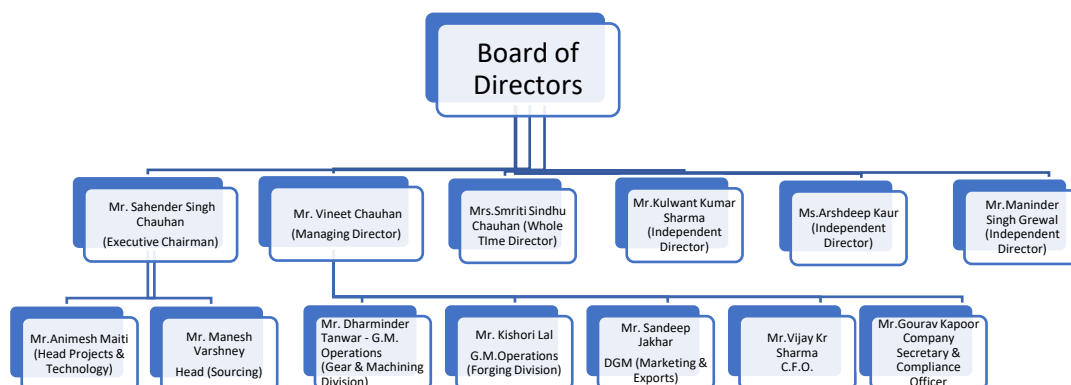
The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

- the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
- the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes; and

- (e) details of need and impact assessment, if any, for the projects undertaken by the Company;
- (f) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.
- (g) Identifying and appointing the corporate social responsibility team of the Company and delegate responsibilities to such team and supervise proper execution of all delegated responsibilities;
- (h) To 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;
- (i) To take note of the compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
- (j) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred or perform such responsibilities as may be required by the corporate social responsibility committee in terms of the provisions of Section 135 of the Companies Act; and
- (k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.”
- (l) To provide explanation to the Board if the Company fails to spend the prescribed amount within the financial year.any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

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Management Organisation Structure



Key Managerial Personnel and Senior Management

Key Managerial Personnel

The details of our Key Managerial Personnel, as of the date of this Draft Red Herring Prospectus are as follows:

In addition to Vineet Chauhan, our Managing Director, Sahender Singh Chauhan and Smriti Sindhu Chauhan, our Whole-Time Directors, whose details are provided in ‘- *Brief Profiles of our Directors*’ above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Vijay Kumar Sharma is the Chief Financial Officer of our Company. He has been associated with our Company as the Chief Financial Officer since August 4, 2025, and had been previously employed by our Company as Vice-President – Finance, from October 12, 2010 to July 31, 2020. He has passed the examination for bachelor’s of science degree from Kurukshetra University, and is an associate member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with Amrit Banaspati Co. Ltd., Arihant Spinning Mills, Bharat Starch Industries Limited, International Tractors Limited, Raja Forging and Gears Limited and S. R. Forgings Limited. He has over 34 years of experience in financial and accounting functions, and oversees the financial and accounting operations of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.56 million from our Company.

Gourav Kapoor is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since November 11, 2024, and was designated as the Company Secretary of our Company with effect from January 25, 2025 and additionally designated as the Compliance Officer pursuant to a resolution of our Board dated April 27, 2026. He has obtained a bachelor’s degree in commerce from Panjab University, and is a fellow member of the Institute of Company Secretaries of India. He is responsible for day-to-day secretarial and legal compliances of our Company. Prior to joining our Company, he was associated with Ritesh Properties and Industries Limited, Ganga Acrowools Limited, Ind-Swift Laboratories Limited, Quadrant Televentures Limited, Paul Merchants Limited and Rana Sugar Limited. He has over 13 years of experience in the secretarial field. In Fiscal 2026, he received a remuneration of ₹ 1.53 million from our Company.

Senior Management

In addition to Vijay Kumar Sharma, our Chief Financial Officer and Gourav Kapoor, our Company Secretary and Compliance Officer, whose details are provided in “*Our Management - Key Managerial Personnel*” on page 334 above,

the details of members of our Senior Management in terms of SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set out below:

Animesh Maiti is the head of projects and technology at our Company. He has been associated with our Company since June 10, 2015. He has obtained a bachelor's of engineering degree in mechanical engineering from Regional Engineering College, Durgapur. Prior to joining our Company, he was associated with HMT Limited and Eicher Motors Limited, and has 30 years of experience in the field of project engineering. He is responsible for overseeing overall plant operations, production planning, strategic execution, process improvement, cost control, and the manpower optimization functions of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.21 million from our Company.

Dharminder Tanwar is the general manager – operations (gear and machining division) of our Company. He has been associated with our Company since April 1, 2021. He has obtained a bachelor's of technology degree in mechanical engineering from Kurukshetra University. Prior to joining our Company, he was associated with Escorts Limited, and has over 10 years of experience in vehicle design and development. He is responsible for managing departmental operations, team supervision, strategic planning, compliance monitoring and process improvement functions of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.29 million from our Company.

Kishori Lal is the general manager –forging division of our Company. He has been associated with our Company since June 1, 2011, and had also previously been associated with our Company from August, 2005 to April, 2010. He holds a diploma in mechanical engineering from Mehrchand Polytechnic, Jalandhar, and has over 19 years of experience in manufacturing operations and quality control. He is responsible for managing our forging unit operations, production planning, manpower handling, quality control, safety compliance and machine supervising functions of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.72 million from our Company.

Manesh Varshney is the head of sourcing at our Company. He has been associated with our Company since April 23, 2018. He holds a bachelor's of science in mechanical engineering from Aligarh Muslim University, and post-graduate diplomas in management and marketing, both from the Indira Gandhi National Open University. Prior to joining our Company, he was associated with HMT Limited, and holds over 34 years of experience in purchase and procurement operations. He is responsible for handling procurement operations, vendor management, purchase planning, cost negotiation, inventory coordination, raw material sourcing, and other statutory compliances related to procurement of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.84 million from our Company.

Sandeep Jakhar is the deputy general manager – marketing and exports, of our Company. He has been associated with our Company since April 7, 2025. He has obtained a bachelor's of engineering degree in the electronics and communication from the University of Rajasthan, and has completed the post-graduate programme in management from IILM Institute of Higher Education. Prior to joining our Company, he was associated with Minda Industries Limited, Talbros Automotive Components Limited and Sunstar Precision Forge Limited. He has over 7 years of experience in the field of marketing. He is responsible for handling domestic and international marketing, export operations, customer relationship management, business development, client coordination, market expansion and sales strategy functions of our Company. In Fiscal 2026, he received a remuneration of ₹ 1.48 million from our Company.

Status of Key Managerial Personnel and Senior Management

All the Key Managerial Personnel and members of our Senior Management are permanent employees of our Company.

Relationship among Key Managerial Personnel and Senior Management

Except as disclosed under “-Relationship between our Directors, Key Managerial Personnel and Senior Management” on page 320, none of our Key Managerial Personnel and members of our Senior Management are related to each other.

Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management

Except as disclosed in “Terms of appointment of our Managing Directors” and “Terms of appointment of our Whole-Time Directors” on pages 320 and 321, none of our Key Managerial Personnel or members of our Senior Management are party to any bonus or profit-sharing plan of our Company.

Shareholding of Key Managerial Personnel and Senior Management in our Company

Except as disclosed in “Capital Structure - Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company” on page 122, none of our Key Managerial Personnel or members of our Senior

Management, hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Service Contracts and retirement or termination benefits with Directors and Key Managerial Personnel and Senior Management

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel and members of our Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company and they are governed by the terms of their respective appointment letters.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Key Managerial Personnel and members of our Senior Management, which does not form part of their remuneration.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of the Key Managerial Personnel nor the members of Senior Management of our Company have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Loans to and deposits from Key Managerial Personnel and Senior Management

There are no outstanding loans availed by our Key Managerial Personnel or members of the Senior Management from our Company.

Interest of Key Managerial Personnel and Senior Management

Except as disclosed in the “ – *Interest of Directors*” on page 323, the Key Managerial Personnel and members of our Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

There are no premises leased by our Company from any Key Managerial Personnel or members of our Senior Management of our Company.

There is no conflict of interest between our KMPs and members of our Senior Management and suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company).

There is no conflict of interest between our KMPs and members of our Senior Management and the lessor of immovable properties of our Company (crucial for operations of our Company).

Changes in Key Managerial Personnel or Senior Management during the last three years

Except as disclosed in “- *Changes in our Board during the last three years*” and as set out below, there are no other changes in our Key Managerial Personnel or members of our Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of Change*	Reasons
Vijay Kumar Sharma	August 4, 2025	Appointment as the Chief Financial Officer
Maneesh Kumar Middha	August 4, 2025	Resignation as the Chief Financial Officer
Gourav Kapoor	January 25, 2025	Appointment as the Company Secretary and Compliance Officer ⁽¹⁾
Maneesh Kumar Middha	January 25, 2025	Appointment as the Chief Financial Officer
Sandeep Jakhar	April 7, 2025	Appointment as the Deputy General Manager – Marketing and Exports

* Does not include promotions or redesignations.

⁽¹⁾ Gourav Kapoor was originally appointed as the Company Secretary of our Company with effect from January 25, 2025, and was additionally designated as the Compliance Officer pursuant to a resolution of our Board dated April 27, 2026.

Employee stock option and stock purchase schemes

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme or stock appreciation rights scheme.

Payment or Benefit to Key Managerial Personnel and Senior Management of our Company

Except as disclosed in “- *Terms of appointment of our Managing Director*” and “- *Terms of appointment of our Whole Time Director*” on pages 320 and 321 above, no non-salary related amount or benefit has been paid or given since incorporation or intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management other than in the ordinary course of their employment.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 6,49,13,500 Equity Shares of face value of ₹ 2 each, equivalent to 88.32% of the issued, subscribed and paid-up Equity Share capital of our Company.

For details, see “*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group*” on page 111.

Details of our Promoters are as follows:

	<i>Sahender Singh Chauhan</i>, aged 61 years, is one of our Promoters and is also the Executive Chairman and Whole-Time Director of our Company. He is an Indian national. <i>Date of Birth:</i> July 1, 1965 <i>Permanent Account Number:</i> AANPC9194J For the complete profile of Sahender Singh Chauhan, along with details of his address, educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see “<i>Our Management – Brief Profiles of our Directors</i>” on page 319.
	<i>Suman Chauhan</i>, aged 57 years, is one of our Promoters. She is an Indian national. <i>Date of Birth:</i> March 20, 1969 <i>Permanent Account Number:</i> ACBPC6792Q <i>Address:</i> House No. 164, Sector 6, Urban Estate, Panchkula – 134 109, Haryana, India. Suman Chauhan does not hold any formal education. She was the sole proprietor of the erstwhile D. S. Engineers for a period of 28 years, prior to its acquisition by our Company with effect from April 1, 2026 and has over 28 years of experience in the metal and forging industry. For further details, see “<i>History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years</i>” on page 313.
	<i>Vineet Chauhan</i>, aged 41 years, is one of our Promoters and is also the Managing Director of our Company. He is an Indian national. <i>Date of Birth:</i> July 2, 1985 <i>Permanent Account Number:</i> AFQPC8139P For the complete profile of Vineet Chauhan, along with details of his address, educational qualifications, experience in the business or employment, position/posts held in the past, directorships held, other ventures, special achievements and business and financial activities, see “<i>Our Management – Brief Profiles of our Directors</i>” on page 319.

Our Company confirms that the permanent account number, Aadhaar card number, driving license number* and bank account number and passport number of our Promoters, as applicable, will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

* Our Promoter, Suman Chauhan, does not hold a driving license as on the date of this Draft Red Herring Prospectus.

Change in control of our Company

There has been no change in control of our Company in the last five years preceding the date of this Draft Red Herring Prospectus. Pursuant to a resolution dated April 27, 2026, passed by the Board, Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan have been identified as the Promoters of our Company.

For details in relation to the shareholding of our Promoters and Promoter Group, and changes in the shareholding of our Promoters, including since incorporation, see “*Capital Structure*” on page 106.

Other ventures of our Promoter

Other than as disclosed in the sections entitled, “*Our Management – Board of Directors*” and “*Our Promoter and Promoter Group -Entities forming part of the promoter group*” on pages 317 and 338, respectively, our Promoters are not involved in any other ventures.

Interests of our Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) to the extent of their respective shareholding in our Company, the shareholding of their relatives and entities in which our Promoters are interested which hold Equity Shares in our Company; and (iii) the dividends payable and any other distributions in respect of their shareholding in our Company. For further details, see “*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group*” on page 111. Additionally, our Promoters may also be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details, see “*Summary of Related Party Transactions*” on page 92.

Further, our Promoters, namely, Sahender Singh Chauhan and Vineet Chauhan, who are also Directors and/or Key Managerial Personnel of our Company may be deemed to be interested in the terms of their appointment as such, including in relation to benefits, remuneration, reimbursement of expenses, etc., payable to them by our Company, if any, in their capacity as Directors and/or Key Managerial Personnel. For further details, see “*Our Management*” on page 317.

Our Promoters, namely, Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan have extended personal guarantees in favour of our lenders to secure borrowings amounting to ₹ 624.93 million, availed by our Company and may be deemed to be interested to that extent. For further details, see “*Financial Indebtedness*” on page 418.

None of our Promoters or members of our Promoter Group have extended any secured or unsecured loans to our Company as on the date of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, 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 firm or company, in connection with the promotion or formation of our Company.

Except as disclosed under section entitled “*Our Promoter and Promoter Group -Entities forming part of the promoter group*” on page 341, our Promoters do not have any interest in a venture that is involved in any activities similar to those conducted by our Company.

Interest in property acquired, acquisition of land, construction of building and supply of machinery, etc.

Except as stated below, none of our Promoters have any interest in any property acquired by our Company in the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building and supply of machinery:

- (i) Pursuant to its acquisition of the erstwhile D. S. Engineers, a sole proprietorship of our Promoter, Suman Chauhan, by way of the Slump Sale Agreements, for a total consideration of ₹ 65.40 million, paid to Suman Chauhan as the sole proprietor, our Company has acquired the land parcel-cum-building formerly owned by the erstwhile D.S. Engineers. The consideration for the acquisition of the land and the building, paid to Suman Chauhan as the sole proprietor of the erstwhile D. S. Engineers, pursuant to the sale deed dated January 19, 2026, was ₹ 30.60 million. For further details, please see “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*” on page 313.

- (ii) Our Company had entered into transactions with the erstwhile D.S. Engineers, through its sole proprietor and our Promoter, Suman Chauhan in each of the last three Fiscals for the purchase of machinery and sale of finished products and machinery. Pursuant to the Slump Sale Agreements, all assets of the erstwhile D. S. Engineers, including all fixed assets, plant, equipment and machinery, were transferred to our Company. For further details, see “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*”, “*Summary of Related Party Transactions*” and “*Pro Forma Financial Information*” on pages 313, 92 and 406, respectively.

Payment or Benefits to Promoters or Promoter Group

Except in the ordinary course of business, and as stated in this section and in the sections entitled “*Summary of Related Party Transactions*”, “*Pro Forma Financial Information*” and “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years*” on pages 406, and 313, respectively, there have 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 Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus:

Disassociation by our Promoters in the last three years

Except as stated below, our Promoters have not disassociated themselves from any companies or firms during the preceding three years from the date of this Draft Red Herring Prospectus:

S. No.	Name of Promoter(s)	Name of disassociating entity	Date of disassociation	Reason of disassociation
1.	Suman Chauhan	D. S. Engineers	March 31, 2026	Acquisition by our Company on a slump sale basis

Material Guarantees

As of the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantees with respect to the Equity Shares.

Confirmations

Our Promoters and members of our Promoter Group have not been declared Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by Reserve Bank of India.

Our Promoters have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been prohibited or debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any other authority, court or tribunal inside and outside India.

Our Promoters are not and have not been a promoter or director of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

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 of our Company, which are crucial for the operations of our Company.

There is no conflict of interest between our Promoters or members of our Promoter Group and lessors of the immovable properties of our Company, 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 part of the Promoter Group

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

Name of Promoter	Name of member of the Promoter Group	Relationship with the Promoter
Sahender Singh Chauhan	Suman Chauhan	Spouse
	Narender Singh	Brother
	Dharmender	Brother
	Subhash Singh	Brother
	Yatender Singh	Brother
	Birsala	Sister
	Vineet Chauhan	Son
	Virat Chauhan	Son
	Murti Devi	Mother of the Spouse
	Parvindra	Brother of the Spouse
	Kusum Chauhan	Sister of the Spouse
Suman Chauhan	Sahender Singh Chauhan	Spouse
	Murti Devi	Mother
	Parvindra	Brother
	Kusum Chauhan	Sister
	Vineet Chauhan	Son
	Virat Chauhan	Son
	Narender Singh	Brother of the Spouse
	Dharmender	Brother of the Spouse
	Subhash Singh	Brother of the Spouse
	Yatender Singh	Brother of the Spouse
	Birsala	Sister of the Spouse
Vineet Chauhan	Iksha Chauhan	Spouse
	Sahender Singh Chauhan	Father
	Suman Chauhan	Mother
	Virat Chauhan	Brother
	Vairaj Veer Chauhan (<i>minor</i>)	Son
	Inayat Chauhan (<i>minor</i>)	Daughter
	Imaani Chauhan (<i>minor</i>)	Daughter
	Nriпти Bhalla	Father of the Spouse
	Poonam Bhalla	Mother of the Spouse
	Akshay Bhalla	Brother of the Spouse

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Jai Parvati Educational and Charitable Trust
2. Jai Parvati Social Welfare Society
3. Jai Parvati Suksham Foundation
4. Y S Autotech
5. Master Farm Resorts

OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, the term “group companies” includes (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in the Offer documents, as covered under the applicable accounting standards, and also (ii) other companies as considered material by the board of the issuer.

Accordingly, for (i) above, all such companies with which the Company had related party transactions during the period covered in the Restated Financial Information, as covered under the Indian Accounting Standard (Ind AS) 24, shall be considered as ‘Group Companies’, in accordance with the SEBI ICDR Regulations.

In addition, pursuant to the Materiality Policy, for the purposes of point no. (ii) above, such companies (other than the companies covered under the schedule of related party transactions included in the Restated Financial Information and the companies categorised under (i) above) which are members of the promoter group, in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and with which the Company has entered into transactions during the most recent completed financial year/and the relevant stub period (as applicable) as per the Restated Financial Information, and which individually or in the aggregate, in value, exceeds 10% of the restated total revenue from operations of the Company for the last completed full financial year or relevant stub period as per the Restated Financial Information, will be considered material and disclosed as a “group company” in the Offer Documents.

Accordingly, based on the above, our Company does not have any group company, as on the date of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by the Shareholders of our Company, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 read with the rules notified thereunder, each as amended, together with the applicable rules issued thereunder and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Board shall recommend or declare dividend as per the provisions of the Companies Act, 2013 and any other applicable laws. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of Shareholders at a general meeting. Our Company has adopted a formal policy on dividend declaration pursuant to resolution of board of directors dated April 27, 2026.

According to the dividend distribution policy adopted by our Board, the Board shall, *inter alia*, consider various financial, external and internal parameters before declaring a dividend. The financial parameters include availability of profits, past dividend pattern and payout trends, financial performance, operating cash flows, working capital requirements, capital expenditure requirements, liquidity position, debt-equity ratio, cost of borrowings, debt obligations, investment in new business, applicable taxes and restrictions or covenants contained in financing arrangements. The external parameters include shareholders' expectations, statutory provisions and guidelines, regulatory requirements, economic conditions, sectoral performance, inflation, future uncertainty and industrial downturn, government policy, cost of financing, global conditions, applicable taxes and other factors having a significant impact on our Company's working or financial position. The internal parameters include the growth rate of past and predicted earnings, expansion and modernization of the existing business, investment in research and development, working capital requirements, proposed mergers and acquisitions and the approach adopted towards dividend distribution. Our Board may also consider the declaration of interim dividends depending upon the cash flow position of the Company. The retained earnings of the Company may be utilised, *inter alia*, for acquisition or diversification of business, implementation of long-term strategic plans, market or product development and expansion, increase in production capacity, modernization, capitalisation of shares, buy-back of shares, replacement of capital-intensive assets and other general corporate purposes.

Our Company has not declared any dividends during the last three Fiscals and until the date of this Draft Red Herring Prospectus, on the Equity Shares. The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future. For details in relation to risks involved in this regard, please refer to *“Risk Factors - Our Company has not paid dividends during the last three Fiscals and during the current Fiscal. There can be no assurance that our Company will be in a position to pay dividends in the future. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.”* on page 65.

SECTION V: FINANCIAL INFORMATION
RESTATED FINANCIAL INFORMATION

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INDEPENDENT EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Jai Parvati Forge Limited
Derabassi

Dear Sirs / Madams,

1. We have examined the attached Restated Financial Information of Jai Parvati Forge Limited comprising the Restated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, 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 years ended March 31, 2026, March 31, 2025 and March 31, 2024, and the Summary of Significant 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 August 12, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus prepared by the Company in connection with its proposed Initial Public Offer in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“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 ICAI.

Management’s Responsibility for the Restated Summary Statements

2. The preparation of the Restated Financial Information, which are to be included in the Draft Red Herring Prospectus to be filed with SEBI, Registrar of Companies (“ROC”) and the Stock Exchanges in connection with the proposed IPO, is the responsibility of the Management of the Company. The Restated Financial Information have been prepared by the Management of the Company on the basis of preparation, as stated in Note 2.1 to the Restated Financial Information. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

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 August 04, 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 ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Summary Statements; and

d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offer.

Restated Summary Statements

4. These Restated Summary Statements have been compiled by the management of the Company from:

a) Audited Financial Statements of the Company as at and for the year ended March 31, 2026 prepared in accordance with 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 meeting held on June 15, 2026.

b) Audited Financial Statements of the Company as at and for the year ended March 31, 2025 prepared in accordance with 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 meeting held on September 04, 2025.

c) Audited Financial Statements of the Company as at and for the year ended March 31, 2024 prepared in accordance with the Accounting Standards (“Indian GAAP”) as prescribed under Section 133 of the Act and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meeting held on August 30, 2024.

d) The information for the year ended March 31, 2024 included in such Restated Financial Statements has been prepared by the management by making Ind AS adjustments to the audited financial statements prepared under previous GAAP and approved by the Board of Directors at their meeting held on September 04, 2025.

5. We have re-audited the special purpose financial information of the Company for the year ended March 31, 2024 prepared by the Company in accordance with 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 “Peer Review Board” of the ICAI as required by the ICDR Regulations in relation to the proposed IPO. We issued our report dated September 04, 2025 on this Special Purpose Financial Information to the Board of Directors, who have approved the same in their meeting held on September 04, 2025.

Report

6. For the purpose of our examination, we have relied on:

a) Auditors’ Report issued by us, dated June 15, 2026 on the Audited Ind AS Financial Statements of the Company as at and for the year ended March 31, 2026 as referred in Paragraph 4(a) above.

b) Auditors’ Report issued by us, dated September 04, 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) Auditor’s report issued by M/s N K Associates, Chartered Accountants (“Previous Auditors”) dated August 30, 2024 on the Audited Financial Statements for the year ended March 31, 2024 and Auditor’s report on Special Purpose Financial Statements issued by us dated September 4, 2025.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information of the company:

(i) Have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2025 and March 31, 2024 so as to reflect the same accounting treatment and presentation followed as at and for the year ended March 31, 2026.

(ii) Do not contain any qualification requiring adjustment.

(iii) Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. These Restated Financial Information do not reflect the effects of events occurring subsequent to the respective reporting dates.

9. This report should not be construed as a reissuance or re-dating of any previous audit reports issued by us, nor as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. Our report is intended solely for inclusion in the Offer Document to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed Offer and should not be used for any other purpose.

For Ashwani K Gupta & Associates

Chartered Accountants

Firm Registration No. 003803N

CA Munish Goel

Partner

Membership No. 553043

UDIN: 26553043ACTMJW5357

Panchkula

August 12, 2026

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418

Restated Statement Of Assets and Liabilities

(Amount in INR millions, unless otherwise stated)

Particulars	Note No.	As at March 31st, 2026	As at March 31st, 2025	As at March 31st,2024
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	3	1,937.32	1,664.20	1,112.68
(b) Right-of-use assets	4	304.89	360.47	319.09
(c) Other intangible assets	3	1.43	1.40	0.86
(d) Intangible assets under development	3	-	-	-
(e) Capital work-in-progress	3	10.59		292.31
(f) Financial assets				
(i) Investments		-	-	-
(ii) Loans		-	-	-
(iii) Trade receivables		-	-	-
(vi) Other financial assets	5	33.60	52.97	50.19
(g) Deferred tax assets (net)		-	-	-
(h) Other non-current asstes	7	90.94	20.48	63.58
Total non-current assets		2,378.78	2,099.51	1,838.70
(2) Current Assets				
(a) Inventories	8	633.66	485.67	407.94
(b) Financial assets				
(i) Investments	9	0.86	0.77	0.72
(ii) Trade receivables	10	926.91	836.18	739.06
(iii) Cash and cash equivalents	11	0.65	0.79	0.34
(iv) Bank balance other than (iii) above		29.04	3.26	3.07
(v) Loans		-	-	-
(vi) Other financial assets	12	5.71	6.08	2.65
(c) Current tax assets (net)		-	-	-
(d) Other current assets	13	117.53	76.45	38.91
Total current assets		1,714.36	1,409.21	1,192.70
TOTAL ASSETS		4,093.14	3,508.72	3,031.40
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	14	147.00	147.00	49.00
(b) Other Equity	15	1,907.38	1,496.11	1,335.16
Total Equity		2,054.38	1,643.11	1,384.16
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	457.22	442.75	397.16
(ia) Lease Liabilities	17	87.51	153.37	165.19
(ii) Other financial liabilities		-	-	-
(b) Provisions	18	23.12	18.16	16.62
(c) Deferred tax liabilities (net)	6	150.20	120.74	84.92
(d) Other non-current liabilities		-	-	-
Total non-current liabilities		718.04	735.02	663.89
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	778.04	739.25	637.57
(ia) Lease liabilities		62.73	73.91	60.84
(ii) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises	20	8.81	6.13	3.32
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		321.20	184.61	139.06
(iii) Other Financial Liabilities	21	21.34	11.13	19.37
(b) Other current liabilities	22	114.90	107.97	97.61
(c) Provisions	23	2.25	1.67	2.18
(d) Current tax liabilities (net)	24	11.47	5.92	23.40
Total current liabilities		1,320.73	1,130.59	983.35
TOTAL EQUITY AND LIABILITIES		4,093.14	3,508.72	3,031.40
Summary of Material Accounting Policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Ashwani k Gupta & Associates
Chartered Accountants
FRN. 003803N

Munish Goel
Partner
Membership No. 553043

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043ACTMJW5357

For and on behalf of the Board of Directors of Jai Parvati Forge Limited

SAHENDER SINGH CHAUHAN
Executive Chairman
DIN: 01723352

VINEET CHAUHAN
Managing Director
DIN: 01635995

VIJAY KUMAR SHARMA
Chief Financial Officer
M.No: 089547

GOURAV KAPOOR
Company Secretary
M.No.: 12118

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418
Restated Statement of Profit and Loss
(Amount in INR millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
I Revenue from operations	25	4,204.83	3,463.13	3,210.91
II Other income	26	15.35	6.74	5.44
III Total Income (I+II)		4,220.18	3,469.86	3,216.34
IV Expenses				
Cost of Material Consumed	27	2,287.96	1,878.91	1,800.16
Purchase of stock in trade		-	-	-
(Increase)/Decrease in inventories of finished goods, and work-in-progress	28	-59.87	-17.26	21.75
Employee benefit expense	29	408.11	353.37	303.95
Finance Costs	30	113.60	126.24	97.13
Depreciation and amortization expense	31	118.84	99.72	73.27
Other expenses	32	805.75	677.77	595.86
Total Expenses (IV)		3,674.38	3,118.76	2,892.12
V Profit/(Loss) before exceptional items (III-IV)		545.80	351.11	324.23
VI Exceptional items		0.62	-	-
VII Profit/(Loss) before tax (V-VI)		545.17	351.11	324.23
VIII Tax Expense				
(1) Current Tax	6	102.83	57.36	66.74
(2) Deferred Tax		29.76	35.56	19.35
Taxation of earlier years		0.41		
Total Tax Expense		133.00	92.92	86.09
IX Profit/(Loss) for the year from continuing operations (VII-VIII)		412.17	258.18	238.14
X Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss		-1.20	1.02	3.69
(ii) Less: Income tax relating to items that will not be reclassified to profit or loss		-0.30	0.26	0.93
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Less: Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other comprehensive income(Loss)		-0.90	0.76	2.76
XI Total comprehensive income (IX+X)(Comprising Profit/(Loss) and other comprehensive income for the year		411.27	258.95	240.90
XII Earning per equity share of Rs. 2/- each	33			
Basic (in Rs.)		5.61	3.51	3.24
Diluted (in Rs.)		5.61	3.51	3.24
Summary of Material Accounting Policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Ashwani k Gupta & Associates
Chartered Accountants
FRN. 003803N

For and on behalf of the Board of Directors of Jai Parvati Forge Limited

Munish Goel
Partner
Membership No. 553043

SAHENDER SINGH CHAUHAN
Executive Chairman
DIN: 01723352

VINEET CHAUHAN
Managing Director
DIN: 01635995

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043ACTMJW5357

VIJAY KUMAR SHARMA
Chief Financial Officer
M.No: 089547

GOURAV KAPOOR
Company Secretary
M.No.: 12118

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418
Restated Statement of Cash Flows
(Amount in INR millions, unless otherwise stated)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
<u>(A) Cash flow from operating activities</u>			
Profit/(Loss) before tax	543.97	352.13	327.91
Adjustments for:			
- Depreciation/amortization	118.84	99.72	73.27
- (Gain)/Loss on sale of property,plant & equipment	1.50	-0.36	-1.17
- (Gain)/Loss on Fair Valuation of Investments	-0.07	-	-0.02
- Other Non-Cash Adjustments	-1.23	22.15	47.43
- Provision For Expected Credit Losses	0.15	-	-
- Finance cost	113.60	126.24	97.13
- Interest income	-2.99	-3.69	-3.21
Operating profit before working capital changes	773.77	596.18	541.34
Movements in working capital :			
- Increase/(decrease) in trade payables	139.26	48.36	-49.48
- Increase /(decrease) in long-term provisions	4.96	1.54	-0.29
- Increase /(decrease) in short-term provisions	0.58	-0.51	0.42
- Increase/(decrease) in other current liabilities and provisions	10.71	0.74	23.88
- Increase/(decrease) in current financial liabilities	10.20	-8.24	16.88
- Decrease/(increase) in trade receivables	-90.88	-97.12	-149.88
- Decrease/(increase) in inventories	-147.99	-77.73	52.73
- Decrease /(increase) in current financial assets	0.37	-3.43	2.54
- Decrease/(increase) in other current/non-current assets	-41.09	-36.84	-23.26
Cash generated from /(used in) operations	659.89	422.95	414.88
- Income tax paid (net of refunds)	-97.69	-74.84	-66.26
Net cash flow from/ (used in) operating activities	562.20	348.11	348.62
<u>(B) Cash flows from investing activities</u>			
- Purchase of PPE including capital advances, capital work-in-progress and intangible assets excluding land	-367.44	-352.72	-516.30
- Purchase of Land	-57.84	-	-
- (Increase)/decrease in other bank balances	2.97	-0.19	-0.17
- Decrease /(increase) in non-current financial assets	-4.23	-2.79	-12.37
- Proceeds from sale of property,plant and equipment	3.48	20.42	5.45
- Proceeds from sale of Land	-	31.83	8.00
- Proceeds from sale of investments	-	-	1.96
- Purchase of Investment	-	-	-0.70
- Interest income	1.24	0.21	0.19
	-	-	-
Net cash flow from/(used in) investing activities	-421.82	-303.24	-513.94
<u>(C) Cash flows from financing activities</u>			
- Proceeds/(repayment) of long-term borrowings	22.32	101.85	206.53
- (repayment) of lease liabilities	-92.60	-90.17	-80.19
- Proceeds/(repayment) of short-term borrowings	30.94	45.43	113.23
- Finance cost	-101.19	-101.52	-74.19
Net cash flow from/(used in) in financing activities	-140.52	-44.41	165.38
Net increase/(decrease) in cash and cash equivalents (A + B + C)	-0.15	0.45	0.07
Cash and cash equivalents at the beginning of the year	0.79	0.34	0.27
Cash and cash equivalents at the end of the period/ year	0.65	0.79	0.34
Components of cash and cash equivalents			
- Cash on hand (refer note 11)	0.64	0.78	0.34
- On Current account (refer note 11)	0.01	0.01	0.00
Cash and cash equivalents	0.65	0.79	0.34

Notes:

1. The Restated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act, 2013.

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418
Restated Statement of Cash Flows
(Amount in INR millions, unless otherwise stated)

2. Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes

Particulars		March 31, 2026	March 31, 2025	March 31, 2024
Balance at beginning of period		1,409.28	1,260.75	900.15
Cash flow from financing activities				
Increase / (decrease) in non current borrowings		22.32	101.85	206.53
Increase / (decrease) in current borrowings		30.94	45.43	113.23
Lease payment		(92.60)	(90.17)	(80.19)
Non cash changes				
Movement in lease liability		15.55	91.42	121.03
Balance at end of period		1,385.49	1,409.28	1,260.75

3. The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Ashwani k Gupta & Associates
Chartered Accountants
FRN. 003803N

For and on behalf of the Board of Directors of Jai Parvati Forge Limited

Munish Goel
Partner
Membership No. 553043

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043ACTMJW5357

SAHENDER SINGH CHAUHAN
Executive Chairman
DIN: 01723352

VINEET CHAUHAN
Managing Director
DIN: 01635995

VIJAY KUMAR SHARMA
Chief Financial Officer
M.No: 089547

GOURAV KAPOOR
Company Secretary
M.No.: 12118

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418
Restated Statement of Change in equity
All amounts in INR in Millions , unless otherwise stated

A. Equity Share Capital			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Number of shares at the end of the reporting period	7,35,00,000	14,70,000	4,90,000
Equity share Capital in amount			
Balance at the beginning of the reporting period	147.00	49.00	49.00
Changes in Equity Share capital during the year	-	98.00	-
Balance at the end of the reporting period	147.00	147.00	49.00

B. Other Equity

(2) At March 31, 2024

Particulars	Equity component of compound financial instruments	Reserves and Surplus			Other Comprehensive Income	Total
		General Reserve	Securities Premium	Retained Earning		
Balance at the beginning of the current reporting period (A)		200.00		894.14	0.12	1,094.26
Restated balance at the beginning of the current reporting period (A)		200.00	-	894.14	0.12	1,094.26
Total Comprehensive Income for the current year				238.14	2.76	240.90
Dividends						-
Transfer to retained earnings						-
Any other change (to be specified)						-
Issue of Bonus Share						-
Balance at the end of the current reporting period	-	200.00	-	1,132.28	2.88	1,335.16

(2) At March 31, 2025

Balance at the beginning of the current reporting period (A)		200.00		1,132.28	2.88	1,335.16
Restated balance at the beginning of the current reporting period (A)		200.00	-	1,132.28	2.88	1,335.16
Total Comprehensive Income for the current year				258.18	0.76	258.95
Dividends						-
Transfer to retained earnings						-
Any other change (to be specified)						-
Issue of Bonus Share				-98.00		-98.00
Balance at the end of the current reporting period	-	200.00	-	1,292.46	3.64	1,496.11

(3) At March 31, 2026

Balance at the beginning of the current reporting period (A)		200.00	-	1,292.46	3.64	1,496.11
Restated balance at the beginning of the current reporting period (A)	-	200.00	-	1,292.46	3.64	1,496.11
Transition effect on Reinstatement to Ind AS				-		-
Total Comprehensive Income for the current year	-	-	-	412.17	-0.90	411.27
Dividends	-	-	-	-		-
Transfer to retained earnings	-	-	-	-		-
Any other change (to be specified)	-	-	-	-		-
Issue of Bonus Share				-		-
Balance at the end of the current reporting period	-	200.00	352	1,704.64	2.74	1,907.38

Jai Parvati Forge Limited

Material Accounting Policies and explanatory notes to Financial Information

1 Corporate Information

M/S Jai Parvati Forge Limited ("the company") is a public limited company domiciled in India and incorporated under the provisions of Indian Companies Act. The company's registered office is at Village Bhagwanpur, Barwala Road, Dera Bassi, Distt. SAS Nagar (Punjab) - 140507, India. The Company is one of the leading manufacturer and supplier of forging & machined components in domestic as well as international markets.

These Restated Ind AS Financial Statements have been approved by the Company's Board of Directors on August 12th, 2026.

2 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Statement of compliance

The Restated Summary Statements Comprises of the Restated Statement of Assets and Liabilities of the company as at 31st March 2026, 31st March 2025 and 31st March 2024, the related Restated Statement of Profit and Loss statements (Including other comprehensive income), Restated Statement of changes in Equity and Restated Statement of Cash flow for the year ended 31st March 2026, 31st March 2025 and 31st March 2024 has been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements have been prepared by the management for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP'), Red Herring Prospectus ('RHP') and Prospectus (collectively referred as 'Offer Document') to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") in connection with proposed Initial Public Offering ("IPO") of its equity shares of the Company comprising of a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"). The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with 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 ("ICDR") as amended from time to time; and
- (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended (the "Guidance Note").

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") for the financial year ended March 31, 2025 with the transition date as April 01, 2023. These Restated Financial Information have been compiled from:

- (a) The audited financial statements of the Company as at and for the years ended March 31, 2026 and March 31, 2025 (the "Statutory Financial Statements"), which have been approved by the Board of Directors at their meeting held on June 15, 2026 and September 04, 2025 respectively.
- (b) The special purpose financial statements as at and for the year ended March 31, 2024 (the "Special Purpose Financial Statements"), prepared in accordance the Indian Accounting Standards (Ind AS) notified under the Act, which have been approved by the Board of Directors at their meeting held on September 04, 2025.

Restated Financial Information:

- a) do not require any adjustments for the changes in accounting policies or material errors.
- b) do not require any adjustment for modification as there is no modification in the underlying audit report.

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c) appropriate regroupings have been made retrospectively in the financial year ended March 31, 2025 and March 31, 2024 in order to bring them in line with the presentation as per the Audited Financial Statement for the year ended March 31, 2026.

These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the board meetings for adoption of Special Purpose Financial Statements and Statutory Financial Statements.

These Restated Financial Information have been prepared for the Company as a going concern basis.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of financial statements for the year ended March 31, 2026.

Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on alternative basis on each reporting date:

Items	Measurement basis
Derivative financial instruments at fair value through profit or loss	Fair value
Certain non-derivative financial instruments at fair value through profit or loss and fair value through other comprehensive income	Fair value
Defined benefit plan assets	Fair value
Equity settled share based payment transactions	Grant date Fair value

(b) Use of estimates and judgements

In preparation of the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

- Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan, the present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

- Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the

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Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised / depreciable amount is charged over the remaining useful life of the assets.

- Evaluation of indicators for impairment of property, plant and equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

- Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

- Recognition of deferred tax assets for carried forward tax losses

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Assumptions and Estimation Uncertainties

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

- Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

(c) Current versus non-current classification

The Company presents assets and liabilities in the financial statements based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a 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

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- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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 realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.2 Property, plant and equipment

• Recognition and measurement

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Cost of assets not ready for its intended use as on the reporting date, are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under 'Other non-current assets'.

• Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of 01 April 2023, measured as per the Indian GAAP, and use that carrying value as the deemed cost of such property, plant and equipment after giving effect to the prior period error as explained in Note 45. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on the transition date i.e. 01 April 2023 while preparing the financial statements for the year ended 31 March 2023.

• Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as incurred.

• Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Net gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/ expenses in the statement of profit and loss.

• Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation. Freehold land is not depreciated.

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Property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life (in years)
Buildings	30-60
Plant and machinery	10-30
Computers and office equipment	3-5
Vehicles	8
Other equipment	15
Furniture and fixtures	10

2.3 Intangible assets

- **Recognition and measurement**

Intangible assets are recognized when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognized in the statement of profit and loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

- **Subsequent measurement**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortization**

Amortization is calculated on the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful life (in years)
Software	3
Technical know-how	5-10

2.4 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property.

Investment property is initially measured at cost, including related transaction costs. The cost of investment

property includes its purchase price and directly attributable expenditure, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

After the initial recognition, investment property is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on investment property has been provided in a manner that amortizes the cost of the assets over their estimated useful lives on straight line method as per the useful life prescribed under Schedule II to the Act. Investment property in the form of land is not depreciated.

Investment property is derecognized either when it is disposed off or permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of derecognition.

2.5 Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. 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 fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.6 Inventories

Raw materials, components, stores and spares, work-in-progress and finished goods are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, components, stores and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Scrap is valued at net realizable value.

2.7 Cash and cash equivalents

Cash and cash equivalents 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.

2.8 Revenue recognition

Revenue is recognized when performance obligation is satisfied by transferring control of promised goods or services and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price (consideration) allocated to performance obligation adjusted for returns, trade allowances, rebates, and excludes taxes collected from customer on behalf of government and amounts collected on behalf of third parties.

- **Contract revenue**

Revenue from fixed price contracts is recognized over time, when the outcome of the contract can be estimated reliably by reference to the percentage of completion of the contract on the reporting date under input method. Percentage of completion is determined as a proportion of costs incurred-to-date to the total estimated contract costs. In respect of process technology and design and engineering contracts percentage of completion is measured with reference to the milestones specified in the contract, which in the view of the management reflects the work performed and to the extent it is reasonably certain of recovery.

Contract costs include costs that relate directly to the specific contract and costs that are attributable to the contract activity and allocable to the contract. Costs that cannot be attributed to contract activity are expensed when incurred.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognized only to the extent of costs incurred that are expected to be recoverable. The provision for expected loss is recognized immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

Variations, claims and incentives are recognized as a part of contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project/ activity and the foreseeable losses to completion.

Execution of contracts necessarily extends beyond accounting periods. Revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.

- **Sale of goods and rendering of services**

Revenue from sale of goods is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of goods 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.

Revenue from services is recognized as and when the related services are performed.

2.9 Other Income

Interest income

Interest income from debt instruments is recognized using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

Dividends

Dividends are recognized in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

Export benefits

Export benefits in the form of Duty Draw Back claims are recognized in the statement of profit and loss on receipt basis.

2.10 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period, are translated at the closing exchange rates and the resultant exchange differences are recognized in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.11 Employee benefits

- **Short-term employee benefit**

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

- **Post-employment benefits**

Defined contribution plans

Contributions to the provident fund, pension scheme, employee state insurance scheme and superannuation fund, which are defined contribution schemes, are recognized as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In the case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognizes gains/ losses on settlement of a defined plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are stated at their present fair value.

2.12 Share-based payments

The grant fair value of equity settled share-based payment awards granted to employees is recognized as employee benefit expense with corresponding increase in equity. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are required to be satisfied. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest based on the service and non-vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

2.13 Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

a. Company as a Lessee

A lessee is required to recognize assets and liabilities for all leases and to recognize depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of Ind AS 116 - Leases to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, according to Ind AS 116, the Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value. The lease payments associated with these leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

a.1 Right -of -use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use

asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

a.2 Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

b. Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of profit and Loss on a straight-line basis over the term of the lease.

Critical accounting estimates and judgements

Critical judgements required in the application of Ind AS 116 may include, inter-alia, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement.
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, inter-alia, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

2.14 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.15 Tax Expenses

Tax expenses comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

• Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid /payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the company operates and generates taxable

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income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

- **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

In situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

2.16 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the statement of

profit and loss.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

Contingent liability is disclosed when there is:

- a present obligation arising from past events, but it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent assets are not recognized in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.17 Earnings per share (EPS)

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period/ year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/ year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period/ year attributable to equity shareholders and the weighted average number of shares outstanding during the period/ year are adjusted for the effects of all dilutive potential equity shares.

2.18 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 considers 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.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Material Accounting Policies and explanatory notes to Financial Information

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.19 Financial instruments

A financial instrument is any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss);
- those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company classifies debt investments when and only when its business model for managing those assets changes.

Measurement

All financial assets are initially measured at fair value except trade receivables, as the trade receivables does not contain significant financing component they are initially measured at transaction price. In case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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Material Accounting Policies and explanatory notes to Financial Information

A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognized through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognized in the statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognized in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognized in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments falling within the definition of "Financial Instruments" as defined in 'Ind AS 109 - Financial instruments' are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to recognize subsequent changes in the fair value in OCI. The company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no re-classification of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Non-derivative financial liabilities

Recognition

The company initially recognizes borrowings, trade payables and related financial liabilities on the date on

which they originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Measurement

Non-derivative financial liabilities are initially recognized at fair value, net of transaction costs incurred. After initial recognition, these liabilities are measured at amortized cost using EIR method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts are recognized as financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with 'Ind AS 37 - Provisions, contingent liabilities and contingent assets' and the amount initially recognized less cumulative amortization, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.20 Government grant

Government grants are recognized at their fair value when there is a reasonable assurance that the grant will be received, and company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income. The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized in "Other Income" in proportion of export obligations actually fulfilled during the accounting period.

Government grants relating to purchase of property, plant and equipment are initially recognized as deferred income at fair value and subsequently recognized in the statement of profit and loss on a systematic basis over the useful life of the asset.

2.21 Events after reporting date

Company evaluates events and transactions that occur subsequent to the Statement of Assets and Liabilities date but prior to approval of the Restated Financial Information to determine the necessity for recognition and/or reporting of any of these events and transactions in the Restated Financial Information.

2.22 Recent accounting pronouncements:

The MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 on May 7, 2025, whereby the amendments to Indian Accounting Standard 21 (Ind AS) has been made applicable with effect from April 1, 2025 onwards. Company does not expect the amendment to have any impact in its Restated Financial Information.

Note: 3 Property, Plant and Equipment (PPE) & Intangible Asset *(Rs. In Millions)*

Particulars	Property, Plant and Equipment									Intangible Asset	Total
	Freehold Land	Factory Buildings	Office Building	Plant & Machinery	Furniture, Fitting & Equipments/ Installations	Computer & Data Processing Units	Others Equipments	Vehicles	Total Property, Plant, Equipment	Package & software	
Gross carrying value as of April 01, 2023	223.54	126.32	9.15	558.95	7.29	1.34	7.07	24.44	958.12	0.70	958.81
Additions	-	-	-	182.93	1.12	0.33	1.80	2.54	188.71	0.51	189.22
Disposals	-8.43	-	-	-3.98	-	-	-	-0.75	-13.17	-	-13.17
Transferred From Right of Use Asset	-	-	-	38.02	-	-	-	-	38.02	-	38.02
Gross carry value as of March 31, 2024	215.10	126.32	9.15	775.92	8.41	1.67	8.87	26.23	1,171.68	1.21	1,172.88
Accumulated depreciation as of April 01, 2023	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	-	4.94	0.17	47.42	1.03	0.32	0.67	5.33	59.89	0.35	60.24
Disposals	-	-	-	-0.61	-	-	-	-0.28	-0.89	-	-0.89
Accumulated depreciation as of March 31, 2024	-	4.94	0.17	46.81	1.03	0.32	0.67	5.04	59.00	0.35	59.35
Net Carrying value as of March 31, 2024	215.10	121.38	8.98	729.10	7.38	1.35	8.20	21.19	1,112.68	0.86	1,113.53
Gross carrying value as of April 01, 2024	215.10	126.32	9.15	775.92	8.41	1.67	8.87	26.23	1,171.68	1.21	1,172.88
Additions	-	173.86	-	479.49	1.42	1.64	2.19	14.28	672.88	1.22	674.10
Disposals	-31.83	-	-	-23.17	-	-	-	-0.24	-55.24	-	-55.24
Transferred From Right of Use Asset	-	-	-	14.04	-	-	-	-	14.04	-	14.04
Gross carry value as of March 31, 2025	183.27	300.18	9.15	1,246.27	9.83	3.31	11.06	40.27	1,803.35	2.43	1,805.78
Accumulated depreciation as of April 01, 2024	-	4.94	0.17	46.81	1.03	0.32	0.67	5.04	59.00	0.35	59.35
Depreciation charge during the year	-	9.50	0.17	65.34	1.03	0.48	0.80	6.17	83.50	0.68	84.18
Disposals	-	-	-	-3.20	-	-	-	-0.15	-3.34	-	-3.34
Accumulated depreciation as of March 31, 2025	-	14.45	0.35	108.96	2.06	0.81	1.47	11.07	139.16	1.03	140.19
Net Carrying value as of March 31, 2025	183.27	285.73	8.80	1,137.32	7.78	2.50	9.59	29.20	1,664.20	1.40	1,665.59
Gross carrying value as of April 01, 2025	183.27	300.18	9.15	1,246.27	9.83	3.31	11.06	40.27	1,803.35	2.43	1,805.78
Additions	57.84	7.51		276.25	0.72	0.56	1.57	0.02	344.47	0.67	345.14
Disposals				-6.17				-0.03	-6.20		-6.20
Transferred From Right of Use Asset				36.90					36.90		36.90
Gross carry value as of March 31, 2026	241.12	307.70	9.15	1,553.24	10.56	3.87	12.63	40.26	2,178.52	3.09	2,181.62
Accumulated depreciation as of April 01, 2025	-	14.45	0.35	108.96	2.06	0.81	1.47	11.07	139.16	1.03	140.19
Depreciation charge during the year		10.50	0.17	84.33	1.04	0.60	0.87	5.75	103.26	0.63	103.89
Disposals				-1.22					-1.22		-1.22
Accumulated depreciation as of March 31, 2026	-	24.95	0.52	192.07	3.09	1.40	2.35	16.81	241.20	1.66	242.86
Net Carrying value as of March 31, 2026	241.12	282.75	8.63	1,361.17	7.47	2.47	10.28	23.44	1,937.32	1.43	1,938.76

Borrowing cost are capitalized on Asset under construction, As on March 31 2026 - Nil (March 31, 2025 - INR 3.95 Millions and March 31, 2024 - INR 6.08 Millions)

Charge on PPE

Title deeds of all immovable properties are in the name of company.

Entire PPE (except Vehicles) is subject to First Charge to secure terms loans from Canara Bank, HDFC Bank and Bajaj Finance Limited. Respective vehicles are also subject to charge to secure the loan availed to acquire the same.

Note: 3 Capital Work in Progress

(Rs. In Millions)

CWIP aging schedule as on 31.03.2026	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in progress					
a) Plant & Machinery	10.59		-	-	10.59
Projects temporarily suspended					
a) Plant & Machinery					-
TOTAL	10.59	-	-	-	10.59

CWIP aging schedule as on 31.03.2025	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in progress					
a) Plant & Machinery				-	-
Projects temporarily suspended					
a) Plant & Machinery					-
TOTAL	-	-	-	-	-

CWIP aging schedule as on 31.03.2024	Amount in CWIP for a period of				Total
CWIP	Less than 1 year	1 -2 years	2-3 years	More than 3 years	
Projects in progress					
a) Plant & Machinery	279.33	0.87		-	280.20
Projects temporarily suspended					
a) Plant & Machinery				12.12	12.12
TOTAL	279.33	0.87	-	12.12	292.31

Jai Parvati Forge Limited

Notes to the Restated Financial Statement

(All amounts are in INR Millions , unless stated otherwise)

Note 4: RIGHT-OF-USE ASSETS

The details of the Line Items of Right-of-use Assets is as follows:-

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Plant & Machinery			
Carrying Value at the Beginning of the period	395.37	340.28	276.71
Additions during the period	3.29	70.95	104.14
Less: Transferred to Property, Plant And Equipment	36.90	14.04	38.02
Less: Reversal of ROU	14.29	1.82	2.55
Gross carry value at the end of the period	347.47	395.37	340.28
Accumulated depreciation at the beginning of the period	34.91	21.19	10.71
Depreciation charge during the year	14.95	15.54	13.03
Less: Disposals	7.28	1.82	2.55
Accumulated depreciation at the end of the period	42.58	34.91	21.19
Net Carrying Value at the end of the period	304.89	360.47	319.09
Total Carrying Value	304.89	360.47	319.09

4(a).RIGHT-OF-USE ASSETS

Particulars	Amount
<u>Gross Block</u>	
As on April 01, 2023	276.71
Additions	104.14
Less: Transferred to Property, Plant And Equipment	38.02
Less: Reversal of ROU	2.55
As at March 31, 2024	340.28
Additions	70.95
Less: Transferred to Property, Plant And Equipment	14.04
Less: Reversal of ROU	1.82
As at March 31, 2025	395.37
Additions	3.29
Less: Transferred to Property, Plant And Equipment	36.90
Less: Reversal of ROU	14.29
As at March 31, 2026	347.47
<u>Accumulated Depreciation</u>	
As on April 01, 2023	10.71
Charge for the period	13.03
Less: Disposals	2.55
As at March 31, 2024	21.19
Charge for the period	15.54
Less: Disposals	1.82
As at March 31, 2025	34.91
Charge for the period	14.95
Less: Disposals	7.28
As at March 31, 2026	42.58
<u>Net book value</u>	
As on April 01, 2023	266.00
As at March 31, 2024	319.09
As at March 31, 2025	360.47
As at March 31, 2026	304.89

Note:

(a) The Company, as a lessee, has taken certain movable properties on lease for manufacturing facility. Except for short-term leases, the leases are recognised as right-of-use assets with corresponding lease liabilities in the Restated Statement of Assets and Liabilities. Right-of-use assets are presented separately.

Jai Parvati Forge Limited

Notes to the Restated Financial Statement

(All amounts are in INR Millions , unless stated otherwise)

(b) Lease payments, not included in measurement of liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less). The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Short-term leases	-	-	-
	-	-	-

(c)

Total undiscounted future lease payments relating to underlying leases are as follows :

Particulars	Within 1 year	1-2 years	2-5 years	More than 5 years	Total
As at 31st March 2024					
Lease Payments	81.26	77.38	113.01	-	271.66
	81.26	77.38	113.01	-	271.66
As at 31st March 2025					
Lease Payments	93.65	76.54	99.22		269.42
	93.65	76.54	99.22	-	269.42
As at 31st March 2026					
Lease Payments	73.78	50.03	47.37		171.18
	73.78	50.03	47.37	-	171.18

(d) Amount recognised in the Restated Statement of Assets and Liabilities:

The Restated Statement of Assets and Liabilities shows the following amount relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Right-of-use assets			
Plant & Machinery	304.89	360.47	319.09
TOTAL:	304.89	360.47	319.09

(e) Amount recognised in the Restated Statement of Assets and Liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Lease Liabilities			
Balance of lease Liability at the beginning of the year	227.28	226.03	185.18
Add: Additions during the year	3.14	66.71	98.09
Add: Interest on lease liabilities	12.41	24.72	22.93
Less: Lease payments	92.60	90.17	80.19
Balance of lease Liability at the end of the year	150.23	227.28	226.03
Current portion of lease liabilities	62.73	73.91	60.84
Non-current portion of lease liabilities	87.51	153.37	165.19
TOTAL:	150.23	227.28	226.03

(f) Amount recognised in the Restated Statement of Profit and Loss (including other comprehensive income):

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest expense (included in finance costs)	12.41	24.72	22.93
Expense relating to short term leases (included in other expenses)	-	-	-
Depreciation expense	14.95	15.54	13.03
TOTAL:	27.36	40.26	35.96

NOTE 5: NON-CURRENT FINANCIAL ASSET - OTHER FINANCIAL ASSETS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good			
Security deposits	33.60	52.97	50.19
Total	33.60	52.97	50.19

NOTE 7: OTHER NON-CURRENT ASSET

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital Advances	90.94	20.48	63.58
Total	90.94	20.48	63.58

NOTE 8: INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Raw Materials(Valued at Cost)	183.41	98.92	33.14
Furnace Oil (Valued at Cost)	2.02	1.59	0.87
Stores Consumables (Valued at Cost)	10.73	7.53	13.56
Work in Progress (Valued at Cost)	434.90	376.19	359.26
Scrap (Valued at Net Realisable Value)	2.60	1.44	1.11
Total	633.66	485.67	407.94

Jai Parvati Forge Limited
Notes to the Restated Financial Statement

NOTE 6: DEFERRED TAX ASSETS/(LIABILITIES) (NET)

(Rs. In Millions)

Particulars	March 31, 2026 INR Millions	March 31, 2025 INR Millions	March 31, 2024 INR Millions
Deferred Tax Asset/(Liability)	150.20	120.74	84.92
Total	150.20	120.74	84.92

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:	March 31, 2026 INR Millions	March 31, 2025 INR Millions	March 31, 2024 INR Millions
Accounting profit excluding profit on sale of Land before income tax	544.29	352.13	327.91
Accounting profit on sale of Land before income tax	-		
Accounting profit before income tax	544.29	352.13	327.91
Tax Liability			
At India's statutory income tax rate of 25.168%	136.99	88.62	82.53
Adjustments in respect of Statutory Dues (Net)	0.13	0.93	0.99
Depreciation (Net)	-17.59	-17.09	-5.06
Adjustment in respect of Other Temporary Differences	-19.51	-16.53	-14.02
Adjustments in respect of Capital gain tax (Net)	-0.02		
Non-deductible expenses for tax purposes:			
Employee Benefits (Net)	1.98	0.42	0.22
Others permanent differences (Net)	0.84	1.00	2.09
Current year unabsorbed tax losses/(Unabsorbed Business Loss Adjusted)	-	-	-
Income tax expenses charged to the statement of Profit & Loss A/c	102.83	57.36	66.74
Reconciliation of deferred tax liabilities (net):			
	March 31, 2026 INR Millions	March 31, 2025 INR Millions	March 31, 2024 INR Millions
Opening balance as of 1 April	120.74	84.92	64.64
Tax income/(expense) during the period recognised in profit or loss	29.76	35.56	19.35
Tax income/(expense) during the period recognised in OCI	-0.30	0.26	0.93
Closing balance as at 31 March	150.20	120.74	84.92

NOTE 6: DEFERRED TAX ASSETS/(LIABILITIES) (NET)

				(Rs. In Millions)
Particulars	As at April 1, 2025	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2026
Deferred tax liability				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	94.94	30.11		125.05
Right of Use Assets	90.72	-13.99		76.74
Remeasurements of Financial Liabilities at effective interest method	-	-		-
Gross deferred tax liability	185.66	16.12	-	201.78
Deferred tax asset				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	6.35	-0.27	0.30	6.38
Expected credit loss allowance on Investments	-	-		-
Lease liabilities	57.20	-19.39		37.81
Remeasurements of Financial Assets at Amortised Cost	1.37	6.03		7.39
Minimum Alternate Tax Utilised	-	-		-
Gross deferred tax asset	64.92	-13.64	0.30	51.59
Net deferred tax (assets)/ liability (A - B)*	120.74	29.76	-0.30	150.20
Particulars	As at April 1, 2024	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2025
Deferred tax liability				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	68.58	26.37	-	94.94
Right of Use Assets	80.31	10.41	-	90.72
Remeasurements of Financial Liabilities at effective interest method	-	-	-	-
Gross deferred tax liability	148.88	36.78	-	185.66
Deferred tax asset				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	5.94	0.68	-0.26	6.35
Expected credit loss allowance on Investments	-	-	-	-
Lease liabilities	56.89	0.32	-	57.20
Remeasurements of Financial Assets at Amortised Cost	1.14	0.22	-	1.37
Minimum Alternate Tax Utilised	-	-	-	-
Gross deferred tax asset	63.96	1.21	-0.26	64.92
Net deferred tax (assets)/ liability (A - B)*	84.92	35.56	0.26	120.74
Particulars	As at April 1, 2023	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at March 31, 2024
Deferred tax liability				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	51.25	17.33	-	68.58
Right of Use Assets	66.95	13.36	-	80.31
Remeasurements of Financial Liabilities at effective interest method	-	-		-
Gross deferred tax liability	118.19	30.69	-	148.88
Deferred tax asset				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	5.73	1.14	-0.93	5.94
Expected credit loss allowance on trade receivables & Investments	-	-	-	-
Lease liabilities	46.61	10.28	-	56.89
Remeasurements of Financial Assets at Amortised Cost	1.22	-0.08	-	1.14
Minimum Alternate Tax	-	-		-
Gross deferred tax asset	53.55	11.34	-0.93	63.96
Net deferred tax (assets)/ liability (A - B)*	64.64	19.35	0.93	84.92

Details related to borrowings secured against current assets

The company has given current asset as security for borrowings obtained from banks. The company duly submitted the required information with the bank on regular basis and the required reconciliation is presented below:

Quarter	Particulars of Securities provided	Amount as per books of account	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancies
<u>For the year ended March 31st 2026</u>					
June-2025	Stock, Debtors, & Creditors	1,159.65	1,126.15	33.50	Refer note(a) below
September-2025	Stock, Debtors, & Creditors	1,173.90	1,166.44	7.46	Refer note(a) below
December-2025	Stock, Debtors, & Creditors	1,157.27	1,158.90	-1.63	Refer note(a) below
March-2026	Stock, Debtors, & Creditors	1,230.56	1,228.21	2.35	Refer note(a) below
<u>For the period ended March 31st 2025</u>					
June-2024	Stock, Debtors, & Creditors	1,031.46	1,025.21	6.25	Refer note(a) below
September-2024	Stock, Debtors, & Creditors	1,078.47	1,051.10	27.37	Refer note(a) below
December-2024	Stock, Debtors, & Creditors	1,099.86	1,099.85	0.01	Refer note(a) below
March-2025	Stock, Debtors, & Creditors	1,131.11	1,133.26	-2.15	Refer note(a) below
<u>For the period ended March 31st 2024</u>					
June-2023	Stock, Debtors, & Creditors	922.97	895.69	27.28	Refer note(a) below
September-2023	Stock, Debtors, & Creditors	995.71	972.71	23.01	Refer note(a) below
December-2023	Stock, Debtors, & Creditors	944.49	922.14	22.35	Refer note(a) below
March-2024	Stock, Debtors, & Creditors	980.01	980.36	-0.35	Refer note(a) below

Notes:
(a)The Variation is due to submission of the statement to the banks before the financial statement closure process

Jai Parvati Forge Limited

Notes to the Restated Financial Statement

NOTE 9: CURRENT FINANCIAL ASSET - INVESTMENTS

Particulars	(Rs. In Millions)					
	As at		As at		As at	
	March 31, 2026		March 31, 2025		March 31, 2024	
	Units	Amount	Units	Amount	Units	Amount
Investments at Fair Value through Profit & Loss FVTPL						
In Mutual Fund - Quoted						
Canara Robeco Mutual Fund	84,544.45	0.86	70,990.37	0.77	70,990.37	0.72
Total Investments		0.86		0.77		0.72
Aggregate amount of quoted investments and market value thereof		0.86		0.77		0.72
Aggregate amount of unquoted investments		-		-		-
Aggregate amount of impairment in value of investments		-		-		-
Total		0.86		0.77		0.72

NOTE 10: CURRENT FINANCIAL ASSET - TRADE RECEIVABLES

Particulars	(Rs. In Millions)		
	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2024
Trade receivables considered good - secured			
Trade receivables considered good - unsecured	927.06	836.18	739.06
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Less: Allowance for expected credit losses	0.15	-	-
Total	926.91	836.18	739.06

Note 10.1: Trade Receivables Ageing

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2026						
Undisputed Trade Receivables- Considered Goods	920.07	6.69	0.30			927.06
Undisputed Trade Receivables- Considered Doubtful						-
Less: Allowances for expected credit loss and doubtful receivables			-0.15			-0.15
Disputed Trade Receivables- Considered Goods						-
Disputed Trade Receivables- Considered Doubtful						-
Others						-
Total	920.07	6.69	0.15	-	-	926.91

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2025						
Undisputed Trade Receivables- Considered Goods	835.48	0.69				836.18
Undisputed Trade Receivables- Considered Doubtful						-
Disputed Trade Receivables- Considered Goods						-
Disputed Trade Receivables- Considered Doubtful						-
Others						-
Total	835.48	0.69	-	-	-	836.18

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2024						
Undisputed Trade Receivables- Considered Goods	738.47	0.58	0.01			739.06
Undisputed Trade Receivables- Considered Doubtful						-
Disputed Trade Receivables- Considered Goods						-
Disputed Trade Receivables- Considered Doubtful						-
Others						-
Total	738.47	0.58	0.01	-	-	739.06

Jai Parvati Forge Limited
Notes to the Restated Financial Statement

NOTE 11: CURRENT FINANCIAL ASSET - CASH AND CASH EQUIVALENTS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(A) Balances with banks:			
-In current accounts	0.01	0.01	0.00
-In fixed deposit under lien held as margin money (for credit facility and bank guarantee) maturing within one year	29.04	3.26	3.07
(B) Cash on Hand	0.64	0.78	0.34
-In INR	0.64	0.78	0.34
Total	29.68	4.06	3.41
Cash & Cash Equivalents	0.65	0.79	0.34
Bank Balance other than above	29.04	3.26	3.07

NOTE 12: CURRENT FINANCIAL ASSET - OTHER FINANCIAL ASSETS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Others			
Security Deposits	4.60	5.28	1.83
Interest accrued but not due	1.11	0.80	0.82
Total	5.71	6.08	2.65

NOTE 13: OTHER CURRENT ASSETS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Advances other than capital advances			
Other Advances	14.50	7.23	13.81
Amount Recoverable From NHAI	13.37	13.37	-
Amount Against Protest	-	0.23	0.83
Balance With Statutory Authorities	76.94	52.67	21.92
Prepaid Expenses	12.73	2.94	2.35
	117.53	76.45	38.91
Allowance for expected credit losses	-	-	-
Total	117.53	76.45	38.91

Jai Parvati Forge Limited

Notes to Restated Financial Statements

NOTE 14: EQUITY SHARE CAPITAL

Particulars	As at March 31,2026		As at March 31,2025		(Rs. In Millions) As at March 31, 2024	
	Number of shares	Amounts	Number of shares	Amounts	Number of shares	Amounts
Authorized share capital 125,000,000 March 31, 2026 Equity shares of Rs. 10/- each with voting rights 20,000,000 March 31, 2025 Equity shares of Rs. 10/- each with voting rights 5,000,000 March 31, 2025 Equity shares of Rs. 10/- each with voting rights	12,50,00,000	250.00	2,00,00,000	200.00	50,00,000	50.00
Issued share capital 73,500,000 March 31,2026 Equity shares of Rs. 2/- each with voting rights 14,700,000 March 31,2025 Equity Share Of Rs. 10/- each with voting rights 4,900,000 March 31,2024 Equity Share Of Rs. 10/- each with voting rights	7,35,00,000	147.00	1,47,00,000	147.00	49,00,000	49.00
Subscribed and fully paid-up share Capital 73,500,000 March 31,2026 Equity shares of Rs. 2/- each with voting rights 14,700,000 March 31,2025 Equity Share Of Rs. 10/- each with voting rights 4,900,000 March 31,2024 Equity Share Of Rs. 10/- each with voting rights	7,35,00,000	147.00	1,47,00,000	147.00	49,00,000	49.00
Amount Recoverable from Employee welfare trust Equity shares of Rs. 10/- each	-	-	-	-	-	-
Total	7,35,00,000	147.00	1,47,00,000	147.00	49,00,000	49.00

Notes:

(a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital as under:

The Company has only one class of equity shares having a par value of Rs.2 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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 number of equity shares held by each of the equity shareholders.

Bonus Shares Issued during the Previous Financial Year

The Board of directors of the company has approved the issue of 9,800,000 bonus equity shares to its existing shareholders in the ratio of 2:1 (i.e. 2 new bonus equity share of face value of Rs. 10/- each on existing 1 equity share of face value of Rs 10/- each in its meeting held on January 25,2025 and the same was approved by the shareholders of the company on February 20,2025. Accordingly, 9,800,000 Bonus Equity Shares were issued and allotted on February 28,2025. The bonus shares rank pari passu with the existing Equity Shares of the company.

Share Split during the Financial Year

During the year, the Company sub-divided its equity shares having face value of ₹10 each into 5 equity shares having face value of ₹2 each effective from 16 February 2026. Consequently, the number of equity shares increased from 14,700,000 shares to 73,500,000 shares without any change in the aggregate paid-up share capital of the Company. Earnings per share for all comparative periods presented has been adjusted retrospectively.

(b) Reconciliation of the number of shares and amount outstanding:

Particulars	As at March 31,2026		As at March 31,2025		As at March 31,2024	
	Number of shares (Millions)	Amounts (Rs.in Millions)	Number of shares (Millions)	Amounts (Rs.in Millions)	Number of shares (Millions)	Amounts (Rs.in Millions)
Equity shares outstanding at the beginning of the year	14.70	147.00	4.90	49.00	4.90	49.00
Add: Issued during the year			9.80	98.00	-	-
Add: On Account Of Stock Split	58.80	-				
Less: Shares bought back	-	-	-	-	-	-
Equity shares outstanding at the end of the year	73.50	147.00	14.70	147.00	4.90	49.00

(c) Detail of shares held by each shareholder holding more than 5% of the total number of equity shares:

Class of shares/name of the shareholders:	Number of shares		Number of shares		Number of shares	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares with voting rights						
(i) Mr. S.S Chauhan	3,87,11,800	52.67%	77,42,460	52.67%	24,10,820	49.20%
(ii) Mrs. Suman Chauhan	2,32,70,700	31.66%	46,54,140	31.66%	15,51,380	31.66%
(iii) Mr. Subey Singh		0.00%	10,35,000	7.04%	3,45,000	7.04%
(iv) Mr. Dharmendra	51,75,000	7.04%	10,35,000	7.04%	3,45,000	7.04%

Jai Parvati Forge Limited

Notes to Restated Financial Statements

NOTE 14: EQUITY SHARE CAPITAL

(d) Shareholding of promoters:

Shares held by promoters at end of the year Promotor name	As at March 31,2026		As at March 31,2025		Change in % of total shares
	Number of shares		Number of shares		
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Mr. S.S Chauhan	3,87,11,800	52.67%	77,42,460	52.67%	0.00%
Mrs. Suman Chauhan	2,32,70,700	31.66%	46,54,140	31.66%	0.00%
Mr. Virat Chauhan*	-	0.00%	6,22,500	4.23%	-100.00%
Mr. Vineet Chauhan	29,31,000	3.99%	5,86,200	3.99%	0.00%
Mrs Smriti Sindhu*	31,80,000	4.33%	13,500	0.09%	4611.11%
Mrs Iksha Chauhan*	2,31,000	0.31%	46,200	0.31%	0.00%
Mr Dharmendra*	51,75,000	7.04%	-	0.00%	100.00%

* part of promoter group

Shares held by promoters at end of the year Promotor name	As at March 31,2025		As at March 31,2024		Change in % of total shares
	Number of shares		Number of shares		
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Mr. S.S Chauhan	77,42,460.00	52.67%	24,10,820.00	49.20%	7.05%
Mrs. Suman Chauhan	46,54,140.00	31.66%	15,51,380.00	31.66%	0.00%
Mr. Virat Chauhan*	6,22,500.00	4.23%	2,07,500.00	4.23%	0.11%
Mr. Vineet Chauhan	5,86,200.00	3.99%	1,95,400.00	3.99%	-0.06%
Mrs Smriti Sindhu*	13,500.00	0.09%	4,500.00	0.09%	2.04%
Mrs Iksha Chauhan*	46,200.00	0.31%	15,400.00	0.31%	1.38%

* part of promoter group

NOTE 15: OTHER EQUITY

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(a) General Reserve			
Balance outstanding at the beginning of the year	200.00	200.00	200.00
Add: Additions during the year	-	-	-
Less: Utilised during the year	-	-	-
Balance outstanding at the end of the year	200.00	200.00	200.00
(b) Retained earnings			
Balance outstanding at the beginning of the year	1,296.11	1,135.16	894.26
Add: Net profit for the year	412.17	258.18	238.14
Add :Income on account of OCI	-0.90	0.76	2.76
Less: Issue of Bonus Share		98.00	-
Balance outstanding at the end of the year	1,707.38	1,296.11	1,135.16
Total	1,907.38	1,496.11	1,335.16

Jai Parvati Forge Limited

Notes to the Restated Financial Statement

NOTE 16: NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured - At amortised cost			
Term Loan form Banks & NBFC	641.76	612.04	518.58
Less: Current maturities of long term loans	188.48	178.77	125.76
Total (A)	453.29	433.28	392.82
Vehicle Loans from Banks	8.75	16.15	7.76
Less: Current maturities of long term loans	4.82	6.68	3.43
Total (B)	3.93	9.47	4.34
Total (A + B)	457.22	442.75	397.16

NOTE 16.1: NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Sr. No.	Name of Lender	Outstanding as on 31.03.2026	Repayment Tenure	ROI as at 31.03.2026	Security
1	Bajaj Finance Limited (Term Loan III)	38.54	20th Aug 2021 to 05th Jan 2027	8.75%	a) Extension of charge over the Land & Building situated at Village Bhagwanpur, Hadbast, No. 199, Tehsil Derabassi, District S.A.S. Nagar, Mohali-Punjab and Exclusive charge on assets to be financed through respective term loan. b) Personal Guarantee of Suman Chauhan, Vineet Chauhan, & SS Chauhan.
2	Bajaj Finance Limited (Term Loan IV)	22.11	30th Nov 2022 to 05th Dec 2027	8.75%	
3	Bajaj Finance Limited (Term Loan V)	59.50	30th Aug 2023 to 05th Sep 2029	8.10%	
4	Bajaj Finance Limited (Term Loan VI)	37.50	02nd Sep 2024 to 05th Sep 2030	8.45%	
5	Bajaj Finance Limited (Term Loan VII)	99.86	29th April 2025 to 5th May 2031	8.50%	
6	Bajaj Finance Limited (Term Loan VIII)	99.83	24th Dec 2025 to 5th Jan 2033	8.45%	
7	Canara Bank	156.73	July 2024 to Mar 2029	8.25%	a) First pari-pasu charge along with HDFC bank on Land & Building at hadbast no.198 village Behra Tehsil Derabassi S.A.S nagar, Punjab & hypothecation of furniture & fixtures & elctrical fittings to be financed through the Term Loans. b) First pari-pasu charge on entire fixed assets (Present & future) of the company excluding those exclusively charged to other Term lenders. c) First pari-pasu charge on factory Land & Building situated at village Bhagwanpur Derabassi admeasuring 12000 Sq Yards.
8	HDFC Bank	96.05	12th July 2024 to 12th Mar 2029	6.68%	d) Extension of charge on land measuring 4 Biga -01 Bisva at village Bhagwanpur (H.B 199) Tehsil Derabassi S.A.S Nagar Mohali. e) Exclusive first charge on LIC policies standing in the names of directors of SS Chauhan & Vineet Chauhan. f) Exclusive first charge on KDRs in the names of SS Chauhan, Suman Chauhan, Vineet Chauhan, Virat Chauhan & the Company.
9	HDFC Bank	10.28	30th June 2025 to 27th June 2030	7.75%	a) Exclusive charge on Solar plant and it's property, plant and equipment exclusively commissioned by HDFC bank.
10	HDFC Bank	3.00	14th July 2025 to 30th June 2030	7.75%	b) Personal Guarantee of SS Chauhan, Suman Chahuan, Vineet Chauhan & Virat Chauhan.
11	HDFC Bank	1.54	29th Sep 2025 to 30th June 2030	7.75%	c) Post Dated Cheques covering amount of newly sanctioned term loan.
12	HDFC Bank	4.56	30th Sep 2024 to 30th Aug 2029	7.34%	The loan is secured against charge on moveable properties, including moveable plant & machinery, machinery spares, tools and accessories and other moveables, both present and future, whether in the possession or under the control of the company or not.
13	HDFC Bank	10.06	30th Oct 2024 to 30th Aug 2029	7.34%	
14	HDFC Bank	2.21	30th Dec 2024 to 30th Aug 2029	7.34%	
15	HDFC Bank	0.19	15th Jan 2024 to 15th Jan 2027	8.75%	Vehicle loans are secured against hypothecation of respective vehicle for purchase of which loan is availed.
16	HDFC Bank	0.75	15th Sep 2023 to 15th Aug 2028	9.00%	
17	HDFC Bank	6.83	5th Oct 2024 to 5th Dec 2027	8.95%	
18	HDFC Bank	0.98	5th Nov 2024 to 5th Nov 2027	9.00%	

* Outstanding balance is Ind AS adjusted by Rs.1.67 Millions being processing fees

Jai Parvati Forge Limited
Notes to Restated Financial Statements

NOTE 17: NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Long term maturities of Lease Liabilities	150.23	227.28	226.03
Less: Current maturities of lease liabilities	62.73	73.91	60.84
Total	87.51	153.37	165.19

NOTE 18: NON-CURRENT FINANCIAL LIABILITIES - PROVISIONS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits			
Gratuity (refer note no. 39)	23.12	18.16	16.62
Total	23.12	18.16	16.62

NOTE 19: CURRENT FINANCIAL LIABILITIES - BORROWINGS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand			
Secured - At amortised cost			
From Banks			
Canara Bank	304.54	113.86	253.33
HDFC Bank	280.21	439.94	255.05
Current Maturities			
Current maturities of Long-term borrowings	193.29	185.44	129.19
	778.04	739.25	637.57
Current maturities of Lease Liabilities	62.73	73.91	60.84
Total	840.77	813.16	698.40

Note:

I) Working capital facilities from Canara Bank & HDFC Bank are secured by way of pari passu First charge on stocks & book debts and also first pari passu charge on entire fixed assets of the company (Present & future) at village Bhagwanpur at unit-1 measuring 12000 square yard and equitable mortgage of unit -2 land & building measuring 4 Bigha 1 Biswa at village Bhagwanpur (H.B 199) and also by personal guarantee of SS Chauhan, Suman Chauhan, Vineet Chauhan and Virat Chauhan.

NOTE 20: CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	8.81	6.13	3.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	321.20	184.61	139.06
Total	330.01	190.74	142.38

Jai Parvati Forge Limited

Notes to Restated Financial Statements

Note 20.1

On the basis of confirmations obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, dues disclosed as per the Micro, Small and Medium Enterprise Development Act, 2006 at the year end are below:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid to suppliers registered under MSMED Act,2006	8.81	6.13	3.32
Interest due thereon remaining unpaid			
Interest paid during the year			
Interest payable for delay in payment			
Interest accrued and remaining unpaid	0.78	1.22	0.46
Further interest remaining due and payable in succeeding year			

Note 20.2: Trade Payables Ageing

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2026					
Micro & Small Enterprises	8.81				8.81
Others	321.20				321.20
Dispute dues -Micro & Small Enterprises					-
Dispute dues					-
Others					-
Total	330.01	-	-	-	330.01

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2025					
Micro & Small Enterprises	6.13				6.13
Others	184.61				184.61
Dispute dues -Micro & Small Enterprises					
Dispute dues					
Others					
Total	190.74	-	-	-	190.74

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31,2024					
Micro & Small Enterprises	3.32				3.32
Others	138.72	0.34			139.06
Dispute dues -Micro & Small Enterprises					
Dispute dues					
Others					
Total	142.04	0.34	-	-	142.38

Jai Parvati Forge Limited
Notes to Restated Financial Statements

NOTE 21: OTHER FINANCIAL LIABILITIES

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Payable against Capital Goods	21.34	11.13	19.37
Total	21.34	11.13	19.37

NOTE 22: OTHER CURRENT LIABILITIES

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	5.82	24.48	21.30
Other Payables	86.40	57.04	59.47
Deferred Income on account of Government Grant	22.68	26.46	16.83
Total	114.90	107.97	97.61

NOTE 23: CURRENT FINANCIAL LIABILITIES - PROVISIONS

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits			
Gratuity (refer note no. 39)	2.25	1.67	2.18
Total	2.25	1.67	2.18

NOTE 24: CURRENT TAX LIABILITIES

(Rs. In Millions)			
Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for taxation (Net of Advance Tax & TDS Paid)	11.47	5.92	23.40
Total	11.47	5.92	23.40

Jai Parvati Forge Limited
Notes to Restated Financial Statements

NOTE 25: REVENUE FROM OPERATIONS

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Sale of products (refer note 25.1)	3,917.19	3,225.44	3,005.22
Sale of services	10.40	7.27	8.18
Other operating revenues (refer note 25.2)	277.25	230.41	197.50
Total	4,204.83	3,463.13	3,210.91

Note 25.1: Sale of products

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Sale of alloy steel	164.02	83.26	139.25
Sale of Manufactured Products	3,753.16	3,142.18	2,865.97
Total	3,917.19	3,225.44	3,005.22

Note 25.2: Other operating revenues

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Sale of Scrap	251.35	217.21	187.48
Sale of Manufactured Products for Industrial Application	7.36	4.49	2.28
Die Development Income	18.54	8.72	7.75
Total	277.25	230.41	197.50

NOTE 26: OTHER INCOME

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Other non-operating income:			
Interest Income	2.99	3.69	3.21
Foreign Ex.Fluctuation	6.64	-	0.01
Government Grant	4.68	2.06	0.04
Other Non-Operating Income (Net of Expenses directly attributable to such income)	1.04	0.98	2.19
Total	15.35	6.74	5.44

NOTE 27: COST OF MATERIAL CONSUMED

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Raw Materials & Components			
Inventory at the beginning of the year	98.92	33.14	61.69
Add: Purchases	2,372.44	1,944.69	1,771.60
	2,471.37	1,977.83	1,833.30
Less: Inventory at the end of the year	183.41	98.92	33.14
Total	2,287.96	1,878.91	1,800.16

NOTE 28: CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE & WORK-IN-PROGRESS

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Closing Stock:			
Work-in-progress	434.90	376.19	359.26
Scrap	2.60	1.44	1.11
Total	437.50	377.63	360.37
Opening Stock:			
Work-in-progress	376.19	359.26	380.91
Scrap	1.44	1.11	1.22
Total	377.63	360.37	382.12
Changes in inventory	-59.87	-17.26	21.75

Jai Parvati Forge Limited
Notes to Restated Financial Statements

NOTE 29: EMPLOYEE BENEFITS EXPENSE

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Salaries, wages and bonus	346.23	293.69	250.14
Director Remunerations	25.81	27.45	24.11
Contribution to provident and other fund	21.49	20.58	19.19
Gratuity and EL expenses (Refer Note 39)	7.80	6.24	5.81
Staff welfare expenses	6.78	5.41	4.69
Total	408.11	353.37	303.95

NOTE 30: FINANCE COSTS

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest expense			
- on Term Loan	57.46	54.17	28.31
- on Working Capital Facilities	40.65	39.86	40.29
- on Lease Liabilities	12.41	24.72	22.93
Other borrowing costs	3.07	7.48	5.59
Total	113.60	126.24	97.13

NOTE 31: DEPRECIATION AND AMORTIZATION EXPENSE

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Depreciation of Property, Plant & equipment	103.26	83.50	59.89
Depreciation/amortization of right-of-use assets	14.95	15.54	13.03
Amortization of intangible assets	0.63	0.68	0.35
Total	118.84	99.72	73.27

NOTE 32: OTHER EXPENSES

	(Rs. In Millions)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Furnance Oil, LPG Consumed	84.48	116.46	119.80
Stores & Consumables	112.28	104.38	77.03
Other Manufacturing Expenses			
Job Work Charges	88.96	76.35	70.84
Power and Electricity Charges	259.62	178.51	132.97
Repair & Maintenances			
- Plant & Machinery	89.63	58.55	50.97
- Building	3.45	2.13	13.86
- others	3.71	4.37	9.09
Administration, Selling and other expenses			
Rent	-	0.04	1.47
Rate,Fee & Taxes	3.79	4.42	0.98
Insurance	3.61	2.88	3.05
CSR Expenditure	6.66	5.71	5.05
Vehicle Running & Maintanance	4.32	3.65	1.78
Donations-Others	0.06	0.03	0.04
Advertising And Sales Promotion	5.94	3.27	2.47
Other Selling Expenses	106.42	93.46	83.09
Travelling & Conveyance Expenses	7.53	6.12	8.82
Office Expenses	7.44	6.49	6.73
Legal And Professional Fees	6.68	6.40	3.85
Payment To Auditors (Refer Note 32.1)	0.58	0.57	0.43
Director's Sitting Fees	0.32	0.14	-
Miscellaneous Expenses	4.96	3.40	3.18
Loss on Sale of Property, Plant & Equipment	1.50	-	0.37
Loss On De-Recognition of Financial Assets	3.67	-	-
Foreign Ex.Fluctuation	-	0.44	-
Provision for Expected Credit Losses	0.15	-	-
Total	805.75	677.77	595.86

Jai Parvati Forge Limited
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NOTE 32.1: Payment To Auditors

(Rs. In Millions)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Statutory Audit	0.30	0.30	0.33
Tax Audit	0.15	0.15	0.03
Cost Audit	0.08	0.07	0.07
Consultancy & Certification	0.05	0.05	-
Total	0.58	0.57	0.43

NOTE 33: EARNINGS PER SHARE

(Rs. In Millions)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025	For the year ended 31st March 2024
Net profit/(loss) available to equity shareholders	412.17	258.18	238.14
Weighted average number of equity shares outstanding during the period	7,35,00,000.00	7,35,00,000.00	7,35,00,000.00
Basic EPS (Rs)	5.61	3.51	3.24
Diluted EPS (Rs)	5.61	3.51	3.24

* The Company has issued and allotted 98,00,000 equity shares to the eligible holders of equity shares on the allotment date (i.e. 28th February 2025) as bonus shares by capitalising Retained Earnings. The EPS figures for the year ended 31st March, 2024 have been adjusted to give effect to the allotment of bonus shares as required by IND AS 33.

** During the year, the Company sub-divided its equity shares having face value of ₹10 each into 5 equity shares having face value of ₹2 each effective from 16 February 2026. Consequently, the number of equity shares increased from 1,47,00,000 shares to 7,35,00,000 shares without any change in the aggregate paid-up share capital of the Company. Earnings per share for all comparative periods presented has been adjusted retrospectively.

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34. Capital commitments, Contingent Liabilities and Contingencies

(₹ in Millions)

Particulars	31 March 2026	31 March 2025	31 March 2024
Capital Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	432.53	79.34	27.30
Contingent Liabilities			
Guarantees given by banks on behalf of the company	-	1.00	1.00

The capital commitments as at March 31, 2026, relate to the expansion of the Company's forging capacity through the installation of one 4,000 MT forging press, one 2,500 MT forging press, and two 1,000 MT forging press.

Jai Parvati Forge limited (JPFL) entered into to a Business Transfer Agreement dt. 16.01.2026 with D.S. Engineers Baddi (HP), a proprietorship firm of the promoters of JPFL. Under the agreement, D.S. Engineers (DSE) agreed to transfer its business to JPFL on a slump sale basis with effect from 1st April 2026.

Export Obligations

The Company has export obligations of Rs. 528.73 millions (31st March 2025: Rs. 512.00 millions and 31st March 2024: Rs. 312.91 millions) on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme.

In the Event of company's inability to meet its obligations, the company's liability would be Rs. 88.12 millions (31st March 2025: Rs. 85.33 millions and 31st March 2024: Rs. 52.15 millions) reduced in proportion to actual exports, plus applicable interest.

The Company has given bonds of Rs.77.99 millions (31st March 2025: Rs. 74.93 millions and 31st March 2024: Rs.57.46 millions) to custom authorities against these export obligations.

35. Corporate Social Responsibility

As per the provisions of section 135 of the Companies Act, 2013, the Company has incurred CSR expenditure of INR 6.66 millions during the financial year ended as on 31st March 2026. These provisions were also applicable to the company for the financial year ended as on 31st March 2025 and as on 31st March 2024.

Detail of the CSR expenditure incurred is as follows: -

(₹ in Millions)

Amount spent on	31 March 2026	31 March 2025	31 March 2024
On the purposes covered under schedule VII to Companies Act,2013	6.66	5.71	5.05

Disclosure related to Corporate social responsibility:

(₹ in Millions)

Particulars	31 March 2026	31 March 2025	31 March 2024
i) Amount required to be spent by the company during the year (A)	6.70	5.82	5.12
ii) Amount of expenditure incurred (B)	6.66	5.71	5.06
iv) Total of previous years (shortfall) / excess (C)	0.19	0.31	0.37
iii) (Shortfall) / Excess at the end of the year (D=A-B-C)	0.15	0.19	0.31
v) Reason for shortfall	-	-	-
vi) Nature of activity	Promoting Education	Promoting Education and Ensuring Environment Sustainability	Education, Health care & other CSR activities

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vii) Details of related party transactions:

- a) Contribution during the year ending 31st March 2026 – Nil, 31st March 2025- Nil, 31st March 2024- Nil
- b) Payable as at 31st March 2026 – Nil, 31st March 2025- Nil, 31st March 2024- Nil.

viii) The company has not incurred any liability by entering into a contractual obligation and accordingly has not made any provision in this regard.

36. Segment Reporting

The business activities of the company from which it earns revenue and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment i.e. Manufacturer of Forged and Precision Machined Components.

Revenue from one customer for the year ended 31 March 2026 is Rs. 814.26 millions which individually represents more than 10% of the total revenue of the Company. Further during the previous year ended 31 March 2025, Revenue from five customers amounting to Rs. 2,109.28 millions individually represents more than 10% of the total revenue of the Company and for previous year ended 31 March 2024, Revenue from five customers amounting to Rs. 2,062.53 millions individually represents more than 10% of the total revenue of the Company.

37. Related Party disclosures

a) Entities in which directors or their relatives exercise significant influence

D.S Engineers (acquired w.e.f. 01 April 2026)
Y.S Autotech

b) Key management personnel & their close members of family

Executive Chairman	Shri Sahender Singh Chauhan
Managing Director	Shri Vineet Chauhan
Whole-time Director	Shri Virat Chauhan (resigned w.e.f. 27-09-2025) Shri Animesh Maiti (resigned w.e.f 31-03-2026) Shri Narender Singh (resigned w.e.f. 24-04-2025) Smt. Smriti Sindhu Chauhan (appointed w.e.f 27-09-2025)
Independent Director	Smt. Arshdeep Kaur Shri. Varinder Kanda (resigned w.e.f. 30-06-2025) Shri. Maninder Singh Grewal (appointed w.e.f 27-09-2025) Shri. Kulwant Kumar Sharma (appointed w.e.f 31-10-2025)
Chief Financial Officer	Shri Maneesh Kumar Middha (retired w.e.f. 04-08-2025) Shri Vijay Kumar Sharma (appointed w.e.f 04-08-2025)
Company Secretary & Compliance Officer	Shri Gourav Kapoor
Close members of family of Key management personnel	Smt. Suman Chauhan Smt. Iksha Chauhan

c) Transactions with related parties have been set out below:

(₹ in Millions)			
Particulars	31 March 2026	31 March 2025	31 March 2024
Sale			
D.S. Engineers	379.19	417.19	290.15
Y.S. Autotech	-	-	-
Sale of Machinery			

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<i>(₹ in Millions)</i>			
Particulars	31 March 2026	31 March 2025	31 March 2024
D.S. Engineers	0.45	-	2.00
Purchase of Machinery			
D.S. Engineers	0.43	-	0.15
Job Work Income			
D.S. Engineers	0.21	-	0.02
Job Work Expenditure			
D.S. Engineers	19.63	17.09	28.87
Y.S. Autotech	0.17	0.16	0.22
Advance for acquisition of D.S. Engineers			
Smt. Suman Chauhan	35.00	-	-
Remuneration / Salary			
Shri Sahender Singh Chauhan	11.36	11.37	11.38
Shri Vineet Chauhan	8.00	8.01	8.02
Shri Virat Chauhan	3.38	7.41	7.42
Shri Narender Singh	0.05	0.73	0.74
Shri Animesh Maiti	1.20	0.51	-
Smt. Smriti Sindhu Chauhan	1.82	-	-
Shri Vijay Kumar Sharma	1.56	-	-
Shri Gourav Kapoor	1.53	0.58	-
Shri Maneesh Kumar Middha	1.81	1.72	0.73
Salary to Relative of Director			
Smt. Iksha Chauhan	-	0.36	1.81
Sitting Fees			
Arshdeep Kaur	0.10	0.14	-
Maninder Singh Grewal	0.12	-	-
Kulwant Kumar Sharma	0.10	-	-
Unsecured Loan			
Shri Vineet Chauhan	-	-	15.00

d) Balances with related parties have been set out below:

<i>(₹ in Millions)</i>			
Particulars	31 March 2026	31 March 2025	31 March 2024
Trade Receivable			
D.S. Engineers	85.28	25.73	24.91
Trade Payable			
Y.S. Autotech	0.02	0.01	0.02
Remuneration / Salary Payable			
Shri S.S Chauhan	0.91	0.91	0.91
Shri Vineet Chauhan	0.63	0.63	0.63

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<i>(₹ in Millions)</i>			
Particulars	31 March 2026	31 March 2025	31 March 2024
Shri Virat Chauhan	-	0.58	0.58
Shri Narender Singh	-	0.06	0.06
Shri Animesh Maiti	0.10	0.17	-
Smt. Iksha Chauhan	0.30	-	0.15
Shri Gourav Kapoor	0.14	0.13	-
Shri Maneesh Kumar Middha	-	0.15	0.14
Shri Vijay Kumar Sharma	0.20	-	-
Sitting Fees Payable			
Arshdeep Kaur	0.03	0.10	-
Maninder Singh Grewal	0.06	-	-
Kulwant Kumar Sharma	0.06	-	-
Advance for acquisition of D.S. Engineers			
Smt. Suman Chauhan	35.00	-	-

Note: Transactions with related parties are at arm's length price and the balance receivable/payable are un-secured.

38. Leases

The Company classifies the lease transactions as per the requirements of IND-AS 116 "Leases". The Company applied the exemption not to recognize Right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

Depreciation charge for Right-of-use assets is included under depreciation and amortization expense in the Statement of Profit and Loss. Further, to above, the Company has certain lease arrangement on short term basis, expenditure on which has been recognized under line item "Rent" under other expenses.

Nature of leasing activity:

The Company has entered into lease arrangements for plant & machinery.

Change in lease liabilities arising from financing activities:

<i>(₹ in Millions)</i>			
Particulars	31 March 2026	31 March 2025	31 March 2024
Opening lease liability	227.28	226.03	185.18
Addition to lease liabilities	15.55	91.42	121.03
Derecognition of lease liability			
Lease payments	92.60	90.17	80.19
Closing lease liability	150.23	227.28	226.03
Non-current	87.51	153.37	165.19
Current	62.73	73.91	60.84
Maturity analysis of lease liabilities:			
-less than 1 year	62.73	73.91	60.84
-between 1 to 3 years	74.80	139.84	146.38
-more than 3 years	12.70	13.53	18.81

39. Employee benefits

(a) Defined contribution plans

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The Company has recognized INR 21.49 millions (31st March 2025: INR 20.58 millions and 31st March 2024: INR 19.19 millions) towards post-employment defined contribution plans comprising Provident fund, Employee state insurance scheme and Labour Welfare Fund in the statement of profit and loss.

(b) Defined benefit plans

i) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

The liability determined by actuarial valuation using projected unit credit method is recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

In accordance with the standard, the disclosure relating to the Company's gratuity plan are provided below: -

Change in present value of obligations:

(₹ in Millions)

Particulars	31 March 2026	31 March 2025	31 March 2024
Present value of obligation at the beginning of the year	19.83	18.80	18.66
Interest cost	1.31	1.35	1.36
Current service cost	3.68	3.30	3.17
Past Service Cost – Incurred During the Period	0.62		
Benefits Paid	(1.29)	(2.60)	(0.71)
Actuarial (Gain)/Loss – Due to change in Demographic Assumptions			
Actuarial (Gain)/Loss – Due to change in Financial Assumption	(0.92)	0.64	0.13
Actuarial (Gain)/Loss – Due to Experience Adjustment	2.12	(1.66)	(3.81)
Present value of obligation at the end of the year	25.37	19.83	18.80

Change in the fair value of plan assets:

Particulars	31 March 2026	31 March 2025	31 March 2024
Fair value of plan assets at the beginning of the year	-	-	-
Expected Interest income	-	-	-
Contribution paid by employer	-	-	-
Benefits paid	-	-	-
Actuarial gain/(loss) on plan assets	-	-	-
Return on plan assets excluding interest income	-	-	-
Fair value of plan assets at the end of the year	-	-	-

Amount recognized in Balance sheet:

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(₹ in Millions)			
Particulars	31 March 2026	31 March 2025	31 March 2024
(Present value of obligation at the end of the year)	(25.37)	(19.83)	(18.80)
Fair value of plan assets at the end of the year		-	-
Net (Liability) / Asset recognized in balance sheet	(25.37)	(19.83)	(18.80)
- Current	(2.25)	(1.67)	(2.18)
- Non-current	(23.12)	(18.16)	(16.62)

Expenses recognized in the statement of profit and loss:

(₹ in Millions)			
Particulars	31 March 2026	31 March 2025	31 March 2024
Current service cost	3.68	3.30	3.17
Net interest cost	1.32	1.35	1.36
Past service cost - recognized	0.62	-	-
Total expense recognized in the profit & loss	5.62	4.65	4.53

Amounts recognized in other comprehensive income:

(₹ in Millions)			
Particulars	31 March 2026	31 March 2025	31 March 2024
Actuarial (Gains) / Losses on Obligations	1.20	(1.02)	(3.69)
Return on plan assets other than amounts included in net interest cost	-	-	-
Net (income)/expense for the period recognized in other comprehensive income	1.20	(1.02)	(3.69)

Principal actuarial assumptions used in determining gratuity benefit obligations are as follows:

Particulars	31 March 2026	31 March 2025	31 March 2024
Discount rate	7.23% p.a.	6.65% p.a.	7.18% p.a.
Expected rate of increase in compensation levels*	7.00% p.a.	7.00% p.a.	7.00% p.a.
Expected rate of return on plan assets	N.A.	N.A.	N.A.
Attrition	-	-	-

*The estimated rate of increase in compensation levels takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

40. Fair Value measurements

Financial instruments by category

(₹ in Millions)						
Particulars	Carrying Value			Fair Value		
	31 March 2026	31 March 2025	31 March 2024	31 March 2026	31 March 2025	31 March 2024
Financial Assets						
Investments in mutual fund	0.86	0.77	0.72	0.86	0.77	0.72
Trade Receivables	926.91	836.18	739.06	926.91	836.18	739.06
Others	39.32	59.05	52.84	39.32	59.05	52.84
Cash & Cash Equivalents	0.65	0.79	0.34	0.65	0.79	0.34

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(₹ in Millions)

Particulars	Carrying Value			Fair Value		
	31 March 2026	31 March 2025	31 March 2024	31 March 2026	31 March 2025	31 March 2024
Bank Balance	29.04	3.26	3.07	29.04	3.26	3.07
Total Financial assets	996.77	900.06	796.03	996.77	900.06	796.03
<u>Financial Liabilities</u>						
Borrowings & Lease Liabilities	1,385.49	1,409.28	1,260.75	1,385.49	1,409.28	1,260.75
Trade Payable	330.01	190.74	142.38	330.01	190.74	142.38
Others	21.34	11.13	19.37	21.34	11.13	19.37
Total Financial liabilities	1,736.83	1,611.15	1,422.50	1,736.83	1,611.15	1,422.50

(i) Valuation techniques used to determine fair values

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Specific valuation technique used to value financial instrument includes:

- > the use of quoted market prices or dealer quotes for similar financial instruments.
- > the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis

The following method and assumptions are used to estimate fair values:

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short-term nature.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowings fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

Financial assets and liabilities measured at fair value and the carrying amount is the fair value.

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the Company has classified its financial instruments into three levels prescribed under the accounting standards.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of the Company's asset and liabilities, grouped into Level1 to Level 3 as described below:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

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Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(₹ in Millions)

Particulars	Fair value measurements using			
	Carrying value 31 March 2026	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets & liabilities at fair value through profit or loss				
Financial Assets:				
Investments in mutual funds	0.86	0.86	-	-
Total	0.86	0.86	-	-
Financial Assets & liabilities at amortised cost				
Financial Assets:				
Security Deposit	39.32	-	39.32	-
Total	39.32	-	39.32	-
Financial liabilities:				
Long-term borrowings (including current maturities)	650.51	-	650.51	-
Lease liabilities (including current maturities)	150.23	-	150.23	-
Short-term borrowings	584.75	-	584.75	-
Total	1,385.49	-	1,385.49	-

(₹ in Millions)

Particulars	Fair value measurements using			
	Carrying value 31 March 2025	Quoted price in active market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets & liabilities at fair value through profit or loss				
Financial Assets:				
Investments in mutual funds	0.77	0.77	-	-
Total	0.77	0.77	-	-
Financial Assets & liabilities at amortised cost				
Financial Assets:				
Security Deposit	59.05	-	59.05	-
Total	59.05	-	59.05	-

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Financial liabilities:				
Long-term borrowings (including current maturities)	628.19	-	628.19	-
Lease liabilities (including current maturities)	227.28	-	227.28	-
Short-term borrowings	553.81	-	553.81	-
Total	1,409.28	-	1,409.28	-

(₹ in Millions)

Particulars	Fair value measurements using			
	Carrying value 31 March 2024	Quoted price in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets & liabilities at fair value through profit or loss				
Financial Assets:				
Investments in mutual funds	0.72	0.72	-	-
Total	0.72	0.72	-	-
Financial Assets & liabilities at amortised cost				
Financial Assets:				
Security Deposit	52.84	-	52.84	-
Total	52.84	-	52.84	-
Financial liabilities:				
Long-term borrowings (including current maturities)	529.35	-	529.35	-
Lease liabilities (including current maturities)	226.03	-	226.03	-
Short-term borrowings	508.38	-	508.38	-
Total	1,260.75	-	1,260.75	-

41. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company's risk management is carried out by management under policies approved by the Board of Directors from time to time. Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the various stakeholders. The Board of Directors approves written principles for overall financial risk management, as well as written policies covering specific areas, such as credit risk, use of derivative financial instruments and non-derivative financial instruments.

The Company's activities are exposed to Market risk, Credit risk and Liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

(A) Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial

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loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, considering the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward-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 counterparty's ability to meet its obligation.
- (iv) Significant increase in credit risk and other financial instruments of the same counterparty.
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The Company's major exposure is from trade receivables, which are unsecured and contractually due from external customers. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

(B) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling, forecast on the basis of expected cash flows. The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

<i>(₹ in Millions)</i>				
<u>31 March 2026</u>	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings:				
Working Capital Limits	584.75	-	-	584.75
Term Loan	193.29	425.00	32.22	650.51
Lease Liability including Finance Charge	74.60	97.40	-	172.00
Non-Interest-bearing borrowings:				
Trade and Other payable	330.01	-	-	330.01
% to Total	68.08%	30.07%	1.85%	100%
<u>31 March 2025</u>				
Interest bearing borrowings:				
Working Capital Limits	553.81	-	-	553.81
Term Loan	183.43	440.60	4.17	628.19
Lease Liability including Finance Charge	93.65	175.76	-	269.41
Non-Interest-bearing borrowings:				
Trade and Other payable	190.74	-	-	190.74
% to Total	62.21%	37.54%	0.25%	100%
<u>31 March 2024</u>				
Interest bearing borrowings:				
Working Capital Limits	508.38	-	-	508.38

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

(₹ in Millions)

31 March 2026	0-1 Years	1-5 Years	More than 5 Years	Total
Term Loan	129.19	391.37	5.79	526.35
Lease Liability including Finance Charge	81.26	190.39	-	271.65
Non-Interest-bearing borrowings:				
Trade and Other payable	142.38	-	-	142.38
% to Total	59.33%	40.08%	0.59%	100%

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk mainly through its sales to overseas customers and purchases from overseas suppliers in foreign currencies.

Foreign currency exposure:

FY	Particulars	Currency	Amount in Foreign currency (In Actual)	Rs. in Millions
31 March 2026	Trade receivables	EURO	4,77,088.98	51.55
		USD	25,289.60	2.36
31 March 2025	Trade receivables	EURO	1,49,929.41	13.86
		USD	286.34	0.02
31 March 2024	Trade receivables	EURO	16,425.71	1.46

Foreign currency risk exposure remained low during the year due to the insignificant proportion of transactions and balances denominated in foreign currencies.

(ii) Interest rate risk

Interest rate 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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligation at floating interest rates which is not material.

(iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of raw material and therefore requires a continuous supply. The Company operations may impact due to changes in prices of those raw materials.

42. Capital Management

The Company's objective when managing capital are to

- Safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of following gearing ratio Net debt (total borrowing net of cash and cash equivalents) divided by total equity

<i>(₹ in Millions)</i>			
Particulars	31 March 2026	31 March 2025	31 March 2024
Total Borrowings	1,385.49	1,409.28	1,260.75
Less: Cash and Cash equivalents	0.65	0.80	0.34
Net Debt (A)	1,384.84	1,408.48	1,260.41
Equity share capital	147.00	147.00	49.00
Other equity	1,907.38	1,496.10	1,335.16
Total Equity (B)	2,054.38	1,643.10	1,384.16
Total Equity and net debt (C=A+B)	3,439.22	3,051.58	2,644.57
Gearing ratio (Times) (A/C)	0.40	0.46	0.48

43. Value of imports on CIF basis in respect of:

<i>(₹ in Millions)</i>				
Sr. No.	Particulars	2025-26	2024-25	2023-24
1.	Capital Goods, Stores & Spares and other services	15.03	42.65	0.49
	Total Amount	15.03	42.65	0.49

44. Other Regulatory information

- (i) The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami transactions (Prohibitions) Act, 1988.
- (ii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds in 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.
- (vi) The Company has 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:
 - (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

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) There is no Immovable Properties Title deeds of those are not held in the name of the Company.
- (ix) The company has no investment property and accordingly its fair valuation is not required at year end.
- (x) No revaluation of Property, Plant & Equipment (Including ROU) & Intangible assets has been carried out during the year.
- (xi) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are
 - i. repayable on demand; or
 - ii. without specifying any terms or period of repayment.
- (xii) The company has not defaulted on loan from any bank or financial Institution or other lender
- (xiii) The company has borrowings from banks, secured by hypothecation of inventories and by a charge on book debts and other assets of the company, and quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts without any material discrepancies.
- (xiv) The company is not declared wilful defaulter by any bank or financial institution or other lender.
- (xv) The company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.
- (xvi) The company has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

Jai Parvati Forge Limited
Notes to Restated Financial Statements

(xvii) Ratios

AVN), Ratios

Particulars	Year	Numerator	Denominator	Ratio	Change %	Comments	
Current Ratio	2026	1,714.36	1,320.73	1.30	4.14%	NA	
(Current Assets/Current Liabilities)	2025	1,409.21	1,130.59	1.25	2.77%	NA	
	2024	1,192.70	983.35	1.21			
Debt-Equity Ratio	2026	800.74	2,054.38	0.39	-25.14%	The ratio has improved due to substantial increase in sales and profit as compared to the previous financial year	
(Interest bearing Long term Debts (Including Current Maturity) + Other Fixed Payments including lease both short term and long term)/ Shareholders' Equity	2025	855.47	1,643.10	0.52	-4.56%		
	2024	755.08	1,384.16	0.55			
Debt Service Coverage Ratio	2026	599.56	338.20	1.77	24.72%	NA	
(Earnings available for debt services / debt Service) Earnings for debt service = Net Profit after taxes + Non-cash operating exp. + Interest + Other adj like loss on sale of asset etc. Debt service = Interest & Lease Payments + Principal Repayments	2025	436.82	307.31	1.42	-24.43%	NA	
	2024	366.23	194.70	1.88			
Return on Equity Ratio	2026	412.17	1,848.86	22.26%	30.10%	The ratio has improved due to substantial increase in sales and profit as compared to the previous financial year	
Net Profits after taxes - Preference Dividend / Average Shareholders' Equity	2025	258.18	1,513.63	17.11%	-10.26%	NA	
	2024	238.14	1,263.71	19.06%			
Inventory turnover ratio	2026	4,204.83	559.67	7.51	-3.07%	NA	
Cost of Goods Sold OR Sales / Average Inventory Average Inventory is (Opening + Closing balance /2)	2025	3,463.13	446.81	7.75	4.84%	NA	
	2024	3,210.91	434.31	7.39			
Trade Receivable turnover ratio	2026	4,204.83	881.54	4.77	6.79%	NA	
Net Credit Sales / Avg. Accounts Receivable	2025	3,463.13	775.31	4.47	-9.37%	NA	
	2024	3,210.91	651.51	4.93			
Trade Payable turnover ratio	2026	2,372.44	260.37	9.11	-21.96%	NA	
Net Credit Purchase/ Avg. Trade Payables	2025	1,944.69	166.56	11.68	10.14%	NA	
	2024	1,771.60	167.12	10.60			
Net capital turnover ratio	2026	4,204.83	393.63	10.68	-14.06%	NA	
Net Sales / Working Capital	2025	3,463.13	278.62	12.43	-18.96%	NA	
	2024	3,210.91	209.35	15.34			
Net Profit Ratio	2026	412.41	4,204.83	9.81%	31.56%	The ratio has improved due to substantial increase in sales and profit as compared to the previous financial year	
Net Profit / Net Sales	2025	258.18	3,463.13	7.46%	0.28%	NA	
	2024	238.14	3,210.91	7.43%			
Return on Capital Employed	2026	659.40	3,588.63	18.37%	22.09%	NA	
(Earning before Interest and Taxes / Capital Employed) Capital Employed= Tangible Net worth + Total Debt + Deferred Tax Liability	2025	477.34	3,171.73	15.05%	-2.53%	NA	
	2024	421.35	2,728.97	15.44%			

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

45. First time adoption

The financial statement for the period ended 31st March 2025 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 1st April 2023. Up to the Financial year ended 31st March 2024, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Restated Ind AS financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Restated Ind AS Financial Statements as at and for the year ended 31st March 2024 and 31st March 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (1st April 2023) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended 31st March 2025 and 31st March 2026.

I. Exemptions applied

1. Mandatory exception:

a) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revive the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried at amortized cost
- Impairment of financial assets based on the expected credit loss model.

b) Classification and measurement of financial assets

IND AS 101 required an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

2. Optional Exemptions

a) Deemed cost for property, plant and equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial Statement as at the date of transition to Ind-AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment. Accordingly, the company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as deemed cost at the date of transition. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on the transition date i.e. 1st April 2023 while preparing the Restated financial statements.

b) Leases

The Company has adopted Ind AS 116 by applying exemption provided under Ind AS 101. Following approach is followed on transition date (1st April 2023) when applying Ind AS 116 initially.

- (i) Lease liability is recognized, for leases which were previously classified as operating leases by measuring the present

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

- value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
- (ii) A right of use assets is recognized at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the Statement of assets and liabilities immediately before the date of initial application.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Excluded the initial direct costs from the measurement of the right of use asset at the date of initial application.

II. Reconciliation of total equity between previous GAAP and Ind AS

(₹ in Millions)

Particulars	31 March 2024
Total equity reported earlier under previous GAAP	1,271.23
(i) Ind AS adjustments	
- Adjustment of opening balance of equity	71.12
- Prior Period errors	13.54
- Leases	42.70
- Financial assets measured at Fair Value	2.22
- Gain on De-recognition of Financial Liability	-
- Adjustment for Effective interest rate adjustment on borrowing	-0.10
- Tax adjustments	-16.55
(ii) Restatement adjustments	-
Total equity as per Ind AS	1,384.16

III. Reconciliation of total comprehensive income between previous GAAP and Ind AS

(₹ in Millions)

Particulars	31 March 2024
Profit for the year reported earlier under previous GAAP	199.09
(i) Ind AS adjustments	
- Prior Period Errors & Change in Estimation of Useful Life, - PPE	13.54
- Leases	42.70
- Financial assets measured at Fair Value	2.22
- Gain on De-recognition of Financial Liability	-
- Adjustment for Effective interest rate adjustment on borrowing	-0.10
- Remeasurement of defined benefit plan reclassified to OCI	-3.69
Decrease in Deferred Tax Expenses due to Ind AS Adjustments	-15.62
Tax Effect of OCI Items	-
(ii) Restatement adjustments	-
Profit for the year reported earlier under Ind AS	238.14
- Other comprehensive income	3.69
- Tax adjustments	-0.93
Total comprehensive Income as reported under Ind AS	240.90

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

IV. Notes to first time adoption

(a) Leases

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognized a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortized over the lease term on a straight line basis and lease liability is measured at amortized cost at the present value of future lease payments.

(₹ in Millions)

The impact arising from the change is as follows:	Increase/ (decrease)
Restated Statement of Profit and Loss	31 March 2024
Rent expense	-75.27
Capitalisation of Interest & Charges Paid before Commencement of Lease	-3.39
Interest expense on financial liabilities measured at amortised cost - on lease liabilities	22.93
Depreciation expense	13.03
Adjustment before income tax – (Profit) / loss	-42.70

	Increase/ (decrease)
Restated Statement of Assets and Liabilities	31 March 2024
Assets: Right-of-use assets	319.09
Liabilities: Lease liabilities (Borrowings)	226.03

(b) Adjustment for Effective interest rate adjustment on borrowing

As per Ind AS 109, the Company has classified Term Loans as financial liabilities to be measured at amortized cost. The borrowings have been restated as at the date of transition using effective interest method i.e., (Transaction value Less unamortized portion of transaction cost) and subsequently measured at amortized cost.

(c) Deferred Taxes

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between

the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in relation to the underlying transaction either in retained earnings or through other comprehensive income.

(₹ in Millions)

The impact arising from the change is as follows:	Increase/ (decrease)
Restated statement of Profit & Loss	31 March 2024
Tax adjustments on Ind AS adjustments	
Deferred tax impact on lease	23.42
Deferred tax impact on financial assets measured at amortized cost	(1.92)

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

Deferred tax impact on financial liability measured at amortized cost	0.09
Deferred tax impact on Government Grant	0.68
Deferred tax impact on Other Temporary Difference	(5.74)
Adjustment before income tax - Profit / (loss)	
	Increase/ (decrease)
Restated Statement of Assets and Liabilities	31 March 2024
Liability: Deferred tax Liability(net)	16.54

(d) Remeasurements of the defined benefit plans reclassified to OCI

Under Previous GAAP, the Company recognized remeasurement of defined benefit plans under Statement of Profit and Loss. Under Ind AS, remeasurement of defined benefit plans are recognized immediately in the Restated Consolidated Financial Information with a corresponding debit or credit to retained earnings through OCI.

(e) Prior Period Error

Under the previous GAAP, The Company was claiming depreciation on block of assets, assuming residual value as Nil. As per Schedule II of Companies Act, 2013 the company can opt for different residual value lower than 5% subject to a condition that the financial statements shall disclose such difference and provide justification in this behalf duly supported by technical advice. However, in the absence of any justification or material basis the depreciation has been recalculated assuming residual value of 5%

(f) Change in Estimate of Useful Life

The Company was charging Depreciation as per the Useful life provided by the Schedule II of Companies Act 2013. The Company has opted to change its estimate of useful life of assets based on a report from a Certified Valuer and change the depreciation prospectively.

46. Statement of Restated Adjustments to the Audited Financial Statements and Audited Special Purpose Financial Statements

46.1 Reconciliation between audited equity and restated equity

(₹ in Millions)

Particulars	For the year ended		
	31 March 2026	31 March 2025	31 March 2024
Total Equity as per Audited Financial Statements and the Audited Special Purpose Financial Statements	2,054.38	1,643.11	1,271.23
(i) Audit Qualification	-	-	-
(ii) Adjustment due to change in Accounting Policy/ Material Error/other adjustments	-	-	129.49
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-16.56
Total Adjustments (i+ii+iii)	-	-	112.93
Total Equity as per restated financial information	2,054.38	1,643.11	1,384.16

Jai Parvati Forge Limited
Notes to the Restated Financial Statements
(Amount in INR Millions, unless otherwise stated)

(₹ in Millions)

Particulars	For the year ended		
	31 March 2026	31 March 2025	31 March 2024
Profit after tax as per Audited Financial Statements and the Audited Special Purpose Financial Statements	411.27	258.95	199.09
(i) Audit Qualification	-	-	-
(ii) Adjustment due to change in Accounting Policy/ Material Error/other adjustments	-	-	58.36
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-16.56
Total Adjustments (i+ii+iii)	-	-	41.81
Total Equity as per restated financial information	411.27	258.95	240.90

46.2 Appropriate regrouping have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss & Restated, Statement of Cash flows, wherever required, by regrouping of the corresponding items of income, expenses, assets and liabilities and cash flows, in order to bring them in line with the presentation as per the Audited Financial Statement for the year ended March 31, 2026 prepared in accordance with Schedule III (Division II) of the Act, as amended, 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.

47. Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary, to conform with the current year's presentation.

As per report of even date attached

For Ashwani K Gupta & Associates
Chartered Accountants
Firm's Registration No. 003803N

For and on behalf of the Board of Directors
Jai Parvati Forge Limited

Munish Goel
Partner
Membership No.:553043

Sahender Singh Chauhan
Executive Chairman
DIN: 01723352

Vineet Chauhan
Whole Time Director
DIN: 01635995

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043ACTMJW5357

Vijay Kumar Sharma
Chief Financial Officer
M.No.: 089547

Gourav Kapoor
Company Secretary
M.No.: 12118

PRO FORMA FINANCIAL INFORMATION

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PROFORMA FINANCIAL INFORMATION

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN THE DRAFT RED HERRING PROSPECTUS ("DRHP"), RED HERRING PROSPECTUS ("RHP") AND PROSPECTUS (COLLECTIVELY REFERRED TO AS "OFFER DOCUMENTS") IN CONNECTION WITH PROPOSED INITIAL PUBLIC OFFERING OF JAI PARVATI FORGE LIMITED.

To

The Board of Directors

Jai Parvati Forge Limited

Village Bhagwanpur, Barwala Road, Derabassi

S.A.S Nagar, Mohali

140507

Report on the Compilation of Pro Forma Financial Information Included in the Offer Document

1. We have completed our assurance engagement to report on the compilation of Pro forma Financial Information of Jai Parvati Forge Ltd. The Pro forma Financial Information consists of the Pro forma Condensed Combined Balance Sheet as at March 31, 2026, the Pro Forma Condensed Combined Statement of Profit and Loss (including Other Comprehensive Income) for the year ended March 31, 2026, and related notes thereon (hereinafter referred as 'Pro forma Financial Information') as approved by the Board of Directors of the company at their meeting held on August 12, 2026. The applicable criteria on the basis of which the management has compiled the Pro forma Financial Information are specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations"), as amended from time to time and described in Note 2 to the Proforma Financial Information.
2. The Proforma Financial Information has been compiled by Management to show the effect of acquisition of M/s D.S. Engineers through Slump Sale on going concern basis subsequent to March 31, 2026 and as set out in note 2 to the Proforma Financial Information on the Company financial position as at March 31, 2026 as if the aforesaid acquisitions had been consummated on April 01, 2025 and its financial performance for the year ended March 31, 2026 as if the aforesaid acquisitions had been consummated on April 01, 2025.
3. As a part of this process, the Information about the Company financial position and financial performance is compiled from:
 - i) The Restated Financial Statement of Assets and Liabilities as at March 31, 2026 and Restated Financial Statement of Profit and Loss (including Other Comprehensive Income) for the year ended March 31, 2026 of Jai Parvati Forge limited
 - ii) The audited special purpose financial statements of M/s D.S. Engineers as at and for the ended at March 31, 2026 Audited by us, on which we have issued unmodified audit opinion vide their audit report dated June 15, 2026

Management's Responsibility for the Pro forma Consolidated Financial Information

4. The Management is responsible for compiling the Pro forma Financial Information on the basis stated in Note 2 to the Pro forma Financial Information and the same has been approved by the Board of Directors of the Company. The Management's responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro forma Financial Information on the basis stated in Note 2 to the Pro Forma Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro forma Financial Information.

Practitioner's Responsibilities

5. Our responsibility is to express an opinion, about whether the Pro forma Financial Information of the Company has been compiled, in all material respects, by the Management on the basis stated in Note 2 to the Pro forma Financial Information.
6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, *"Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus"*, issued by the Institute of Chartered Accountants of India. This Standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Pro forma Financial Information on the basis stated in Note 2 to the Pro forma Financial Information.
7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the Financial Information used in compiling the Pro forma Financial Information.
8. The purpose of Proforma Financial Information included in the Offer Document is solely to illustrate the impact of acquisition of business of M/S D.S. Engineers on going concern basis through slump sale on the unadjusted Financial Information of the company as if the acquisition had been undertaken at an earlier date. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at April 01, 2026 would have been, as presented.
9. A reasonable assurance engagement to report on whether the Proforma Financial Information has been compiled, in all material respects, on the basis of stated in note 2 to the Proforma Financial Information, involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Pro forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
 - a. The related Proforma adjustments give appropriate effect to those applicable criteria; and
 - b. The Proforma Financial Information reflects the proper application of those adjustment to the unadjusted financial information.
10. The procedures selected depend on the Practitioner's judgment, having regard to the Practitioner's understanding of the nature of the company, the acquisition in respect of which the Pro forma financial information has been compiled, and other relevant engagement circumstances.
11. The engagement also involves evaluating the overall presentation of the Proforma Financial Information.
12. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

13. In our opinion, the Proforma Financial Information has been compiled, in all material respects, on the basis stated in Note 2 to the Proforma Financial Information.

Emphasis of matters

14. We draw attention to Note 2 to the accompanying Proforma Financial Information with regard to

inclusion of Proforma Financial Information on a voluntary basis and not required to be included as part of the Proforma Financial Information as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Our opinion is not modified in respect of above matter

Restrictions on Use

1. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by us or other Auditors. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
2. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with the SEBI, National Stock Exchange of India and BSE Limited in connection with the proposed initial public offering of the Company. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Financial Information is not a complete set of financial statements of the company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable and is not intended to give a true and fair view of the Proforma Balance Sheet and Proforma Statement of Profit and Loss of the company for the year ended March 31, 2026 in accordance with the Indian Accounting Standards prescribed under section 133 of the Act, as applicable. As a result, these unaudited Proforma Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Ashwani K Gupta & Associates
Chartered Accountants
FRN: 003803N
Peer Review no. 023659

(Munish Goel)
M. No. 553043
Partner
Date: 12-08-2026
Place: Derabassi
UDIN: 26553043TTYMZS19

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418
Proforma Condensed Combined Balance Sheet
(Amount in INR millions, unless otherwise stated)

	Jai Parvati Forge Limited	D.S. Engineers (Acquisition)	Proforma Adjustments	Proforma Condensed Combined Balance Sheet
	(A)	(B)	(C)	(A+B+C)
Particulars	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026	As at March 31st, 2026
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	1,937.32	95.39		2,032.72
(b) Right-of-use assets	304.89	33.84	-	338.74
(c) Other intangible assets	1.43	-	-	1.43
(d) Intangible assets under development	-	-	-	-
(e) Capital work-in-progress	10.59	-		10.59
(f) Financial assets				-
(i) Investments	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Trade receivables	-	-	-	-
(vi) Other financial assets	33.60	4.02	-	37.62
(g) Deferred tax assets (net)	-	-	-	-
(h) Other non-current asstes	90.94	-	-35.00	55.94
Total non-current assets	2,378.78	133.26	-35.00	2,477.04
(2) Current Assets				
(a) Inventories	633.66	52.12	-2.54	683.24
(b) Financial assets				-
(i) Investments	0.86	-	-	0.86
(ii) Trade receivables	926.91	101.26	-85.28	942.89
(iii) Cash and cash equivalents	0.65	0.15	-	0.80
(iv) Bank balance other than (iii) above	29.04	-	-	29.04
(v) Loans	-	-	-	-
(vi) Other financial assets	5.71	-	-	5.71
(c) Current tax assets (net)	-	-	-	-
(d) Other current assets	117.53	1.10	-	118.63
Total current assets	1,714.36	154.62	-87.81	1,781.17
TOTAL ASSETS	4,093.14	287.88	-122.81	4,258.22
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	147.00			147.00
(b) Other Equity	1,907.38	73.38	-67.94	1,912.82
Total Equity	2,054.38	73.38	-67.94	2,059.82
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				-
(i) Borrowings	457.22	48.52	-	505.74
(ia) Lease Liabilities	87.51	12.91	-	100.41
(ii) Other financial liabilities	-	-	-	-
(b) Provisions	23.12	3.95	-	27.07
(c) Deferred tax liabilities (net)	150.20	-	-	150.20
(d) Other non-current liabilities	-	-	-	-
Total non-current liabilities	718.04	65.38	-	783.42
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	778.04	18.69	-	796.73
(ia) Lease liabilities	62.73	7.19	-	69.91
(ii) Trade payables				-
(a) total outstanding dues of micro enterprises and small enterprises	8.81	23.63	-	32.44
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	321.20	88.78	-85.28	324.71
(iii) Other Financial Liabilities	21.34	-	30.40	51.74
(b) Other current liabilities	114.90	10.48		125.38
(c) Provisions	2.25	0.35	-	2.60
(d) Current tax liabilities (net)	11.47	-	-	11.47
Total current liabilities	1,320.73	149.12	-54.88	1,414.98
TOTAL EQUITY AND LIABILITIES	4,093.14	287.88	-122.81	4,258.22

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Ashwani k Gupta & Associates
Chartered Accountants
FRN. 003803N

For and on behalf of the Board of Directors of Jai Parvati Forge Limited

Munish Goel
Partner
Membership No. 553043

SAHENDER SINGH CHAUHAN
Executive Chairman
DIN: 01723352

VINEET CHAUHAN
Managing Director
DIN: 01635995

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043TTYMZS1902

VIJAY KUMAR SHARMA
Chief Financial Officer
M.No: 089547

GOURAV KAPOOR
Company Secretary
M.No.: 12118

Jai Parvati Forge Limited
CIN:U29301PB2004PLC050418

Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2026

(Amount in INR millions, unless otherwise stated)

	Jai Parvati Forge Limited	D.S. Engineers	Intercompany Elimination	Proforma Condensed Combined Statement of Profit and Loss
	(A)	(B)	(C)	(A+B+C)
Particulars	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026	For the period ended 31st March 2026
I Revenue from operations	4,204.83	782.56	-400.13	4,587.26
II Other income	15.35	0.35	-	15.70
III Total Income (I+II)	4,220.18	782.91	-400.13	4,602.96
IV Expenses				-
Cost of Material Consumed	2,287.96	564.42	-379.19	2,473.18
Purchase of stock in trade	-			-
(Increase)/Decrease in inventories of finished goods, stock-in-trade and work-in-progress	-59.87	-4.28	2.54	-61.62
Employee benefit expense	408.11	68.67	-	476.77
Finance Costs	113.60	17.81	-	131.41
Depreciation and amortization expense	118.84	8.61	-	127.45
Other expenses	805.75	88.42	-20.94	873.23
Total Expenses (IV)	3,674.38	743.65	-397.59	4,020.44
V Profit/(Loss) before exceptional items (III-IV)	545.80	39.26	-2.54	582.52
VI Exceptional items	0.62			0.62
VII Profit/(Loss) before tax (V-VI)	545.17	39.26	-2.54	581.90
VII Tax Expense				-
(1) Current Tax	102.83	13.42		116.25
(2) Deferred Tax	29.76			29.76
(3) Taxation of earlier years	0.41	0.91		1.33
Total Tax Expense	133.00	14.33	-	147.34
IX Profit/(Loss) for the year from continuing operations (VII-VIII)	412.17	24.93	-2.54	434.56
X Other Comprehensive Income				-
A (i) Items that will not be reclassified to profit or loss	-1.20	-0.00		-1.21
(ii) Less: Income tax relating to items that will not be reclassified to profit or loss	-0.30			-0.30
B (i) Items that will be reclassified to profit or loss				-
(ii) Less: Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other comprehensive income(Loss)	-0.90	-0.00	-	-0.91
XI Total comprehensive income (IX+X)(Comprising Profit/(Loss) and other comprehensive income for the year	411.27	24.92	-2.54	433.66
XII Earning per equity share of Rs. 10/- each				
Basic (in Rs.)	5.61	-		5.91
Diluted (in Rs.)	5.61	-		5.91

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
For Ashwani k Gupta & Associates
Chartered Accountants
FRN. 003803N

For and on behalf of the Board of Directors of Jai Parvati Forge Limited

Munish Goel
Partner
Membership No. 553043

SAHENDER SINGH CHAUHAN
Executive Chairman
DIN: 01723352

VINEET CHAUHAN
Managing Director
DIN: 01635995

Place: Derabassi
Date: 12-08-2026
UDIN: 26553043TTYMZS1902

VIJAY KUMAR SHARMA
Chief Financial Officer
M.No: 089547

GOURAV KAPOOR
Company Secretary
M.No.: 12118

Notes to Pro Forma Financial Information:

1. Background

The Company is engaged in “**Manufacturer of Forged and Precision Machined Components**”. The company has registered office at village Bhagwanpura, Barwala Road, Derabassi, S.A.S Nagar, Mohali, 140507.

Subsequent to the year ended March 31, 2026, the Company has undertaken the following acquisitions in respect of which the Proforma Financial Information is being prepared:

On 1st April 2026 (“The Effective Date”) the company has entered into an agreement for acquisition of entire business of D.S. Engineers (herewith referred as “**Acquired entity**”) on going concern basis as a part of slump sale transactions at INR 65.40 Million. Consideration is payable in cash as cash equivalents.

2. Basis of Preparation

The Unaudited Proforma Financial Information have been voluntarily prepared by the Company considering that the acquisition is significant for the purpose of the business. Considering the financial information of the Acquired Enterprises the Company, as advised by Book Running Lead Manager and based on their discussion, included such information in the Proforma Financial Information, although the same is not required to be mandatorily included as per SEBI Regulations, as amended.

The pro-forma financial information of the company comprising of the Pro forma Condensed Combined Balance-Sheet as at 31 March 2026 and Pro forma Condensed Combined Statement of Profit and Loss (including other comprehensive income) for the year ended 31st March 2026, read with notes to the pro-forma financial information (hereinafter referred to as the ‘pro-forma financial information’), is prepared to reflect the acquisition of D.S. Engineers. The pro forma financial information has been prepared pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) for the purposes of inclusion in the Draft Red Herring Prospectus (‘DRHP’), Red Herring Prospectus (RHP) and Prospectus (collectively referred as “Offer Document”).

The Pro forma Condensed Combined Balance Sheet as at 31 March 2026 has been prepared, as if acquisitions have taken place as on 01 April 2025.

The Pro forma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2026 has been prepared, as if acquisition have taken place on 01 April 2025.

Because of their nature, the pro forma financial information addresses a theoretical situation and therefore, does not represent company’s factual financial results. They purport to indicate the results that would have resulted had the acquisition been completed at the dates mentioned above, but are not intended to be indicative of expected results or operations in the future periods of the company.

In addition, the rules and regulations related to the preparation of pro forma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below. Accordingly, the degree of reliance placed by investors in other jurisdictions on such pro forma information should be limited.

The pro forma financial information for the year presented has been prepared by combining the following financial information prepared as per–

(a) the restated financial information of company as at and for the year ended 31 March, 2026 (included elsewhere in the Offer Document);

(b) the audited Special Purpose Financial Statements of D.S. Engineers as at and for the year ended 31 March 2026.

These Pro forma Financial Information have been prepared by the management of the Company based on the following criteria:

Notes to Pro Forma Financial Information:

- (a) By making a line-by-line consolidation of the financial information as at and for the year ended March 31, 2026;
- (b) Using accounting policies as adopted by the Company for the preparation of restated Financial Statement for like transactions and other events in similar circumstances. Adjustments, if any, are made in preparing Proforma Financial Information to ensure uniformity of the Acquired entity with the Company's accounting policy;
- (c) Combine like items of assets, equity, liabilities, income and expenses;
- (d) Eliminating in full intra-company assets and liabilities, income and expenses relating to transactions among entities, refer Note 3 for details;

The business combination of Acquired entity have been accounted for under the business combination under common control in accordance with Appendix 'C' of Ind AS 103 'Business Combinations'. Accordingly, Company has accounted all the assets acquired and liabilities assumed at their carrying amounts and recognised the difference between purchase consideration and net assets as retained earnings in the pro forma condensed combined balance sheet as at March 31, 2026, refer Note 4 for details.

Accordingly, the various columns in the pro forma financial information, for the periods presented, represent as below:

(i) Column A represents restated financial information of the Company as included elsewhere in the Offer Document;

(ii) Columns represented by "Acquisition" reflect historical financial information of D.S. Engineers for the respective periods as stated in the paragraph above;

(iii) Columns represented by "Proforma Adjustments" reflect impact of adjustments arising out of acquisition, reclassification adjustments, if any and intercompany eliminations as described in Note 3 & Note 4 below

The pro forma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. The pro forma adjustments are included only to the extent they are (i) directly attributable to the acquisition and (ii) factually supportable. The adjustments do not consider any expected cost savings or potential synergies that may result from the acquisition.

3. Intercompany Elimination:

Intercompany eliminations have been made in respect of transactions and balances of Jai Parvati Forge Limited and D.S. Engineers in the preparation of these Pro Forma Financial Information.

Eliminations on account of intragroup balances in the Pro Forma Condensed Combined Balance Sheet and Pro Forma Condensed Combined Statement of Profit & Loss as at March 31, 2026 are as follows:

Intercompany Transactions as on 31.03.2026

(₹ In million)

Particulars	Jai Parvati Forge Limited	D.S. Engineers	Total
Elimination of Sales	379.40	20.73	400.13
Elimination of Job Work Expense	20.73	0.21	20.94
Elimination in Purchase		379.19	379.19
Advance against slump sale given	35.00		35.00
Trade Receivable	85.28		85.28
Trade Payable		85.28	85.28
Closing Inventory (Profit Share)		2.54	2.54

Notes to Pro Forma Financial Information:

Further, the amount of profit amounting to Rs.2.54 Millions embedded in the Closing Stock held by M/s D.S. Engineers being the purchases made from M/s Jai Parvati Forge Ltd. has been eliminated by reducing the Value of Closing Stock for D.S. Engineers leading to increase in Changes in Inventories of Finished Goods, stock in trade and Work in Progress.

4. Acquisition Adjustments:

Acquisition of D.S. Engineers have been accounted as common control as per Appendix 'C' of Ind AS 103 "Business Combinations". Following will be impact on Statement of assets and liabilities as at March 31, 2026:

Particulars	D.S. Engineers (₹ in million)
Non-current Assets	133.26
Current Assets	154.62
Total Assets (A)	287.88
Non-current liability	65.38
Current liability	149.12
Total Liabilities (B)	214.50
Net Assets acquired (A-B)	73.38
Less: Consideration Paid / payable*	65.40
Adjustment in Capital Reserve	7.98

* Out of total consideration of ₹ 65.40 Millions, Company has already paid ₹ 350.00 lakhs as at March 31, 2026, remaining amount is outstanding under "Other financial liability"

5. Earnings per Share (EPS)

The pro forma EPS Calculation for the year ended March 31, 2026 has been made based on Pro forma Condensed Combined Statements of Profit and Loss of respective year/period for which pro forma financial information have been presented.

6. Other Note

Other than as mentioned above, no additional adjustments have been made to the pro forma condensed combined balance sheet or statement of profit and loss to reflect any other transactions of the Company and Acquired entity entered into subsequent to March 31st, 2026.

OTHER FINANCIAL INFORMATION

In accordance with Schedule VI, Part A (11)(I)(A)(ii)(b) of the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 (collectively, the “**Audited Financial Statements**”) are available on the website of our Company at www.jaiparvatiforge.com. Our Company has provided a link to our website solely to comply with the requirements specified in the SEBI ICDR Regulations.

The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus, or (ii) Red Herring Prospectus, or (iii) 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 or recommendation or solicitation to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which our Company or our shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The details of the accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below. The table below should be read in conjunction with the sections titled “*Risk Factors*”, “*Restated Financial Information*”, “*Pro Forma Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, on pages 26, 344, 406 and 421, respectively:

Particulars	On pro forma basis	On restated basis		
	As at and for the Financial Year ended March 31, 2026	As at and for the Financial Year ended March 31, 2026	As at and for the Financial Year ended March 31, 2025	As at and for the Financial Year ended March 31, 2024
Earnings per share (basic) ¹ (in ₹)	5.91	5.61	3.51	3.24
Earnings per share (diluted) ² (in ₹)	5.91	5.61	3.51	3.24
Return on Net Worth ³ (in %)	21.10	20.07	15.71	17.20
Net Asset Value per equity share ⁴ (in ₹)	28.02	27.95	22.36	18.83
EBITDA ⁵ (₹ in million)	825.69	762.89	570.33	489.18
EBITDA Margin ⁶ (%)	18.00	18.14	16.47	15.24
Profit After Tax ⁷ (₹ in million)	434.56	412.17	258.18	238.14
PAT Margin ⁸ (in %)	9.47	9.80	7.46	7.42
Total Debt to Equity Ratio ⁹ (in times)	0.63	0.60	0.72	0.75

Notes:

1. Basic EPS (₹) = Basic earnings per share are calculated by dividing the restated Profit for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for sub-division.
2. Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the restated Profit for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for sub-division.
3. Return on net worth is calculated as restated Profit for the year divided by closing net-worth. Net-Worth is calculated as value of the paid-up share capital and all reserves created out of the profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets and write-back of depreciation.
4. Net Asset Value per equity share is calculated as closing net-worth divided by outstanding number of equity shares as adjusted for sub-division.
5. EBITDA is calculated as restated Profit for the year minus Other Income plus Finance Costs, Depreciation and Amortisation Expense, Exceptional item And Total Tax Expense.
6. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
7. Profit After Tax means profit for the period/year attributable to equity shareholders as appearing in the Restated Financial Information.

8. *PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations.*
9. *Total Debt to Equity Ratio is calculated as total Borrowings excluding lease liabilities divided total Equity less Revaluation Surplus available to the Equity Shareholders of the Company.*

Reconciliation of Non-GAAP measures

For details of reconciliation for various Non-GAAP financial measures included in this Draft Red Herring Prospectus, see “*Management’s Discussion and Analysis of Financial Condition and Results of Financial Operations -Non-GAAP Measures*” on page 451.

Related Party Transactions

For details of the related party transactions, as per the requirements under the SEBI ICDR Regulations and applicable Accounting Standards i.e. Ind AS 24 ‘Related Party Disclosures’ for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, and as reported in the Restated Financial Information, see “*Restated Financial Information– Note 37- Related Party Disclosure*” on page 388.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2026, on the basis of our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 26, 344, and 421 respectively.

(₹ in million unless otherwise stated)

Particulars ⁽¹⁾⁽²⁾	Pre-Offer as at March 31, 2026	Adjusted for the Offer ⁽³⁾
Borrowings:		
Current borrowings (including current maturity of long-term borrowings, excluding lease liability) (A)	778.04	[●]
Non-current borrowings (excluding current maturity and lease liability) (B)	457.22	[●]
Total Borrowings (C) = (A+B)	1,235.26	[●]
Equity:		
Equity share capital	147.00	[●]
Other equity	1,907.38	[●]
Total Equity (D)	2,054.38	[●]
Non-current borrowings / Total equity (in times): (B/D)	0.22	[●]
Total Borrowings/ Total equity (in times): (C/D)	0.60	[●]

Notes:

- ⁽¹⁾ The above has been computed on the basis on amounts derived from the Restated Financial Information.
- ⁽²⁾ The component of debt and equity carries the same meaning as per Schedule III of the Companies Act, 2013. The above table does not include lease liability as per Ind AS 116 disclosed under the Restated Financial Information.
- ⁽³⁾ The corresponding post-Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence, the same have not been provided in the above table.

FINANCIAL INDEBTEDNESS

Our Company has availed certain loans and financing facilities in the ordinary course of business purposes such as, inter alia, meeting its working capital, capital expenditure and other business requirements. These credit facilities include *inter alia*, secured and unsecured facilities and bank guarantees.

Our Company has obtained the necessary consents and written approvals required under the relevant financing documentation for undertaking activities in relation to the Offer and the activities in connection therewith, including dilution of the current shareholding of the Promoters and members of the promoter group, expansion of business of the Company, effecting changes in our Company's management, ownership capital structure, shareholding pattern, constitutional documents and Board's composition and such approvals have not been withdrawn as on the date of this Draft Red Herring Prospectus. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with applicable laws and our Articles of Association. For details regarding the borrowing powers of our Board, please see "*Our Management - Borrowing Powers*" on page 325.

As on June 30, 2026, the outstanding borrowings of our Company aggregated to ₹ 1,335.79 million. Set forth below is a brief summary:

(₹ in million)

Nature of borrowing	Sanctioned amount	Amount outstanding as at June 30, 2026
Borrowings of our Company		
A. Secured borrowings		
<i>Working capital facilities</i>	814.10	460.26
(a) Fund based*	813.60	460.26
(b) Non-fund based		
- Bank Guarantee / Letter of Credit	0.50	-
<i>Term loans</i>	1,360.00	720.64
<i>Vehicle loans/Solar Loans</i>	79.82	56.61
Total secured borrowings (A)	2,253.92	1,237.51
B. Unsecured borrowings		
<i>Working capital facilities</i>	100.00	98.28
Total unsecured borrowings (B)	100.00	98.28
Total (A + B)	2,353.92	1,335.79

* Including (i) sub-limit of ₹ 10.00 million from HDFC Bank for LC discounting & export credit facility; and (ii) sub-limit of ₹ 337.00 million from HDFC Bank as Working Capital Demand Loan.

As certified by M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), our Statutory Auditors, by way of their certificate dated September 21, 2026.

Principal terms of the borrowings currently availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under various financing documentation executed by our Company in relation to their indebtedness.

- Interest:** The term loans availed by our Company generally bear fixed rates of interest, ranging from 6.68% to 9.70% per annum. The working capital facilities availed by our Company bear floating rates of interest linked to the Marginal Cost of Funds based Lending Rate (MCLR) and the Repo Rate, with the applicable interest rates ranging from 7.60% to 8.75% per annum. The vehicle loans and solar plant loans availed by our Company bear interest rates of up to 9.00% per annum. Further, the interest rate applicable to the external unsecured borrowings availed by our Company is linked to the MFIRR*.

* Mahindra Finance Internal Reference Rate ("**MFIRR**") shall mean Internal Benchmark Reference Rate ("**IBRR**") determined and approved by the appropriate internal committees of MMFSL. MFIRR is published on MMFSL's website i.e. <https://www.mahindrafinance.com> and shall be revised from time to time.

- Tenor:** The tenor of our working capital facilities typically is up to 12 months subject to renewal, whereas the vehicle loan facilities and the loan availed for the solar plant availed by our Company typically has a tenor of 37 months to 60 months. In addition, in respect of term loans, the tenor ranges from 62 to 86 months. Further, the tenor in respect of unsecured loans typically ranges from 45 to 60 Months.

3. **Security:** In terms of the borrowings availed by us, where security is required to be created, security has been created, *inter alia*, by way of (i) extension of charge and first pari passu charge over certain immovable properties, including land and buildings; (ii) first pari passu and exclusive charge over certain movable fixed assets (present and future), including plant and machinery, furniture and fixtures, electrical fittings and other movable assets; (iii) exclusive charge over specific assets financed through the respective term loans, including the solar plant and its related property, plant and equipment; (iv) exclusive charge over certain key deposit receipts and life insurance policies; (v) hypothecation of the respective vehicles financed under the vehicle loan facilities; (vi) such other security interests as may be stipulated under the respective financing documents and (vii) personal guarantee in relation to certain borrowings, by our Promoters, namely Sahender Singh Chauhan, Suman Chauhan and Vineet Chauhan and certain members of the Promoter Group, namely Virat Chauhan. There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.
4. **Pre-payment:** Certain borrowings availed by our Company contain prepayment provisions permitting the prepayment of the outstanding loan amount, in whole or in part, at any time, subject to the terms and conditions of the respective financing documents. Under certain financing arrangements, the relevant lenders may levy a prepayment charge of up to 2.00%, or such other rate as may be specified by the respective lender at the time of the prepayment request, on the outstanding principal amount proposed to be prepaid, together with any interest and other amounts then due. Further, under certain financing arrangements, our Company is required to provide prior written notice of at least 30 days before prepaying the outstanding loan amount.
5. **Re-payment:** The working capital facilities availed by the Company are repayable on demand. Vehicle loans, term loans and unsecured loans facilities availed by the Company are repayable in accordance with the repayment schedules in the facility agreements or are repayable as a bullet payment on the maturity date or repayable on demand.
6. **Restrictive Covenants:** The facilities sanctioned to our Company contain certain restrictive covenants, which require prior written consent of the lender or prior intimation to be made to the lender, including:
 - (a) Permit any change in its ownership or control or management including change in the shareholding of promoters, directors and principal shareholders or enter into arrangement whereby its business or operations are managed or controlled, directly or indirectly by any other person;
 - (b) Avail any loan and/or stand as surety or guarantor for any third party liability or obligation and/or provide any loan or advance to any third party;
 - (c) Invest in, extend any advance/loans, to any group companies/associates/subsidiary/any other third party, repay subordinated loans of group companies or resort to additional borrowings without consent;
 - (d) Create any encumbrance or other disposition of any sort including charge, lien, mortgage, or pledge over any of our properties.
 - (e) raising any further loans/ availing any facilities from any other bank or financial institution against the assets offered as security for facilities of the relevant lender;
 - (f) making any amendments in the Memorandum of Association and the Articles of Association;
 - (g) enter into any scheme of merger, amalgamation, demerger, compromise or reconstruction without prior permission; and
 - (h) divert any funds to sister concern or for financing activity.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by the Company. For details, please see “*Risk Factors*” on page 26.

7. **Events of default:** Borrowing arrangements entered into by the Company contain standard events of default, including, among others:
 - (a) Default/non-compliance in the performance of any covenant, condition, or agreement on the part of the Company in accordance with facility documents;

- (b) Default in repayment of facilities;
- (c) The occurrence of a material adverse change or any event or circumstance that would or may materially and adversely affect our Company's ability to repay the relevant borrowing or perform its obligations under the relevant financing arrangements;
- (d) utilisation of the loan for any purpose other than the purpose for which it was sanctioned;
- (e) Misrepresentation, breach of any term, covenant, warranty, undertakings or other obligation;
- (f) Application made or proceedings commenced under Insolvency and Bankruptcy Code, 2016 or any applicable laws or any winding up proceedings are commenced/to be commenced including steps taken as to moratorium, winding up, Dissolution including ceasing to carry on the Business;
- (g) substantial change in the constitution or management without prior permission;
- (h) Any circumstance or event occurs which is, or is likely to, prejudice, impair, imperil, depreciate or jeopardise the value, validity or enforceability of any security or any part thereof;
- (i) cessation of, or a threat to cease, our Company's business, or any material change in the general nature or scope of its business;
- (j) the occurrence of any other event, condition or circumstance which, in the opinion of the relevant lender, would or is likely to materially and adversely affect our Company's ability to repay the relevant borrowing or perform its obligations under the relevant financing arrangements.

The details above are indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by the Company.

8. **Consequences of occurrence of events of defaults:** In terms of the Company's borrowing arrangements for the facilities availed by the Company, upon the occurrence of events of default, its lenders may:
- (a) Cancel/withdraw the undrawn commitment of the facility;
 - (b) Enforce the security created pursuant to the security documents;
 - (c) Acceleration of repayment of the facilities;

This is an indicative list, and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by us with our respective lenders. The same may lead to consequences other than those stated above.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see *“Risk Factors – We have incurred indebtedness and have had high debt-equity ratio in the last three Fiscals, which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business”* on page 48.

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 for the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024. Unless context requires otherwise, the financial information in this section has been derived from our Restated Financial Information.

Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2026", "Fiscal 2025" and "Fiscal 2024", are to the 12-month period ended March 31 of the relevant year.

*Additionally, our Company has acquired D. S. Engineers, an erstwhile sole proprietorship of our Promoter, Suman Chauhan, by way of slump sale agreement dated January 16, 2026 read with the addendum dated June 20, 2026 thereto, with effect from April 1, 2026 ("**Acquisition**"). For further details of the Acquisition, please see "History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business or undertakings, mergers, amalgamations or revaluation of assets in the last 10 years" on page 313. The Pro Forma Financial Information has been included in this Draft Red Herring Prospectus to illustrate the impact of the Slump Sale Agreements as if the acquisition had occurred on April 01, 2025 for the purposes of the pro forma statements of profit and loss for the Financial Year ended March 31, 2026 and as if the transaction had occurred on March 31, 2026, for the purposes of the pro forma balance sheet as at March 31, 2026, based on the judgments and assumptions of the management of our Company to reflect the hypothetical impact of the transaction. In this regard, please see "Pro Forma Financial Information" and "Risk Factors – Pro Forma Financial Information included in this Draft Red Herring Prospectus is presented for illustrative purposes only and may not accurately reflect our financial condition and results of operations." on pages 406 and 36, respectively.*

Unless the context otherwise requires, references in this section to "our Company", "we", "us", or "our" are in relation to Jai Parvati Forge Limited.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Gears, Shafts and Precision Components Industry Report' dated September, 2026 prepared by CRISIL Intelligence ("**CRISIL Report**"). The CRISIL Report has been exclusively commissioned, and paid for, by our Company pursuant to an engagement letter dated January 31, 2026, for the purpose of this Offer. A copy of the CRISIL Report shall be made available at www.jaiparvatiforge.com till the Bid / Offer Closing Date. Our Company, Directors, Promoters, Promoter Selling Shareholder, Key Managerial Personnel and members of our Senior Management and Promoter Group and are not related to CRISIL in any manner whatsoever. Unless otherwise indicated, all industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' and 'Risk Factors – This Draft Red Herring Prospectus contains information from an industry report prepared by CRISIL which our Company has commissioned and paid for the purpose of this Offer.' on pages 20 and 65, respectively.*

We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Information and may not have been subjected to an audit or review by our Statutory Auditors, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus. For risks relating to such non-GAAP measures, see "Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Profit After Tax, PAT Margin, Total Debt to Equity Ratio, Return on Equity (RoE), Return on Capital Employed (ROCE), Net Fixed Asset Turnover, and Net Working Capital have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable." on page 66.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under “Forward-Looking Statements” on page 24. The following discussion of our financial condition should be read in conjunction with “Risk Factors” and “Our Business” on pages 26 and 253, respectively.

Overview

For details in relation to our business overview, see “Our Business - Overview” on page 253.

Significant Factors affecting our Financial Condition and Results of Operations

The paragraphs below discuss certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Demand for our products and growth in our customer base

Our diversified portfolio of over 800 active forged and machined components coupled with our integrated manufacturing capabilities enable us to cater to customers, primarily OEMs (“**Original Equipment Manufacturers**”) and aggregate manufacturers, across diverse end-use industry segments, including tractors and agriculture equipment, commercial vehicles, off-highway vehicles, and industrial application segments. With capacity utilisation ranging from 70% to 100% across our Manufacturing Units, compared with the forging industry average of approximately 60%, our Company is positioned as a single-point supplier capable of addressing the integrated sourcing requirements of global OEMs, particularly as they increasingly seek to diversify their supply chains through China Plus One sourcing strategies in India (*Source: CRISIL Report*). Our key customers include Mahindra & Mahindra Limited, Ashok Leyland Limited, Escorts Kubota Limited, Carraro India Limited and International Tractors Limited.

Manufacturers operating in automotive forging industry, their forging production typically mirrors the automotive vehicle production volumes and are highly sensitive to broader macroeconomic shocks. Disruptions at the OEM level cascades down the supply chain, leading to sudden order cancellations or delayed production schedules (*Source: CRISIL Report*). Demand for our products is influenced by several factors affecting the industries served by our customers, including macroeconomic conditions, industrial production, agricultural output, infrastructure spending, availability of financing, government policies, commodity prices, technological developments, regulatory changes and overall customer demand. Any slowdown or prolonged downturn in one or more of these industries may reduce production volumes of OEMs and aggregate manufacturers, resulting in lower demand for our products, reduced order volumes or delays in customer procurement programmes. Accordingly, our business is influenced by the production volumes and demand conditions prevailing in the end-use industries served by our customers.

A significant portion of our revenue is derived from long-standing customer relationships and repeat business. Set out below is a break-up of the revenue contribution of our top 1, 3, 5 and 10 customers to our revenues from operations in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Top customer	814.31	19.37%	640.62	18.50%	557.89	17.38%
Top 3 customers	1,615.62	38.42%	1,413.49	40.82%	1,371.22	42.71%
Top 5 customers	2,336.87	55.58%	2,111.37	60.97%	2,067.75	64.40%
Top 10 customers	3,329.93	79.19%	2,940.98	84.92%	2,752.65	85.73%

Notes:

1. In Fiscal 2026, our top 10 customers included Mahindra & Mahindra Limited, International Tractors Limited, Ashok Leyland Limited, Carraro India Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
2. In Fiscal 2025, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, International Tractors Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
3. In Fiscal 2024, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, Graziano Transmission India Private Limited, International Tractors Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.

While our customers may vary annually, we are significantly reliant on certain key customers. Set forth below is a breakdown of the total customers served by us in Fiscals 2026, 2025 and 2024:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total customers served	47	38	38
New customers served	11	8	-
Revenue from new customers (in ₹ million)	147.18	14.67	-
Revenue from new customers served as % of total revenue from sale of products	3.91	0.47	-
Repeat customers served*	15	12	13
Revenue from repeat customers (in ₹ million)	3,058.96	2,781.83	2,559.08
Revenue from repeat customers served as % of total revenue from sale of products	81.34	88.41	89.22

* Repeat customers have been defined as customers who have been associated with our Company for a period of over five (5) years.

If our repeat or top 10 customers reduce the volume of their orders placed with us or discontinue their relationship with us due to factors such as changes in their procurement strategies, pricing considerations, quality requirements, or competitive pressures, our revenues may be adversely affected. Any decrease in revenues from our repeat or top 10 customers or the loss of business from one or more such customers could adversely affect our business, financial condition, cash flows and results of operations.

Further, while we have built long-standing supply relationships with customers, we have not entered into long-term agreements or purchase arrangement with our customers for the sale of our manufactured products. Our relationships with our customers are therefore, dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. Any failure to meet such requirements may result in reduction in orders, loss of customer confidence or cessation of business from the affected customers. Any significant reduction in orders, termination of customer relationships or disputes with our customers could adversely affect our business, results of operations, cash flows and financial condition.

Accordingly, as part of our business strategy, we intend to strengthen our position across our existing product categories and key end-use industry segments while diversifying into industrial and new-age applications. We also intend to broaden our product portfolio within existing customer relationships through the supply of additional forged, precision-machined and value-added components across multiple stages of manufacturing and assembly requirements. Over the years, we have participated in various exhibitions and trade fairs in India and overseas markets, and intend to continue leveraging such platforms to identify new business opportunities, expand our customer base and enter new end-use applications. In addition, we intend to diversify our business into industrial and emerging end-use applications by leveraging our precision engineering, machining and manufacturing capabilities. For further details, also see “*Our Business – Our Strategies - Strengthen our position in core product segments while diversifying into industrial and new-age applications*” and “*Our Business - Our Strategies - Expand our presence across high-growth renewal and electric vehicle applications*” on pages 268 and 270.

Cost and availability of raw materials

Forging is a highly energy and material-intensive process. Manufacturers are highly exposed to the price volatility of primary inputs, particularly steel, aluminum, and specialized alloys. Furthermore, the forging process requires substantial energy consumption for heating and heavy machinery operation. Geopolitical tensions, trade tariffs, and global supply chain bottlenecks frequently lead to input cost inflation, which manufacturers often struggle to pass on to original equipment manufacturers in a timely manner, resulting in margin compression (*Source: CRISIL Report*). The cost of materials consumed primarily comprises raw materials used in the manufacture of our products, including alloy steel bars, furnace oil, LPG & other consumables. These inputs are subject to supply disruptions and price volatility arising from factors such as commodity market fluctuations, demand-supply imbalances, logistics and processing constraints, inflationary pressures, changes in governmental policies and regulations, duties, taxes, trade restrictions, and overall economic conditions. The table below sets forth our cost of production as a percentage of total expenses and revenue from operations for periods indicated.

(in ₹ million, unless otherwise indicated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Cost of material consumed (A)	2,287.96	1,878.91	1,800.16
Operating Expenses* (B)	545.34	475.70	400.64
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade (C)	(59.87)	(17.26)	21.75
Cost of production (A+B+C)	2,773.43	2,337.35	2,222.55
Cost of production as a % of Total Expense (in %)	75.48%	74.95%	76.85%
Cost of production as a % of Revenue from Operations (in %)	65.96%	67.49%	69.22%

* Operating expenses includes furnace oil, LPG consumed, stores & consumables, power and electricity charges and other manufacturing expenses

We procure all our raw materials primarily from domestic suppliers based on purchase orders, and such procurement is undertaken in accordance with our production requirements, technical specifications and customer-specific quality standards.

Set out below is the cost of materials procured from our top supplier, top 3 suppliers, top 5 suppliers and top 10 suppliers for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Raw material purchased (₹ in million)^	As a % of raw material purchased	Raw material purchased (₹ in million)^	As a % of raw material purchased	Raw material purchased (₹ in million)^	As a % of raw material purchased
Top supplier*	1,122.20	45.38%	728.92	35.23%	568.72	29.90%
Top 3 suppliers*	1,688.85	68.30%	1,035.71	50.06%	936.81	49.25%
Top 5 suppliers*	1,937.65	78.36%	1,265.58	61.17%	1,209.42	63.58%
Top 10 suppliers*	2,176.15	88.01%	1,640.38	79.29%	1,514.30	79.61%

^Raw material includes alloy steel and forged parts as well as furnace oil, diesel and LPG.

* The names of our suppliers have not been disclosed to preserve confidentiality.

We typically procure raw materials from multiple domestic suppliers and generally do not enter into long-term supply arrangements. Such procurements are generally made on a purchase order basis, pursuant to which the quantities, specifications, delivery schedules and prices are agreed with the respective suppliers based on our production requirements and prevailing market conditions.

Since the principal raw materials used in our manufacturing operations include alloy steel and other grades of steel, the prices and availability of such raw materials are influenced by various factors beyond our control, including fluctuations in global and domestic steel prices, changes in demand and supply dynamics, raw material availability, energy costs, import and export policies, inflationary pressures and geopolitical developments. Forging is a highly energy and material-intensive process. Manufacturers are highly exposed to the price volatility of primary inputs, particularly steel, aluminum, and specialized alloys. Furthermore, the forging process requires substantial energy consumption for heating and heavy machinery operation. Geopolitical tensions, trade tariffs, and global supply chain bottlenecks frequently lead to input cost inflation, which manufacturers often struggle to pass on to original equipment manufacturers in a timely manner, resulting in margin compression (Source: CRISIL Report). Any significant increase in the prices of our raw materials or disruption in their availability may adversely affect our cost of production and operating margins.

Competition and pricing pressure

The automotive component manufacturing industry is highly competitive and fragmented, with participants competing on factors such as product quality, manufacturing capabilities, pricing, customer relationships, technological expertise, delivery performance and scale of operations. We face competition from both domestic and international manufacturers operating across the forging, machining and precision-engineered components segments. Certain of our competitors

include Happy Forgings Limited, Bharat Forge Limited, MM Forgings Limited, RACL Geartech Limited and Ramkrishna Forgings Limited. For further details, see “*Our Business - Competition*” on page 298.

Some of our competitors may have certain advantages, including being the first mover in the industry, greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. Achieving economies of scale is a critical requirement for maintaining competitive pricing, particularly in high volume categories like the domestic tractor and MHCV segment. Established forging manufacturers benefit from large continuous production runs of standard components such as intermediate shafts, main shafts, and spindles, which significantly lowers their per unit manufacturing costs. New entrants typically lack the initial order volumes required to offset their high fixed overheads. This volume disparity makes it challenging for new market participants to compete on price while simultaneously maintaining the strict quality and durability standards demanded by automotive manufacturers (*Source: CRISIL Report*). As a result, to remain competitive in the market we must, in addition, continuing growth strategies, continuously strive to reduce our costs and improve our operating efficiencies. If we fail to do so, it may have an adverse effect on our market share and results of operations.

Capital-intensive operations, capital expenditure requirements and entry barriers

Our manufacturing operations require substantial capital investment for the establishment, maintenance, expansion and modernisation of our Manufacturing Units, including investments in land, buildings, plant and machinery, forging presses, CNC machining centres, heat treatment facilities, inspection and testing equipment, automation technologies and other manufacturing infrastructure. We also incur capital expenditure for replacement, refurbishment and technological upgradation of existing equipment in order to maintain manufacturing efficiency, improve product quality and meet evolving customer requirements. During the Fiscals 2026, 2025 and 2024, we have invested ₹ 359.01 million, ₹ 745.05 million and ₹ 572.69 million accounting for 8.54%, 21.51% and 17.84% of our revenue from operations, towards capital expenditure for upgrading our forging and machining capabilities. The table below sets forth our capital expenditure towards purchase and lease of property, plant and equipment and intangible assets (including under development and capital advances) for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Capital expenditure* (in ₹ million)	359.01	745.05	572.69
Capital expenditure as a % of total assets (in %)	8.77%	21.23%	18.89%
% of Gross Block (in %)	14.14%	33.85%	31.72%

* Capital expenditure means cost of acquisition or construction of property, plant and equipment and addition of ROU Asset, if any, during the respective year/period.

Our ability to finance future capital expenditure requirements depends on several factors, including our cash flows from operations, availability of financing on commercially acceptable terms, prevailing economic and capital market conditions, our credit profile and compliance with financial covenants under our existing and future financing arrangements. Any additional debt financing may subject us to restrictive covenants, increase our debt servicing obligations and limit our operational and financial flexibility. If we are unable to generate sufficient internal accruals or secure financing on commercially acceptable terms, or if our planned capital expenditure projects are delayed, exceed their estimated costs or do not generate the anticipated operational or financial benefits, our ability to expand our manufacturing capabilities and implement our business strategies may be adversely affected.

Additionally, the manufacturing of hydraulic parts, axle and chassis components, reduction drive components, and transmission gears and shafts is characterized by significant entry barriers. As per the CRISIL Report, these include high capital expenditure and infrastructure requirements, stringent OEM approval and validation processes coupled with long gestation periods, advanced metallurgical, precision engineering and manufacturing expertise, high switching costs and established customer relationships, and economies of scale, cost competitiveness and supply chain optimization, all of which create substantial barriers for new entrants and reinforce the competitive position of established manufacturers.

We also benefit from high entry barriers due to our capital-intensive operations, technical expertise and stringent quality standards. Our ability to develop and manufacture new products in line with customer requirements, as well as support the expansion plans of our existing OEM customers, may require significant capital expenditure. However, there can be no assurance that such investments would generate the anticipated returns or result in commercially viable opportunities, and any unsuccessful projects or investments could adversely affect our business, results of operations and financial condition. For further details, also see “*Our Business – Our Strategies - Significant entry barriers due to technical*

experience, high capital expenditure & established customer relationship” and “Our Business - Our Strategies - Expand our presence across high-growth renewal and electric vehicle applications” on pages 267 and 270.

Macro-economic conditions and factors affecting the industries in which we operate as well as the end-use sector in which our customers operate.

We have established ourselves as an integrated manufacturer of forged and machined components with over 22 years of operating history. We supply transmission, driveline, axle and hydraulic components in the 1 kg to 70 kg range to OEMs across the tractor, commercial vehicle, off-highway and industrial segments (*Source: CRISIL Report*). Our manufactured components have been supplied to customers across international markets, including Belgium, Italy, Turkey and the United States of America, and while a substantial majority of our revenue from operations is derived from the sale of products within India, our international business presence has grown over the recent years. Our business is therefore influenced by general macroeconomic conditions in India and the international markets in which our products are sold, which are beyond our control. In particular, changes in economic growth, industrial activity, inflation, interest rates, energy prices and other industry-wide cost pressures may affect the demand from our customers and their procurement requirements. Any adverse changes in these factors may adversely affect our business, results of operations and financial condition.

Our business is influenced by developments affecting the automotive and industrial manufacturing industries, including technological advancements, changes in customer preferences, regulatory developments and general economic conditions. The key threats to the gear, shafts and precision components manufacturing industry include:

- The accelerated transition to electric vehicles
- Raw material and energy price volatility
- Material substitution and the lightweighting trend
- Stringent environmental and sustainability regulations
- High capital intensity and technological obsolescence
- Supply chain vulnerabilities and production cuts
- Skilled labor shortages

For further details, see “Industry Overview” on page 170.

Production Capacity

Over the years, we have consistently expanded our installed manufacturing capacity across both forging and machining operations in line with business growth, evolving customer requirements and our strategic focus on increasing value-added manufacturing capabilities. As of March 31, 2026, we had an aggregate installed forging capacity of 32,100 metric tonnes per annum, compared to an installed forging capacity of 20,100 metric tonnes per annum as of March 31, 2024, representing a CAGR of 26.37%, and our aggregate installed machining capacity has increased from 2,184,672 units to 3,260,652 units (post-acquisition of D.S. Engineers), representing a CAGR of 22.17%. Following the acquisition of D.S. Engineers with effect from April 1, 2026, our Company’s pro forma consolidated market share in this segment increased to 32.2%, strengthening its position within the axle and chassis components market. (*Source: CRISIL Report*).

The table below sets forth the growth in our installed capacities across our Manufacturing Units over the periods indicated.:

Period	Total installed forging capacity (in metric tonne)	Total installed machining capacity (in components per annum)			
		For Bull Gears	For Gears & Shafts	For Precision Machined Parts	Total
As of April 01, 2026	32,100	418,080	806,832	2,035,740	3,260,652

Period	Total installed forging capacity (in metric tonne)	Total installed machining capacity (in components per annum)			
		For Bull Gears	For Gears & Shafts	For Precision Machined Parts	Total
<i>(after acquisition of the erstwhile D.S. Engineers and addition of new machineries)</i>					
As of March 31, 2026	32,100	316,680	708,552	1,172,940	2,198,172
As of March 31, 2025	28,050	273,000	619,632	1,172,940	2,065,572
As of March 31, 2024	20,100	245,700	526,032	1,412,940	2,184,672

Any unscheduled, unplanned or prolonged disruption at our Manufacturing Units may result in delays or shutdowns of our production activities. Further, our ability to achieve optimal capacity utilisation depends on effective management of production processes and efficient utilisation of equipment. Any inability to do so may lead to operational inefficiencies, increased costs and underutilisation of capacity, which could adversely impact our business, financial condition and results of operations. For further details in relation our actual capacity and capacity utilisation for each of the Manufacturing Units of our Company, see “*Our Business – Capacity and Capacity Utilisation*” on page 290.

Our Significant Accounting Policies

Basis of preparation

(a) Statement of compliance

The Restated Summary Statements Comprises of the Restated Statement of Assets and Liabilities of the company as at 31st March 2026, 31st March 2025 and 31st March 2024, the related Restated Statement of Profit and Loss statements (Including other comprehensive income), Restated Statement of changes in Equity and Restated Statement of Cash flow for the year ended 31st March 2026, 31st March 2025 and 31st March 2024 has been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements have been prepared by the management for the purpose of inclusion in the Draft Red Herring Prospectus (**‘DRHP’**), Red Herring Prospectus (**‘RHP’**) and Prospectus (collectively referred as **‘Offer Document’**) to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited ("NSE") and BSE Limited ("**BSE**") in connection with proposed Initial Public Offering (“IPO”) of its equity shares of the Company comprising of a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the “**Offer**”). The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended ("**the Act**");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR**") as amended from time to time; and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) as amended (the “**Guidance Note**”).

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("**Ind AS**") for the financial year ended March 31, 2025 with the transition date as April 01, 2023. These Restated Financial Information have been compiled from:

- The audited financial statements of the Company as at and for the years ended March 31, 2026 and March 31, 2025 (the “**Statutory Financial Statements**”), which have been approved by the Board of Directors at their meeting held on June 15, 2026 and September 04, 2025 respectively.

- (b) The special purpose financial statements as at and for the year ended March 31, 2024 (the “**Special Purpose Financial Statements**”), prepared in accordance the Indian Accounting Standards (Ind AS) notified under the Act, which have been approved by the Board of Directors at their meeting held on September 04, 2025.

Restated Financial Information:

- a) do not require any adjustments for the changes in accounting policies or material errors.
- b) do not require any adjustment for modification as there is no modification in the underlying audit report.
- c) appropriate regroupings have been made retrospectively in the financial year ended March 31, 2025 and March 31, 2024 in order to bring them in line with the presentation as per the Audited Financial Statement for the year ended March 31, 2026.

These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the board meetings for adoption of Special Purpose Financial Statements and Statutory Financial Statements.

These Restated Financial Information have been prepared for the Company as a going concern basis.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of financial statements for the year ended March 31, 2026.

Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated.

Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on alternative basis on each reporting date:

Items	Measurement basis
Derivative financial instruments at fair value through profit or loss	Fair value
Certain non-derivative financial instruments at fair value through profit or loss and fair value through other comprehensive income	Fair value
Defined benefit plan assets	Fair value
Equity settled share based payment transactions	Grant date Fair value

(b) Use of estimates and judgements

In preparation of the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

- Estimation of defined benefit obligation

The cost of the defined benefit gratuity plan, the present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary

increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

- Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised / depreciable amount is charged over the remaining useful life of the assets.

- Evaluation of indicators for impairment of property, plant and equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

- Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

- Recognition of deferred tax assets for carried forward tax losses

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Assumptions and Estimation Uncertainties

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

- Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

(c) Current versus non-current classification

The Company presents assets and liabilities in the financial statements based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a 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.

The Company classifies all other liabilities 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 realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.2 Property, plant and equipment

• Recognition and measurement

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Cost of assets not ready for its intended use as on the reporting date, are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under 'Other non-current assets'.

• Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of 01 April 2023, measured as per the Indian GAAP, and use that carrying value as the deemed cost of such property, plant and equipment after giving effect to the prior period error as explained in

Note 45. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on the transition date i.e. 01 April 2023 while preparing the financial statements for the year ended 31 March 2023.

- **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as incurred.

- **Disposal**

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Net gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/ expenses in the statement of profit and loss.

- **Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation. Freehold land is not depreciated.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life (in years)
Buildings	30-60
Plant and machinery	10-30
Computers and office equipment	3-5
Vehicles	8
Other equipment	15
Furniture and fixtures	10

2.3 Intangible assets

- **Recognition and measurement**

Intangible assets are recognized when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognized in the statement of profit and loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

- **Subsequent measurement**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortization**

Amortization is calculated on the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful life (in years)
Software	3
Technical know-how	5-10

2.4 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property.

Investment property is initially measured at cost, including related transaction costs. The cost of investment property includes its purchase price and directly attributable expenditure, if any. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

After the initial recognition, investment property is stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on investment property has been provided in a manner that amortizes the cost of the assets over their estimated useful lives on straight line method as per the useful life prescribed under Schedule II to the Act. Investment property in the form of land is not depreciated.

Investment property is derecognized either when it is disposed off or permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of derecognition.

2.5 Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. 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 fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.6 Inventories

Raw materials, components, stores and spares, work-in-progress and finished goods are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, components, stores and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Scrap is valued at net realizable value.

2.7 Cash and cash equivalents

Cash and cash equivalents 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.

2.8 Revenue recognition

Revenue is recognized when performance obligation is satisfied by transferring control of promised goods or services and to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price (consideration) allocated to performance obligation adjusted for returns, trade allowances, rebates, and excludes taxes collected from customer on behalf of government and amounts collected on behalf of third parties.

- **Contract revenue**

Revenue from fixed price contracts is recognized over time, when the outcome of the contract can be estimated reliably by reference to the percentage of completion of the contract on the reporting date under input method. Percentage of completion is determined as a proportion of costs incurred-to-date to the total estimated contract costs. In respect of process technology and design and engineering contracts percentage of completion is measured with reference to the milestones specified in the contract, which in the view of the management reflects the work performed and to the extent it is reasonably certain of recovery.

Contract costs include costs that relate directly to the specific contract and costs that are attributable to the contract activity and allocable to the contract. Costs that cannot be attributed to contract activity are expensed when incurred.

When the final outcome of a contract cannot be reliably estimated, contract revenue is recognized only to the extent of costs incurred that are expected to be recoverable. The provision for expected loss is recognized immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

Variations, claims and incentives are recognized as a part of contract revenue to the extent it is probable that they will result in revenue and are capable of being reliably measured.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the company, some of which are of a technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project/ activity and the foreseeable losses to completion.

Execution of contracts necessarily extends beyond accounting periods. Revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.

- **Sale of goods and rendering of services**

Revenue from sale of goods is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of goods 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.

Revenue from services is recognized as and when the related services are performed.

2.9 Other Income

Interest income

Interest income from debt instruments is recognized using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

Dividends

Dividends are recognized in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

Export benefits

Export benefits in the form of Duty Draw Back claims are recognized in the statement of profit and loss on receipt basis.

2.10 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period, are translated at the closing exchange rates and the resultant exchange differences are recognized in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.11 Employee benefits

- **Short-term employee benefit**

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

- **Post-employment benefits**

Defined contribution plans

Contributions to the provident fund, pension scheme, employee state insurance scheme and superannuation fund, which are defined contribution schemes, are recognized as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In the case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognizes gains/ losses on settlement of a defined plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are stated at their present fair value.

2.12 Share-based payments

The grant fair value of equity settled share-based payment awards granted to employees is recognized as employee benefit expense with corresponding increase in equity. The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are required to be satisfied. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest based on the service and non-vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity.

2.13 Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

a. Company as a Lessee

A lessee is required to recognize assets and liabilities for all leases and to recognize depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical

expedient to apply the requirements of Ind AS 116 - Leases to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, according to Ind AS 116, the Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value. The lease payments associated with these leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

a.1 Right-of-use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

a.2 Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

b. Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of profit and Loss on a straight-line basis over the term of the lease.

Critical accounting estimates and judgements

Critical judgements required in the application of Ind AS 116 may include, inter-alia, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement.
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, inter-alia, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

2.14 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.15 Tax Expenses

Tax expenses comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid /payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

- **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

In situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized

in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

2.16 Provisions, Contingent Liabilities and Contingent assets

A provision is recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the statement of profit and loss.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

Contingent liability is disclosed when there is:

- a present obligation arising from past events, but it is not probable that an outflow of resources will be required to settle the obligation.
- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent assets are not recognized in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.17 Earnings per share (EPS)

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period/ year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/ year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period/ year attributable to equity shareholders and the weighted average number of shares outstanding during the period/ year are adjusted for the effects of all dilutive potential equity shares.

2.18 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 considers 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.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.19 Financial instruments

A financial instrument is any contract that gives rise to financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss);
- those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company classifies debt investments when and only when its business model for managing those assets changes.

Measurement

All financial assets are initially measured at fair value except trade receivables, as the trade receivables does not contain significant financing component they are initially measured at transaction price. In case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in the statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognized through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognized in the statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the statement of profit and loss and recognized in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognized in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments falling within the definition of "Financial Instruments" as defined in 'Ind AS 109 - Financial instruments' are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to recognize subsequent changes in the fair value in OCI. The company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no re-classification of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Non-derivative financial liabilities

Recognition

The company initially recognizes borrowings, trade payables and related financial liabilities on the date on which they originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Measurement

Non-derivative financial liabilities are initially recognized at fair value, net of transaction costs incurred. After initial recognition, these liabilities are measured at amortized cost using EIR method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts are recognized as financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with 'Ind AS 37 - Provisions, contingent liabilities and contingent assets' and the amount initially recognized less cumulative amortization, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.20 Government grant

Government grants are recognized at their fair value when there is a reasonable assurance that the grant will be received, and company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income. The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by

recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized in “Other Income” in proportion of export obligations actually fulfilled during the accounting period.

Government grants relating to purchase of property, plant and equipment are initially recognized as deferred income at fair value and subsequently recognized in the statement of profit and loss on a systematic basis over the useful life of the asset.

2.21 Events after reporting date

Company evaluates events and transactions that occur subsequent to the Statement of Assets and Liabilities date but prior to approval of the Restated Financial Information to determine the necessity for recognition and/or reporting of any of these events and transactions in the Restated Financial Information.

2.22 Recent accounting pronouncements:

The MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 on May 7, 2025, whereby the amendments to Indian Accounting Standard 21 (Ind AS) has been made applicable with effect from April 1, 2025 onwards. Company does not expect the amendment to have any impact in its Restated Financial Information.

Changes in the accounting policy and estimate, if any, in the last three years and their effect on our profits and reserves

Except as stated below, there have been no changes in accounting policies and estimates of the Company during the financial year ended March 31, 2026, March 31, 2025 and March 31, 2024.

Change in Accounting Policy

- to the extent of differences in accounting policies adopted due to the effect of transition from Indian GAAP to Ind AS or where a newly issued accounting standard, if initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

Change in Accounting Estimate

- Nil

Key Components of Income and Expenses

Income

Our income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations is primarily derived from the manufacture and sale of bull gears, gears and shafts, precision machined parts and forged components thereof, with majority of such revenue being generated from the domestic market. Revenue from the sale of alloy steel primarily relates to alloy steel supplied to job workers for further processing and forging operations. The following table sets forth category-wise bifurcation of revenue from operation on restated basis for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in millions)	As a % of Revenue from Operations (in %)	Amount (₹ in millions)	As a % of Revenue from Operations (in %)	Amount (₹ in millions)	As a % of Revenue from Operations (in %)
Revenue from sale of products	3,760.52	89.43%	3,146.67	90.86%	2,868.25	89.33%
• Bull gears	794.32	18.89%	686.96	19.84%	638.35	19.88%

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in millions)	As a % of Revenue from Operations (in %)	Amount (₹ in millions)	As a % of Revenue from Operations (in %)	Amount (₹ in millions)	As a % of Revenue from Operations (in %)
• Gears & Shafts (includes Transmission Gears & Shafts and Planetary Reduction Parts)	996.97	23.71%	823.38	23.78%	595.86	18.56%
• Precision Machined Parts (includes Axle and chassis levers, Front axle spindle assemblies & steering arms, Hydraulic parts, semi-finished from of gears & shafts)	1,002.98	23.85%	970.64	28.03%	1,129.02	35.16%
• Forging (forged form of above all)	966.24	22.98%	665.69	19.22%	505.03	15.73%
Revenue from sale of alloy steel	164.02	3.90%	83.26	2.40%	139.25	4.34%
Other Operating Income						
Sale of Scrap	251.35	5.98%	217.21	6.27%	187.48	5.84%
Die Development Income	18.54	0.44%	8.72	0.25%	7.75	0.24%
Other Services*	10.40	0.25%	7.27	0.25%	8.18	0.24%
Total	4,204.83	100.00%	3,463.13	100.00%	3,210.91	100.00%

* Other Services include job work income and freight charges.

Other income

Our other income comprises (i) interest income on deposits, (ii) government grants and (iii) other non-operating Income.

Expenses

Our expenses comprise (i) cost of material consumed, (ii) changes in inventories of finished goods, (iii) stock-in-trade & work-in-progress, (iv) employee benefits expense, (v) finance costs, (vi) depreciation & amortization expense and (vii) other expenses.

Set out below is a brief description of our key elements of our expenses.

Cost of material consumed

Cost of material consumed primarily includes the cost of alloy steel and other materials that we source from our suppliers for our operations. Cost of material consumed comprises the sum of opening stock of raw material for a period and purchases of raw materials for the period, less the closing stock of raw material for such period.

Changes in inventories of finished goods, stock-in-trade & work-in-progress

Finished goods represents final product valued at lower of cost or net realizable value.

Work-in-progress represents cost incurred directly in respect of manufacturing activity, valued at lower of cost or net realizable value. Changes in inventories of finished goods & work-in-progress consist of the difference between the opening and closing inventories of finished goods & work-in-progress during a given period.

Together with cost of material consumed; changes in inventories of finished goods, stock-in-trade & work-in-progress, are the cost of goods sold and comprise raw materials purchased and services availed and used by us.

Summary of cost of goods sold:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in millions)	% of Revenue from Operations	Amount (₹ in millions)	% of Revenue from Operations	Amount (₹ in millions)	% of Revenue from Operations
Revenue from operation	4,204.83	100.00%	3,463.13	100.00%	3,210.91	100.00%
Cost of material consumed	2,287.96	54.41%	1,878.91	54.25%	1,800.16	56.06%
Changes in inventories of finished goods & work-in-progress.	(59.87)	(1.42%)	(17.26)	(0.50%)	21.75	(0.68%)
Cost of goods sold	2,228.09	52.99%	1,861.65	53.76%	1,821.91	56.74%

Employee benefits expense

Employee benefits expenses comprise (i) salaries, wages and bonus, (ii) contributions to provident and other fund, (iii) director remunerations, (iv) gratuity and Earned Leave (“EL”) expenses and (v) staff welfare expenses.

Finance costs

Finance costs primarily comprise interest expense on term loans, equipment and vehicle loans; interest expense on working capital loans and cash credit facilities availed; In addition, finance costs also include other borrowing costs comprising interest expense on lease; loan processing and bank charges.

Depreciation and amortization expense

Depreciation and amortization expense comprises costs of depreciation charged on property, plant and equipment, and amortization of right-to-use assets and Intangible Assets.

Other expenses

Other expenses primarily comprise of (i) furnace oil and LPG consumed, (ii) stores and consumables, (iii) job work charges, (iv) power and electricity charges, (v) repairs and maintenance expenses relating to plant and machinery, buildings and other assets, (vi) rent, (vii) rates, fees and taxes, (viii) insurance, (ix) CSR expenditure, (x) vehicle running and maintenance expenses, (xi) donations and other expenses, (xii) advertising and sales promotion expenses, (xiii) other selling expenses, (xiv) travelling and conveyance expenses, (xv) office expenses, (xvi) legal and professional fees, (xvii) payment to auditors, (xviii) directors’ sitting fees, (xix) miscellaneous expenses, (xx) loss on sale of fixed assets, (xxi) loss on de-recognition of financial assets, and (xxii) foreign exchange fluctuation, among others.

Results of Our Operation

The following table sets forth select financial data derived from our Restated Financial Information and we have expressed the components of select financial data as a percentage of total income for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in millions)	% of Total Income	Amount (₹ in millions)	% of Total Income	Amount (₹ in millions)	% of Total Income
Income						
Revenue from operations	4,204.83	99.64%	3,463.13	99.81%	3,210.91	99.83%
Other Income	15.35	0.36%	6.74	0.19%	5.44	0.17%
Total Income	4,220.18	100.00%	3,469.86	100.00%	3,216.34	100.00%
Expenses						
Cost of material consumed	2,287.96	54.21%	1,878.91	54.15%	1,800.16	55.97%
Changes in inventories of finished goods & work-in-progress	(59.87)	(1.42)%	(17.26)	(0.50)%	21.75	0.68%
Employee benefits expense	408.11	9.67%	353.37	10.18%	303.95	9.45%
Finance Costs	113.60	2.69%	126.24	3.64%	97.13	3.02%
Depreciation and amortisation expenses	118.84	2.82%	99.72	2.87%	73.27	2.28%
Other Expenses	805.75	19.09%	677.77	19.53%	595.86	18.53%
Total Expenses	3,674.38	87.07%	3,118.76	89.88%	2,892.12	89.92%
Profit before Extra-Ordinary Items and Tax	545.80	12.93%	351.11	10.12%	324.23	10.08%
Exceptional Items	0.62	0.01%	-	0.00%	-	0.00%
Profit before Tax	545.17	12.92%	351.11	10.12%	324.23	10.08%
Total tax expense	133.00	3.15%	92.92	2.68%	86.09	2.68%
Profit for the Year	412.17	9.77%	258.18	7.44%	238.14	7.40%

Fiscal 2026 compared to Fiscal 2025

Income

Our total income increased by 21.62%, to ₹ 4,220.18 million in Fiscal 2026 from ₹ 3,469.86 million in Fiscal 2025.

Revenue from operations

Our revenue from operations increased by 21.42% from ₹ 3,463.13 million in Fiscal 2025 to ₹ 4,204.83 million in Fiscal 2026. The increase was primarily attributable to higher sales volumes driven by capacity expansion and improved capacity utilization across our Manufacturing Units. Our actual production of forged components increased from 18,618 MT in Fiscal 2025 to 25,270 MT in Fiscal 2026, representing a growth of 35.73%. Further, the actual production of cumulative Machined Components increased from 13,30,616 units in Fiscal 2025 to 16,12,616 units in Fiscal 2026, representing a growth of 21.24%. The increase in production volumes across both forging and machining operations contributed to the growth in revenue during Fiscal 2026.

Other Income:

Our other income increased to ₹ 15.35 million for Fiscal 2026 from ₹ 6.74 million for Fiscal 2025 being change of 127.80% from previous fiscal year. Increase in other income is primarily due to increase in foreign exchange gain/(loss) (covered under other non-operating income) of ₹ 6.64 million in Fiscal 2026 and due to increase in government grant from ₹ 2.06 million for Fiscal 2025 to ₹ 4.68 million for Fiscal 2026.

Total Expenses:

Our total expenses increased by 17.82% to ₹ 3,674.38 million for Fiscal 2026 from ₹ 3,118.76 million for Fiscal 2025. The reasons for change are discussed below:

Cost of Material Consumed

Cost of Material consumed of the company increased by 21.77% to ₹2,287.96 million for Fiscal 2026 from ₹ 1,878.91 million for Fiscal 2025 mainly due to higher production and sales volume. Cost of material consumed as a percentage of total income has stayed consistent at 54.21% for Fiscal 2026 and 54.15% of total income for Fiscal 2025.

Change in inventories of finished goods, stock-in-trade & work-in-progress

Closing inventory primarily includes inventory work-in-progress and scrap. Our closing inventory of work-in-progress was ₹ 434.90 million as at March 31, 2026, while it was ₹ 376.19 million as at March 31, 2025.

Employee Benefits Expenses

Our employee benefits expenses increased by 15.49% to ₹ 408.11 million for Fiscal 2026 from ₹ 353.37 million for Fiscal 2025, primarily due to an increase in full-time employee headcount to 1,082 for Fiscal 2026 from 1,033 for Fiscal 2025 together with the annual wage increase resulting in an increase in salaries and annual wage increases.

Finance Costs

Our finance costs decreased by 10.01% to ₹ 113.60 million in Fiscal 2026 from ₹ 126.24 million in Fiscal 2025. The decrease was primarily on account of interest expenses on lease liabilities, which fell to ₹ 12.41 million in Fiscal 2026 as compared to ₹ 24.72 million in Fiscal 2025, following the purchase of leased plant and machinery in our Company's name.

Depreciation and Amortisation Expense

Our depreciation and amortization charge increased by 19.17% to ₹ 118.84 million for Fiscal 2026 from ₹ 99.72 million for Fiscal 2025. Increase in depreciation and amortisation expense was primarily on account of increase in plant and machinery, resulting in higher depreciation charges during Fiscal 2026.

Other Expenses

Our other expenses increased by 18.88% to ₹ 805.75 million for Fiscal 2026 from ₹ 677.77 million for Fiscal 2025 primarily due to an increase in power and electricity expenses, repair and maintenance costs relating to plant and machinery, stores and consumables, job work charges and other selling expenses, in line with higher production volumes and expanded business operations during the year. Power and electricity expenses increased to ₹ 259.62 million in Fiscal 2026 from ₹ 178.51 million in Fiscal 2025, reflecting the higher scale of operations. During Fiscal 2026, we also electrified our alloy steel cutting line by replacing the traditional gas-based system with an electrically operated process and commissioned rooftop solar facilities for captive consumption. These initiatives are expected to reduce our dependence on Liquefied Petroleum Gas (LPG) and externally sourced electricity and contribute to lower operating costs over the long term.

Exceptional Items

During Fiscal 2026, our Company incurred a loss of ₹0.62 million in relation to the statutory impact arising from the implementation of the new labour codes, which came into effect from November 21, 2025. The four labour codes comprise (i) the Code on Wages, 2019, (ii) the Industrial Relations Code, 2020, (iii) the Code on Social Security, 2020 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020, which collectively rationalised and consolidated the 29 existing central labour laws.

Profit before Tax (PBT)

Profit before taxes increased by 55.45% to ₹ 545.80 million for Fiscal 2026 from ₹ 351.11 million for Fiscal 2025. PBT as a percentage of total income increased from 10.12% in Fiscal 2025 to 12.93% in Fiscal 2026, mainly due to operating leverage and margin expansion. Total expenses increased by only 17.82%, while employee benefits expenses grew 15.49% and finance costs declined by 10.01%. Further, the increasing contribution of revenue from machined components, which represent a downstream and higher value-added stage in our manufacturing value chain, has contributed to improved profitability, as such products typically command higher realizations, enabling a greater proportion of incremental revenue to be converted into profit.

Tax Expenses

Tax expense increased by 43.12% to ₹133.00 million in Fiscal 2026 from ₹92.92 million in Fiscal 2025. Effective tax rate i.e. tax expense as a percentage of profit before tax stood at 24.40% and 26.47% for Fiscal 2026 and Fiscal 2025 respectively.

Profit after Tax (PAT)

Due to the factors discussed above, our PAT for the year increased by 59.64% to ₹ 412.17 million for Fiscal 2026 from ₹ 258.18 million for Fiscal 2025. PAT as a percentage of total income increased from 7.44% in Fiscal 2025 to 9.77% in Fiscal 2026.

Fiscal 2025 compared to Fiscal 2024

Income

Our total income increased by 7.88%, to ₹ 3,469.86 million in Fiscal 2025 from ₹ 3,216.34 million in Fiscal 2024.

Revenue from operations

Our revenue from operations increased by 7.86% from ₹ 3,210.91 million in Fiscal 2024 to ₹ 3,463.13 million in Fiscal 2025. It has increased primarily due to increase in sales volume of our forged products and corresponding increase in realization of our products. Our actual production of forged components increased from 16,667 MT in Fiscal 2024 to 18,618 MT in Fiscal 2025, representing a growth of 11.71%. However, the actual production of cumulative Machined Components increased from 1,587,537 units in Fiscal 2024 to 1,612,616 units in Fiscal 2025, representing a growth of 01.58%.

Other Income:

Our other income increased by 23.91% to ₹6.74 million in Fiscal 2025 from ₹5.44 million in Fiscal 2024. Increase in other income is primarily on account of increase in amortisation of government grant of ₹ 2.06 million in Fiscal 2025 as compared to 0.04 million in Fiscal 2024.

Total Expenses:

Our expenses increased by 7.84% to ₹ 3,118.76 million for Fiscal 2025 from ₹ 2,892.12 million for Fiscal 2024. The reasons for change are discussed below:

Cost of Material Consumed

Cost of material consumed by the Company increased by 4.37% to ₹ 1,878.91 million for Fiscal 2025 from ₹ 1,800.16 million for Fiscal 2024, mainly due to higher production and sales volume. Cost of material consumed as a percentage of total income has decreased to 54.15% for Fiscal 2025 and 55.97% of total income for Fiscal 2024, mainly due to increase in contribution of revenue from Machined Components.

Change in inventories of finished goods, stock-in-trade and work-in-progress

Our closing inventory of work-in-progress was ₹ 376.19 million as at March 31, 2025, while it was ₹ 359.26 million as at March 31, 2024.

Employee Benefits Expenses

Our employee benefits expenses increased by 16.26% to ₹ 353.37 million for Fiscal 2025 from ₹ 303.95 million for Fiscal 2024, primarily on account of an increase in full time employee headcount to 1,033 for Fiscal 2025 from 890 for Fiscal 2024.

Finance Costs

Our finance costs increased by 29.97% to ₹ 126.24 million for Fiscal 2025 from ₹ 97.13 million for Fiscal 2024. The increase was primarily on account of interest expenses, which rose to ₹ 54.17 million in Fiscal 2025 as compared to ₹ 28.31 million in Fiscal 2024, primarily due to an increase in borrowings to support our business operations and capital expenditure.

Depreciation and Amortisation Expense

Our depreciation and amortization charge increased by 36.11% to ₹ 99.72 million for Fiscal 2025 from ₹ 73.27 million for Fiscal 2024, primarily due to an expansion in factory building and plant and machinery, resulting in higher depreciation charges during the Fiscal 2025.

Other Expenses

Our other expenses increased by 13.75% to ₹677.77 million for Fiscal 2025 from ₹595.86 million for Fiscal 2024, primarily on account of higher power and electricity charges, which increased to ₹178.51 million for Fiscal 2025 from ₹132.97 million for Fiscal 2024, stores and consumables expenses, which increased to ₹104.38 million for Fiscal 2025 from ₹77.03 million for Fiscal 2024, and other selling expenses, which increased to ₹93.46 million for Fiscal 2025 from ₹83.09 million for Fiscal 2024, in line with higher operational activity during the Fiscal.

Profit before Tax (PBT)

As a result of the factors explained above, our PBT increased by 8.29% to ₹ 351.11 million for Fiscal 2025 from ₹ 324.23 million for Fiscal 2024. PBT as a percentage of total income increased from 10.08% in Fiscal 2024 to 10.12% in Fiscal 2025.

Tax Expenses

Tax expense increased by 7.94% to ₹92.92 million for Fiscal 2025 from ₹86.09 million for Fiscal 2024, which was primarily attributable to increase in profit before tax. Effective tax rate stood at 26.47% and 26.55% for Fiscal 2025 and Fiscal 2024 respectively.

Profit after Tax (PAT)

Due to the factors discussed above, our PAT for the year increased by 8.42% to ₹ 258.18 million for Fiscal 2025 from ₹ 238.14 million for Fiscal 2024. PAT as a percentage of total income increased from 7.40% in Fiscal 2024 to 7.44% in Fiscal 2025.

Liquidity And Capital Resources

As of March 31, 2026, our cash and cash equivalents, bank balance other than cash and cash equivalents and other current assets were ₹ 0.65 million, ₹ 29.04 million and ₹ 117.53 million, respectively.

We have primarily funded our growth through internal cash flows/ borrowing and plan to meet our ongoing liquidity and capital requirements using these same sources. We believe our existing cash, cash equivalents, and proceeds from the Offer, along with the available borrowings, will be sufficient to meet our working capital and capital expenditures needs for at least the next 12 months and beyond. We consistently monitor our funding levels to ensure we can meet our financial needs.

Cash flows

The table below summarizes the statement of cash flows, as per our restated statement of cash flows for the years indicated:

(₹ in millions)			
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Net cash flows generated from operating activities (A)	562.20	348.11	348.62
Net cash flow used in investing activities (B)	(421.82)	(303.24)	(513.94)
Net cash flows generated from/ (used in) financing activities (C)	(140.52)	(44.41)	165.38
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(0.15)	0.45	0.07
Cash and cash equivalents at the beginning of the period	0.79	0.34	0.27
Cash and cash equivalents at the end of the period	0.65	0.79	0.34

Net cash flow (used in)/generated from operating activities

Fiscal 2026

Net cash flow generated from operating activities was ₹ 562.20 million for Fiscal 2026. Our operating profit before working capital changes was ₹ 773.77 million in Fiscal 2026, which was result of profit before tax of ₹ 543.97 million, adjusted for depreciation and amortization of ₹ 118.84 million, finance costs of ₹ 113.60 million, other non-cash adjustments of ₹ 0.34 million and interest income of ₹ (2.99) million. Our net investment in working capital was ₹ 113.87 million. Movements in working capital primarily consisted of an increase in trade payables of ₹ 139.26 million, increase in other current liabilities and provisions of ₹ 10.71 million, increase in current financial liabilities of ₹ 10.20 million, increase in inventories of ₹ 147.99 million, trade receivables of ₹ 90.88 million and other current/non-current assets of ₹ 41.09 million. Tax paid during the year amounted to ₹ 97.69 million.

Fiscal 2025

Net cash flow generated from operating activities was ₹ 348.11 million for Fiscal 2025. Our operating profit before working capital changes was ₹ 596.18 million in Fiscal 2025, which was result of profit before tax of ₹ 352.13 million, adjusted for depreciation and amortization of ₹ 99.72 million, finance costs of ₹ 126.24 million, other non-cash adjustments of ₹ 21.79 million and interest income of ₹ (3.69) million. Our net investment in working capital was ₹ 173.23 million. Movements in working capital primarily consisted of an increase in trade payables of ₹ 48.36 million, increase in trade receivables of ₹ 97.12 million, increase in current financial liabilities of ₹ 8.24 million, increase in other current/non-current assets of ₹ 36.84 million and increase in inventories of ₹ 77.73 million. Tax paid during the year amounted to ₹ 74.84 million.

Fiscal 2024

Net cash flow generated from operating activities was ₹ 348.62 million for Fiscal 2024. Our operating profit before working capital changes was ₹ 541.34 million in Fiscal 2024, which was primarily derived from profit before tax of ₹

327.91 million, adjusted for depreciation and amortization of ₹ 73.27 million, finance costs of ₹ 97.13 million and other non-cash adjustments of ₹ 46.24 million and interest income of ₹ (3.21) million. Our net investment in working capital was ₹ 126.46 million. Movements in working capital primarily consisted of a decrease in trade payables of ₹ 49.48 million, increase in trade receivables of ₹ 149.88 million, increase in current financial liabilities of ₹ 16.88 million, increase in other current/non-current assets of ₹ 23.26 million and decrease in inventories of ₹ 52.73 million. Tax paid during the year amounted to ₹ 66.26 million.

Net cash flow from/(used in) investing activities

Fiscal 2026

Net cash flow used in investing activities was ₹ 421.82 million for Fiscal 2026, primarily attributable to purchase of property, plant and equipment including capital advances, capital work in progress, intangible assets of ₹ 367.44 million and purchase of land amounting to ₹ 57.84 million. The outflow was partially offset by proceeds from sale of property, plant and equipment of ₹ 3.48 million and interest income of ₹ 1.24 million.

Fiscal 2025

Net cash flow used in investing activities was ₹ 303.24 million for Fiscal 2025, which was primarily attributable to purchase of property, plant and equipment including capital advances, capital work in progress and intangible assets of ₹ 352.72 million. The outflow was partially offset by proceeds from sale of property, plant and equipment of ₹ 20.42 million, proceeds from sale of land of ₹ 31.83 million and interest income of ₹ 0.21 million.

Fiscal 2024

Net cash flow used in investing activities was ₹ 513.94 million for Fiscal 2024, primarily attributable to purchase of property, plant and equipment including capital advances, capital work-in-progress and intangible assets of ₹ 516.30 million. The outflow was partially offset by proceeds from sale of property, plant and equipment of ₹ 5.45 million, proceeds from sale of land of ₹ 8.00 million and interest income of ₹ 1.92 million.

Net cash flow generated from / (used in) financing activities

Fiscal 2026

Net cash flow used in financing activities was ₹ 140.52 million for Fiscal 2026, mainly consisting of repayment of lease liabilities of ₹ 92.60 million, finance costs paid of ₹ 101.19 million, partially offset by proceeds from short term borrowings of ₹ 30.94 million and proceeds from long term borrowings of ₹ 22.32 million.

Fiscal 2025

Net cash flow used in financing activities was ₹ 44.41 million for Fiscal 2025, mainly consisting of finance costs paid of ₹ 101.52 million and repayment of lease liabilities of ₹ 90.17 million, partially offset by proceeds from long term borrowings of ₹ 101.85 million and proceeds from short term borrowings of ₹ 45.43 million.

Fiscal 2024

Net cash flow generated from financing activities was ₹ 165.38 million for Fiscal 2024, mainly consisting of proceeds from long term borrowings of ₹ 206.53 million and proceeds from short term borrowings of ₹ 113.23 million, partially offset by finance costs paid of ₹ 74.19 million and repayment of lease liabilities of ₹ 80.19 million.

Non-Generally Accepted Accounting Principles Financial Measures (“Non-GAAP Measures”)

Certain measures included in this Draft Red Herring Prospectus, for instance Growth in Revenue from Operations, Gross Profit, Gross Profit Margin, EBITDA, EBITDA Margin, PAT Margin, Total Debt to Equity Ratio, Return on Equity (RoE), Return on Capital Employed (ROCE), Net Fixed Asset Turnover, and Net Working Capital days (the “**Non-GAAP Measures**”), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit revenue from operations or any other performance measures derived

in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. Further, these Non- GAAP Measures and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit for the years 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, IFRS or US GAAP. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of Non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of Return on net worth

The table below reconciles Return on net worth. Return on net worth is calculated as profit for the year divided by Net worth.

(₹ millions, unless otherwise stated)

Particulars	On pro forma basis	On restated basis		
	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
Profit for the year (I)	434.56	412.17	258.18	238.14
Net worth [^] (II)	2,059.82	2,054.38	1,643.11	1,384.16
Return on net worth (III) = (I/II) (%)	21.10%	20.06%	15.71%	17.20%

[^] Net-Worth is calculated as value of the paid-up share capital and all reserves created out of the profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets and write-back of depreciation.

Reconciliation of Restated Profit for the year to EBITDA and EBITDA Margin

The table below reconciles restated profit for the year to EBITDA. EBITDA is calculated as profit for the year minus other income plus finance costs, depreciation and amortisation expense and total tax expense, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ millions, unless otherwise stated)

Particulars	On pro forma basis	On restated basis		
	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
Profit for the year (I)	434.56	412.17	258.18	238.14
Other income (II)	15.70	15.35	6.74	5.44
Finance costs (III)	131.41	113.60	126.24	97.13
Depreciation and amortization expense (IV)	127.45	118.84	99.72	73.27
Exceptional Item (V)	0.62	0.62	-	-
Total tax expense (VI)	147.34	133.00	92.92	86.09

(₹ millions, unless otherwise stated)

Particulars	On pro forma basis	On restated basis		
	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
EBITDA (VI = I-II+III+IV+V+VI)	825.69	762.89	570.33	489.18
Revenue from operations (VII)	4,587.26	4,204.83	3,463.13	3,210.91
EBITDA Margin (%) (VIII) = (VI/VII)	18.00%	18.14%	16.47%	15.24%

Reconciliation of total equity to net asset value per equity share

The table below reconciles total equity to net asset value per equity share. Net asset value per equity share is calculated as total equity divided by weighted average number of equity shares.

(₹ millions, unless otherwise stated)

Particulars	On pro forma basis	On restated basis		
	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
Net worth [^] (I)	2,059.82	2,054.38	1,643.10	1,384.16
Outstanding number of equity shares after adjusting the effect of sub-division (II)	73,500,000	73,500,000	73,500,000	73,500,000*
Net Asset Value per equity share (III) = (I/II) (₹ per share)	28.02	27.95	22.36	18.83

*adjusted for bonus issue and split

[^] Net-Worth is calculated as value of the paid-up share capital and all reserves created out of the profits and securities premium account and credit balance of profit and loss account, after deducting the aggregate value of deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets and write-back of depreciation.

Reconciliation of Total Debt to Equity Ratio

The table below reconciles total debt to equity ratio. Total debt to equity ratio is calculated as total debt divided by total equity.

(₹ millions, unless otherwise stated)

Particulars	On pro forma basis	On restated basis		
	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2026	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
Total Debt [^] (I)	1,302.47	1,235.26	1,182.00	1,034.72
Total Equity (II)	2,054.38	2,054.38	1,643.10	1,384.16
Total Debt to Equity Ratio (III) = (I/II) (in times)	0.63	0.60	0.72	0.75

[^] Total debt is calculated as sum of long-term borrowing and short-term borrowing excluding lease liabilities.

Financial Indebtedness

As on June 30, 2026, the outstanding borrowings of our Company aggregated to ₹ 1,335.79 million. Set forth below is a

brief summary:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2023
Long term Borrowings	457.22	442.75	397.16
Short term borrowings	778.04	739.25	637.57
Total Debt	1,235.26	1,182.00	1,034.72
Total Debt to Equity Ratio	0.60	0.72	0.75

For further details of financial indebtedness, see “*Financial Indebtedness*” on page 418.

Capital expenditure

The following table sets forth our gross fixed assets as at the periods indicated:

(₹ in millions)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2023
Property, Plant and Equipment	1,937.32	1,664.19	1,112.68
Intangible Assets	1.43	1.40	0.86
Right-of-use assets	304.89	360.47	319.09
Total	2,243.65	2,026.06	1,432.62

For further details of our Capital Expenditure, see “*Restated Financial Information – Note 3 – Property, Plant and Equipment (PPE) & Intangible Asset*” on page 368.

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 interest rate, liquidity risk, foreign exchange risk and reputational 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 is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from our Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. Our Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Our Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

Our Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers to which our Company grants credit terms in the normal course of business and through regular monitoring of conduct of accounts.

Liquidity Risk

Liquidity risk is the risk that our Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. Our Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors our Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

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 assets recoverable in cash will fluctuate because of changes in market prices. Market risk comprises of foreign currency risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. 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. Our Company is exposed to such risk primarily on its floating rate borrowings, which are principally denominated in Indian Rupees and carry a variable rate of interest. For further information, see “*Financial Indebtedness*” on page 418.

b. Foreign Currency risk

Our Company’s foreign currency risk arises from its foreign currency revenues & capital expenditure. The company’s functional currency is Indian Rupees (₹). Our Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the company’s revenue from operation export markets and gross block. Adverse movements in the exchange rate between the rupee and any relevant foreign currency results 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.

c. Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. Our Company has no investment in equity instruments; therefore, our Company has no other price risk.

Contractual Obligations

See “—*Quantitative and Qualitative Disclosures about Market Risks—Liquidity Risk*” on page 453.

Contingent liabilities

A summary of our contingent liabilities as at March 31, 2026, as per Ind AS 37 – provisions, contingent liabilities and contingent assets, derived from our Restated Financial Information is set forth below:

Particulars	Amount (in ₹ million)
Export Obligation [^]	88.12

[^]Our Company has export obligations of ₹ 528.73 million on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme. In the event of our Company’s inability to meet its obligations, our Company’s liability would be ₹ 88.12 million reduced in proportion to actual exports, plus applicable interest. Our Company has given bonds of ₹77.99 million against these export obligations.

For further information on such contingent liabilities as per Ind AS 37, see “*Restated Financial Information – Note 34 – Capital commitments, Contingent Liabilities and Contingencies*” on page 387.

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties. For details of our related party transactions, see “*Summary of Related Party Transactions*” and “*Restated Financial Information – Note 37: Related Party Disclosures*” on pages 92 and 388, respectively.

Off-balance sheet commitments and arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Auditor qualifications and emphasis of matter

There are no reservations, qualifications, and adverse remarks by our Statutory Auditors in their report on the Restated Financial Information or in their report on the audited financial statements as at and for the year ended March 31, 2026, March 31, 2025, and March 31, 2024.

Significant Economic Changes

Other than as described above, to the best of the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations. For further details, please see “*Our Business*” and “*Risk Factors*” on pages 26 and 253, respectively.

Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income and discretionary reduction of expenses, etc. that have in the past or may in the future affect our business or results of operations.

Material increases in net income and sales

Material increases in our net income and sales are primarily due to the reasons described in this section above.

Segment reporting

Other than as disclosed in “*Restated Financial Information – Note 36: Segment reporting*” on page 388, we do not follow any other segment reporting.

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled “- *Significant Factors affecting our Financial Condition and Results of Operations*” on page 422 and the uncertainties described in the section titled “*Risk Factors*” beginning on page 26. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship between Cost and Income

Other than as described above and in “*Our Business*” and “*Risk Factors*” on pages 26 and 253, respectively, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

New Products or Business Segments

Other than as disclosed in this section and in “*Our Business*” and “*Objects of the Offer*” on page 253 and 126, respectively, as on the date of this Draft Red Herring Prospectus, there are no new products or business segments that have had or are expected to have a material impact on our business prospects, results of operations or financial condition.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

Changes in revenue in the last three Financial Years are as described in “- *Fiscal 2026 compared to Fiscal 2025 – Revenue from operations*” and “- *Fiscal 2025 compared to Fiscal 2024 - Revenue from Operations*” above on pages 446 and 447 respectively.

Seasonality

Our business is not seasonal in nature.

Significant dependence on a single or few suppliers or customers

Set out below is a break-up of the revenue contribution of our top 1, 3, 5 and 10 customers to our revenues from operations in the last three Fiscals:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Top customer	814.31	19.37%	640.62	18.50%	557.89	17.38%
Top 3 customers	1,615.62	38.42%	1,413.49	40.82%	1,371.22	42.71%
Top 5 customers	2,336.87	55.58%	2,111.37	60.97%	2,067.75	64.40%
Top 10 customers	3,329.93	79.19%	2,940.98	84.92%	2,752.65	85.73%

Notes:

1. In Fiscal 2026, our top 10 customers included Mahindra & Mahindra Limited, International Tractors Limited, Ashok Leyland Limited, Carraro India Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
2. In Fiscal 2025, our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, International Tractors Limited, Graziano Transmission India Private Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.
3. In Fiscal 2024 our top 10 customers included Mahindra & Mahindra Limited, Carraro India Limited, Ashok Leyland Limited, Graziano Transmission India Private Limited, International Tractors Limited and Escorts Kubota Limited. Additionally, the names of certain of our customers have not been disclosed due to non-receipt of consents and to preserve confidentiality.

Set out below is the cost of materials procured from our top supplier, top 3 suppliers, top 5 suppliers and top 10 suppliers for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Raw material purchased (₹ in million) [^]	As a % of raw material purchased	Raw material purchased (₹ in million) [^]	As a % of raw material purchased	Raw material purchased (₹ in million) [^]	As a % of raw material purchased
Top supplier*	1,122.20	45.38%	728.92	35.23%	568.72	29.90%
Top 3 suppliers*	1,688.85	68.30%	1,035.71	50.06%	936.81	49.25%
Top 5 suppliers*	1,937.65	78.36%	1,265.58	61.17%	1,209.42	63.58%
Top 10 suppliers*	2,176.15	88.01%	1,640.38	79.29%	1,514.30	79.61%

[^]Raw material includes alloy steel and forged parts as well as furnace oil, diesel and LPG.

* The names of our suppliers have not been disclosed to preserve confidentiality.

Competitive Conditions

We expect to continue to compete with existing and potential competitors. For details, please refer to the discussions of our competition in the sections “Significant Factors affecting our Financial Condition and Results of Operations – Competition and pricing pressure”, “Risk Factors”, “Industry Overview” and “Our Business” on pages 422, 26, 170, and 253, respectively.

Significant Developments after March 31, 2026, that may affect our future results of operations

- Our Company entered into a slump sale agreement dated January 16, 2026, the erstwhile D.S. Engineers, a sole proprietorship of our Company’s Promoter Suman Chauhan, along with an addendum slump sale agreement dated June 20, 2026 (together, the “**Slump Sale Agreement**”). Under the Slump Sale Agreement, the erstwhile D.S. Engineers agreed to transfer its business to our Company on a slump sale basis with effect from April 01, 2026.

Except as set out above and elsewhere in this Draft Red Herring Prospectus, no developments have come to our attention since the date of the Restated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to materially and adversely affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage whether cognizance has been taken or not by any court or judicial authority); (ii) actions (including all penalties and show cause notices) taken by regulatory or statutory authorities including notices issued by such authorities; (iii) claims related to direct and indirect taxes; and (iv) any other outstanding litigation as determined to be material pursuant to the Materiality Policy in accordance with the SEBI ICDR Regulations in each case involving our Company, Promoters, and Directors (“**Relevant Parties**”). Further, there are no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against the Promoters in the last five financial years including any outstanding action. Further, as on the date of this Draft Red Herring Prospectus, there are no findings/observations of any inspections by SEBI or any other regulator involving our Company which are material and which need to be disclosed or non-disclosure of which may have bearing on the investment decision. Furthermore, except as disclosed in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage whether cognizance has been taken or not by any court or judicial authority) and (ii) actions (including all penalties and show cause notices) by statutory and / or regulatory authorities involving our Key Managerial Personnel and members of Senior Management.*

As on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company.

Pursuant to the Materiality Policy adopted by our Board on August 12, 2026, for the purposes of (iv) above, any pending litigation involving the Relevant Parties, has been considered ‘material’ and accordingly disclosed in this Draft Red Herring Prospectus where:

- (i) the monetary amount of claim/amount in dispute, to the extent quantifiable, involved in any such outstanding litigation or arbitration proceedings exceeds: a) two percent of turnover, for the most recent financial year, as per the Restated Financial Information; or (b) two percent of net worth, as at the end of the most recent financial year, as per the Restated Financial Information, except in case the arithmetic value of the net worth is negative; or (c) five percent of the average of absolute value of profit or loss after tax, for the last three financial years, as per the Restated Financial Information, whichever is lower (“**Materiality Threshold**”). Accordingly, 5% of the average of absolute value of profit or loss after tax, for the last three Financial Years as per the Restated Financial Information, amounting to ₹ 15.15 million has been considered as the Materiality Threshold for the Relevant Parties; or*
- (ii) where monetary liability is not quantifiable or does not exceed the Materiality Threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position, or reputation of our Company; or*
- (iii) any claim/dispute involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

Pre-litigation notices received by any of the Relevant Parties from third parties (excluding such notices issued by any statutory/ regulatory/ governmental/ taxation authorities or notices threatening criminal action) shall, unless otherwise decided by the Board, not be considered as litigation until such time that the Relevant Parties are impleaded as defendants or respondents in litigation proceedings before any judicial forum. Additionally, FIRs (whether cognizance has been taken or not) initiated against the Relevant Parties shall be disclosed.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further in terms of the Materiality Policy, a creditor shall be considered “material”, if the outstanding dues to such creditor is equal to or exceeds 5% of total outstanding dues (trade payables) of our Company based on the Restated Financial Information. Accordingly, any outstanding dues exceeding ₹ 16.50 million, which is 5% of the total trade payables of our Company as at March 31, 2026, have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“**MSME**”), the disclosure will be based on information available with the Company regarding the status of the creditor as defined under Micro, Small and Medium Enterprises Development Act, 2006, as amended read with the rules and notifications thereunder.*

I. Litigation involving our Company

A. *Litigation filed against our Company*

a. Criminal proceedings

Nil

b. Outstanding actions by regulatory and statutory authorities

1. The Registrar of Companies, Punjab and Chandigarh at Chandigarh, pursuant to an adjudication application filed *suo motu* by our Company under Section 454 of the Companies Act, 2013, issued an order dated September 15, 2026 in relation to non-compliance with the provisions of Section 29(1A) of the Companies Act, 2013. The non-compliance related to the failure to transfer the shares of our Company in dematerialised form for the period from February 19, 2022 to January 29, 2025. Accordingly, the RoC Chandigarh imposed a penalty of ₹0.20 million on our Company and ₹0.05 million on one of our Promoter, Vineet Chauhan, under Section 450 of the Companies Act, 2013. The order provides that the penalty is required to be paid within 90 days from receipt of the order. The order may be appealed before the Regional Director, Chandigarh within 60 days from the date of receipt of the order in accordance with Sections 454(5) and 454(6) of the Companies Act, 2013. This matter is currently pending.
2. The Registrar of Companies, Punjab and Chandigarh at Chandigarh, pursuant to an adjudication application filed *suo motu* by our Company under Section 454 of the Companies Act, 2013, issued an order dated September 15, 2026 in relation to non-compliance with the provisions of Section 149(4) of the Companies Act, 2013. The non-compliance related to the failure to appoint the second independent director of our Company for the period from December 4, 2018 to November 30, 2023. Accordingly, the RoC Chandigarh imposed a penalty of ₹0.30 million on our Company and ₹0.10 million on one of our Promoter, Vineet Chauhan, officer in default, under Section 172 of the Companies Act, 2013. The order provides that the penalty is required to be paid within 90 days from receipt of the order. The order may be appealed before the Regional Director, Chandigarh within 60 days from the date of receipt of the order in accordance with Sections 454(5) and 454(6) of the Companies Act, 2013. This matter is currently pending.

c. Material civil proceedings

Nil

B. *Litigation filed by our Company*

a. Criminal proceedings

Nil

b. Material civil proceedings

1. Our Company (the “**Claimant**”) filed a claim petition on August 27, 2024 under section 3(G)(5) of the National Highway Act, 1956 before the Commissioner Patiala Division, Patiala cum Arbitrator (the “**Tribunal**”) against Union of India through Ministry of Road Transport and Highways (New Delhi), National Highway Authority (project implementation unit Ludhiana), competent authority (land acquisition) collector (collectively, the “**Respondents**”) for the awarding, determination and enhancement of compensation in respect of land owned by our Company which was acquired for the purpose of widening, maintenance, management and operation of a national highway and for construction of the Ludhiana bypass. The land acquisition collector had earlier awarded compensation of approximately ₹ 30.57 million. Our Company has, *inter alia*, contended that the acquired land is commercial in nature and that change of land use had been obtained. Further, our Company has claimed enhanced compensation towards land rate and has also claimed compensation towards structure rate, business loss, severance loss, trees/tubewell loss and other losses amounting to ₹ 903.00 million. Vide order dated March 30, 2026, the said matter was dismissed by the Tribunal, however, our Company has filed a petition under section 34 of the Arbitration and Conciliation Act, 1996, before the Hon’ble Court of District & Sessions Judge, Patiala, dated July 15, 2026, for challenging the said arbitral award in respect of its claim for compensation. The matter is currently pending

C. Tax Proceedings involving our Company

Nature of Case	Number of cases	Amount involved (in ₹ million)
Direct Tax	Nil	Nil
Indirect Tax	1	Unascertainable*
Total	1	Unascertainable*

**While a show-cause notice has been issued by the relevant regulatory authority in relation to the tax proceeding, the tax demand in respect of such proceeding has not yet been finalized. Accordingly, the amount of such tax demand is not ascertainable as at the date of this DRHP.*

II. Litigation involving our Directors (Other than our Promoters)

A. *Litigation filed against our Directors*

a. Criminal proceedings

Nil

b. Outstanding actions by regulatory and statutory authorities

Nil

c. Material civil proceedings

Nil

B. *Litigation filed by our Directors*

a. Criminal proceedings

Nil

b. Material civil proceedings

Nil

C. *Tax proceedings involving our Directors*

Nil

III. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

a. Criminal proceedings

Nil

b. Disciplinary actions including penalties imposed by SEBI or stock exchanges in the last five financial years including outstanding actions

Nil

c. Outstanding actions by regulatory and statutory authorities

For details regarding the penalties imposed by the Registrar of Companies, Punjab and Chandigarh at Chandigarh, on Vineet Chauhan, our Promoter and Managing Director, pursuant to their orders each dated September 15, 2026, please see “*Outstanding Litigations and Material Developments – I. Litigation involving our Company – Outstanding actions by regulatory and statutory authorities*” on page 459.

Except for the aforesaid, there are no outstanding actions by regulatory and statutory authorities against any of our Promoters.

d. Material civil proceedings

Nil

B. *Litigation filed by our Promoters*

a. Criminal proceedings

Nil

b. Material civil proceedings

Nil

C. *Tax proceedings involving our Promoters*

Nil

IV. Litigation involving our Key Managerial Personnel (other than our Directors)

a. *Criminal proceedings against our Key Managerial Personnel*

Nil

b. *Criminal proceedings by our Key Managerial Personnel*

Nil

c. *Actions and proceedings initiated by statutory/regulatory authorities against our Key Managerial Personnel*

Nil

V. Litigation involving our Senior Management (other than our Directors and Key Managerial Personnel)

a. *Criminal proceedings against our Senior Management*

Nil

b. *Criminal proceedings by our Senior Management*

Nil

c. *Actions and proceedings initiated by statutory/regulatory authorities against our Senior Management*

Nil

VI. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company has been considered to be material if the amounts due to such creditor exceed 5% of the total trade payables of our Company as of the latest financial period mentioned in the Restated Financial Information, i.e., March 31, 2026 (i.e., to whom our Company owes an amount having a monetary value exceeding an amount of ₹ 16.50 million as of March 31, 2026).

Details of outstanding dues owed to material creditors (in accordance with the Materiality Policy), MSMEs (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006) and other creditors as of March 31, 2026, are set out below:

Types of creditors	Number of creditors	Amount involved (in ₹ million)
Material Creditors	3	181.74
Dues to micro and small enterprises (the “ Small-scale undertaking ”)	50	8.81
Other creditors	314	139.46
Total	367	330.01

Further, details of outstanding dues towards our material creditors have been uploaded on the website of our Company at <https://www.jaiparvatiforge.com>.

Material Developments

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 421, 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 assets or our ability to pay our liabilities within the next 12 months from the date of the filing of this DRHP.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Disclosed below is a list of material approvals, licenses and registrations obtained by our Company from the relevant governmental, statutory and regulatory authorities, under various acts, regulations and rules, which are considered material and necessary for the purpose of undertaking our business activities and operations (“Material Approvals”) and except as disclosed herein, all consents, licenses, registrations, permissions and approvals have been obtained by our Company from the relevant governmental, statutory and regulatory authorities which are considered material and necessary for the purpose of undertaking our business activities and operations of our Company. In view of such approvals, licenses and registrations, our Company can undertake the Offer and its business activities, as currently conducted, and disclosed in this Draft Red Herring Prospectus. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal, in accordance with applicable procedures and requirements, from time to time. Additionally, unless otherwise stated herein, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see “Key Regulations and Policies in India” on page 300.

For Offer-related approvals, see “Other Regulatory and Statutory Disclosures” on page 469. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factors – Any failure to obtain, renew, maintain or comply with the conditions of the statutory and regulatory approvals required for our business and manufacturing operations may adversely affect our business, results of operations, financial condition and cash flows” on page 62.

I. Approvals in relation to the Offer

For details of approvals and authorisations obtained by our Company in relation to the Offer, see ‘Other Regulatory and Statutory Disclosures’ on page 469.

II. Approvals in relation to incorporation of our Company

1. Certificate of incorporation dated January 23, 2004 issued to our Company by the Registrar of Companies, Punjab, H.P. and Chandigarh in the name and style of ‘Jai Parvati Forge Private Limited’.
2. Fresh certificate of incorporation dated May 01, 2007 issued by the Registrar of Companies, Punjab, H.P. and Chandigarh pursuant to conversion our Company from ‘private limited company’ to ‘public limited company’ and the consequent change of name from ‘Jai Parvati Forge Private Limited’ to ‘Jai Parvati Forge Limited’.
3. Fresh certificate of registration dated December 13, 2019 issued by the Registrar of Companies, Chandigarh pursuant to the change of place of registered office of our Company from Chandigarh to the state of Punjab.
4. Our Company was allotted the corporate identification number U28910PB2004PLC050418. However, pursuant to a special resolution passed for authorising and approving changes to the object clause of the MoA, Registrar of Companies, Central Processing Centre issued a fresh registration certificate dated August 11, 2026 basis which CIN of the company was updated to U29301PB2004PLC050418.

For details in relation to the incorporation of our Company, see ‘History and Certain Corporate Matters’ on page 307.

III. Tax related Material Approvals

1. Permanent Account Number being AABCJ3788Q issued by Income Tax Department under the Income Tax Act, 1961 (“IT Act”).[#]
2. Tax Deduction and Collection Account Number being PTLM12007C issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.[#]
3. Acknowledgement Receipt issued by Department of Excise and Taxation, Punjab State Development Tax Act, 2018 bearing registration number E37AABCJ3788Q.[#]
4. Legal Entity Identifier code issued by Legal Entity Identifier India Limited which is valid until October 25, 2026.

5. Goods and Services Tax registration issued by the Government of India under the Central Goods and Services Tax Act, 2017 in relation to certain of our office premises for our business operations in the following states: [#]

Sr No.	State	GSTIN
1.	Punjab (Manufacturing Unit I & Manufacturing Unit II)	03AABCI3788Q1Z0
2.	Punjab (Manufacturing Unit III)	03AABCI3788Q2ZZ
3.	Himachal Pradesh (Manufacturing Unit IV)	02AABCI3788Q1Z2

[#]The abovementioned approvals are valid until cancelled.

IV. Foreign Trade related approvals

1. Importer- Exporter Code Number issued by Office of the Additional Director General of Foreign Trade in Ludhiana, Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India which is valid until cancelled. [#]

[#]The abovementioned approvals are valid until cancelled.

V. Material Approvals in relation to our Company's business

Material Approvals in relation to the business and operations

1. Udyam Registration Certificate issued by Ministry of Micro, Small, Medium Enterprises. [#]
2. Acknowledgement issued dated February 12, 2024, issued by the Department of Promotion of Industry and Internal Trade for Unit II and Unit III in the State of Punjab. [#]

[#]The abovementioned approvals are valid until cancelled.

• Manufacturing Unit I

1. Registration & license to work as a factory under the Factories Act, 1948 issued by the Chief Inspector of Factories, Department of Labour, Punjab, which is valid until December 31, 2027.
2. Certificate of verification for non-automatic weighing in ("NAWI") digital scale, maximum capacity 1000 kg issued by the Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology, which is valid until March 19, 2027.
3. Certificate of verification for NAWI digital class III, maximum capacity 100 tonnes/200 kg issued by the Government of Punjab, Office of Controller, Legal Metrology, which is valid until November 07, 2026.
4. Fire safety certificate issued by the Punjab Fire and Emergency Service, which is valid until December 10, 2030.
5. Calibration certificate issued by the UPC Calibration Lab for portable ultrasonic flow meter, which is valid until July 08, 2027.
6. Authorization for operating a facility for generation, storage, disposal of hazardous wastes as per the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 issued by the Punjab Pollution Control Board, which is valid until September 30, 2027.
7. Consent to Operate under section 25 of Water (Prevention & Control of Pollution) Act, 1974 issued by the Punjab Pollution Control Board, which is valid until September 30, 2027.
8. Consent to Operate under section 21 of Air (Prevention & Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board, which is valid until September 30, 2027.
9. Permission for installation and operation of 400 & 200 kilovolt-ampere ("KvA") diesel generator ("DG") set for sanctioned connected load of 2394.744 kilowatt ("KW"), issued by Chief Electrical Inspector to Government of Punjab, Patiala. [#]
10. Certificate of stability issued by the Additional Director of Factories, Punjab, which is valid until October 04, 2026.

11. Site plan approval issued by Additional Director of Factories, Punjab. #
12. Acceptance for application and approval form for high tension and extra high-tension supply for up to a maximum demand of 2,880 KVA and connected load of 2,894.744 KW issued by the Punjab State Power Corporation Limited.
Approval for permission of extraction of groundwater issued by the Punjab Water Regulation and Development Authority, which is valid until June 15, 2029.

#The abovementioned approvals are valid until cancelled.

- Manufacturing Unit II

1. Registration & license to work as a factory under the Factories Act, 1948 issued by the Chief Inspector of Factories, Department of Labour, Punjab, which is valid until December 31, 2027.
2. Certificate of verification for NAWI digital class III, maximum capacity 20 tonnes/40 kg issued by the Government of Punjab, Office of Controller, Legal Metrology, which is valid until November 07, 2026.
3. Calibration certificate issued by the UPC Instruments Private Limited for electromagnetic flowmeter, which is valid until October 08, 2026.
4. Fire safety certificate issued by the Punjab Fire and Emergency Service, which is valid until December 10, 2030.
5. Approval for permission of extraction of groundwater issued by the Punjab Water Regulation and Development Authority, which is valid until September 17, 2029.
6. Authorization for operating a facility for collection, generation, storage, transportation, reception, treatment and disposal of hazardous wastes as per the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 issued by the Punjab Pollution Control Board, which is valid until December 31, 2027.
7. Consent to Operate an outlet under section 25/26 of Water (Prevention & Control of Pollution) Act, 1974 issued by the Punjab Pollution Control Board, which is valid until December 31, 2027.
8. Consent to Operate under section 21 of Air (Prevention & Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board, which is valid until December 31, 2027.
9. Permission for DG set having sanctioned load of 3000 kW/ contract demand of 2,000 kVA, with capacity of DG sets being 1010 kVA and 500 kVA, respectively, issued by Punjab State Power Corporation Limited. #
10. Certificate of stability issued by Additional Director of Factories, Punjab, which is valid until October 04, 2026.
11. Site plan approval issued by the Joint Director of Factories, Punjab. #
12. Acceptance for application and approval form of 2880 kilovolt-ampere (“KVA”) supply voltage of electricity issued by the Punjab State Power Corporation Limited. #

#The abovementioned approvals are valid until cancelled.

- Manufacturing Unit III

1. Registration & license to work as a factory under the Factories Act, 1948 issued by the Chief Inspector of Factories, Department of Labour, Punjab, which is valid until December 31, 2029.
2. Certificate of verification for NAWI digital scale, maximum capacity 1,00,000 kg issued by the Government of Punjab, Food, Civil Supplies & Consumer Affairs, Office of Controller, Legal Metrology, which is valid until June 14, 2027.
3. Calibration certificate issued by the UPC Instruments Private Limited for electromagnetic flow meter, which is valid until October 08, 2026.
4. Fire safety certificate issued by the Punjab Fire and Emergency Service, which is valid until June 15, 2031.

5. Approval for permission of extraction of groundwater issued by the Punjab Water Regulation and Development Authority, which is valid until March 11, 2027.
6. Authorization for operating a facility for collection, generation, storage, transportation, reception, treatment and disposal of hazardous wastes as per the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 issued by the Punjab Pollution Control Board, which is valid until September 30, 2033.
7. Consent to Establish under the provision of Water (Prevention & Control of Pollution) Act, 1974 and under the provision of Air (Prevention & Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board, issued on June 07, 2024 and was valid till May 01, 2025.
8. Consent to Operate under the provision of Water (Prevention & Control of Pollution) Act, 1974 issued by the Punjab Pollution Control Board, which is valid until September 30, 2033.
9. Consent to Operate under the provision of Air (Prevention & Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board, which is valid until September 30, 2033.
10. Permission for DG set installation of 50 KvA issued by the Chief Electricity Inspector, Punjab Government, Patiala[#].
11. Site plan approval issued by Director of Factories, Punjab. [#]
12. Acceptance for application and approval form for case load of partial load 2350 KW and partial demand of 2000 KvA of electricity, issued by the Punjab State Power Corporation Limited. [#]
13. Acknowledgement for Certificate of stability issued by the empaneled civil engineer under the Factories Act, 1948, which is valid until May 25, 2031.
14. Extension of load of 3175 kW/ 3700 kVA contract demand (general load 1775 kW/ 1500 kVA + power intensive 1400 kW/ 2200 kVA), issued by Punjab State Power Corporation Limited. [#]

[#]The abovementioned approvals are valid until cancelled.

- Proposed Expansion at Manufacturing Unit III

1. Certificate in relation to land use classification dated August 05, 2026, issued by the Town and Country Planning Department, Punjab. [#]
2. Approval of change of land use for proposed expansion of Manufacturing Unit III, issued by the Housing and Urban Development Department, Punjab Bureau of Investment Promotion. [#]

[#]The abovementioned approvals are valid until cancelled.

- Manufacturing Unit IV

1. Registration & license to work as a factory under the Factories Act, 1948 issued by the Chief Inspector of Factories, Himachal Pradesh, which is valid until December 31, 2026.[%]
2. GST certificate bearing registration number 02ACBPC6792Q2ZB, held in the legal name of Suman Chauhan, and trade name of D.S. Engineers. ^{*}
3. Consent to Establish under the provision of Water (Prevention & Control of Pollution) Act, 1974 and under the provision of Air (Prevention & Control of Pollution) Act, 1981 issued by the Himachal Pradesh Pollution Control Board, issued on March 24, 2026 and is valid until March 23, 2027.
4. Consent to Operate under the provision of Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 issued by the Himachal Pradesh Pollution Control Board, which is valid until March 31, 2030.
5. Certificate of verification for maximum capacity of 50 tonnes/100 kg issued by the Office of the Controller of Forensic Metrology, Himachal Pradesh, which is valid until June 05, 2027.

6. Certificate of commencement of production issued by the Joint Director of Industries, Himachal Pradesh, dated May 05, 2026. #
7. No-objection certificate issued for installation of DG set as standby source of capacity 1x125 KVA against connected load of 495 KW with 488 KVA contract demand at 11 kV supply voltage, issued by Additional Superintending Engineer, Electrical Division, Himachal Pradesh State Electricity Board Limited. #
8. No-objection certificate for utilization of industrial borewell for 2 KL water consumption per day, submitted to the Joint Director of Industries, Single Window Clearance Agency, Baddi, Solan. #
9. Certificate of structure stability issued by the chartered engineer, which is valid until July 28, 2027. ^
10. Certificate of registration under sub-section (2) of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 issued by the Labour Department, Government of Himachal Pradesh. #

#The abovementioned approvals are valid until cancelled.

% Pursuant to the slump sale through which the business of the erstwhile entity, D.S. Engineers, was acquired by our Company, the aforesaid certifications and approvals continue to stand in the name of the erstwhile entity, and applications have been made before the relevant authorities to reflect the current name of our Company, "Jai Parvati Forge Limited".

**The abovementioned license shall be surrendered by Suman Chauhan, post the filing of the Annual Return (GSTR-9), as the GST registration is in the legal name of Suman Chauhan and reflects the trade name of the erstwhile D.S. Engineers.*

^ Our Company has submitted the relevant application to the concerned authority for verifying the requisite approval, and the application is currently under process.

VI. Quality certifications

1. ISO 9001:2015 for implementing and maintaining a quality management system, which is valid until May 08, 2027.
2. IATF 16949:2016 (without product design) for implementing and maintaining a quality management system, which is valid until May 07, 2027.
3. ISO 14001:2015 for manufacture of machined components for its Manufacturing Unit - II, which is valid until April 30, 2029.
4. ISO 45001:2018 for manufacture of machined components for its Manufacturing Unit – IV, which is valid until March 26, 2029.

VII. Labour related Material Approvals

1. Employee State Insurance Code bearing sub-code number 12000411940000599 issued under Employee State Insurance Act, 1948 for Manufacturing Unit I. #
2. Employee State Insurance Code bearing sub-code number 12000626900000699 issued under Employee State Insurance Act, 1948 for Manufacturing Unit II. #
3. Employee State Insurance Code bearing sub-code number 12120411940010599 issued under Employee State Insurance Act, 1948 for Manufacturing Unit III. #
4. Employee State Insurance Code bearing sub-code number 14120626900010699 issued under Employee State Insurance Act, 1948 for Manufacturing Unit IV. #
5. Employee Provident Fund code issued under the Employees' Provident Fund and Miscellaneous Act, 1952 bearing code number PBCHD0029216000 for Manufacturing Unit I. #
6. Employee Provident Fund code issued under the Employees' Provident Fund and Miscellaneous Act, 1952 bearing code number PBCHD1002185 for Manufacturing Unit II. #

7. Employee Provident Fund code issued under the Employees' Provident Fund and Miscellaneous Act, 1952 bearing code number PBCHD3982267000 for Manufacturing Unit III. [#]
8. Employee Provident Fund code issued under the Employees' Provident Fund and Miscellaneous Act, 1952 bearing code number HPSML3921611000 for Manufacturing Unit IV. [#]
9. Labour Welfare Fund Registration bearing license number DOF220423882, for Manufacturing Unit I, which is valid until June 05, 2026. [#]
10. Labour Welfare Fund Registration bearing license number DOF220616672, for Manufacturing Unit II, which is valid until June 05, 2026. [#]
11. Labour Welfare Fund Registration bearing license number SAS00BO8613, for Manufacturing Unit III, which is valid until June 05, 2026. [#]

[#]*The abovementioned approvals are valid until cancelled.*

VIII. Material Approvals required and yet to be applied

Nil

IX. Material Approvals which have expired for which renewal applications have been made

Nil

X. Material Approvals which have expired and for which renewal applications are yet to be made

Nil

XI. Material Approvals that have been applied for but not yet received by our Company

1. Application made for Consent to Establish for the proposed expansion at Manufacturing Unit III on August 10, 2026.
2. Application made for renewal of the Fire NOC for Manufacturing Unit IV on July 16, 2026.
3. Application made for name change in the authorization for operating a facility for generation, storage and disposal of hazardous wastes as per the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 dated July 06, 2026 for Manufacturing Unit IV.
4. Application for verification and approval of the building plan and site plan for Manufacturing Unit IV submitted to the Inspector of Factories, Department of Labour and Employment, Government of Himachal Pradesh, Shimla.
5. Applications made for availing a certificate of registration under sub-section (2) of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 for Manufacturing Unit I, Manufacturing Unit II and Manufacturing Unit III.

XII. Intellectual Property

For details in relation to our intellectual property, see “*Our Business–Intellectual Property*” on page 296 and for risks associated with our intellectual property, see “*Risk Factors*” on page 26.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

1. Our Board of Directors have authorised the Offer by a resolution passed in their meeting held on August 12, 2026.
2. Our Shareholders have approved and authorised the Offer by way of a special resolution passed at their EGM held on September 07, 2026.
3. This Draft Red Herring Prospectus was approved by our Board for filing with SEBI and the Stock Exchanges pursuant to the resolution in its meeting dated September 21, 2026.
4. The Draft Abridged Prospectus has been approved pursuant to a resolution passed by our Board on September 21, 2026.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Approvals from the Promoter Selling Shareholder

The Promoter Selling Shareholder has confirmed that her respective portion of the Offered Shares have been held by her for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and are eligible for being offered in the Offer for Sale in accordance with Regulation 8 of the SEBI ICDR Regulations. The Promoter Selling Shareholder has confirmed and consented to offer the following as part of the Equity Shares pursuant to the Offer for Sale:

Name of the Promoter Selling Shareholder	Aggregate number of Equity Shares being offered in the Offer for Sale	Date of consent letter
Suman Chauhan	Up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	September 02, 2026

Prohibition by the SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Company, Promoter or Directors have neither been declared as Willful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on willful defaulters and fraudulent borrowers issued by the RBI.

Our Company or our Promoter, members of the Promoter Group or Directors are not declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016 and the SEBI ICDR Regulations.

There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares of our Company.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, and the members of the Promoter Group are in compliance with the Companies

(Significant Beneficial Owners) Rules, 2018, to the extent in force and as applicable as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors, who have been associated with entities in the securities market, in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided under Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- (a) Our Company has had net tangible assets of at least ₹ 30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), i.e. as at and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 of which not more than 50% are held in monetary assets;
- (b) Our Company has an average operating profit of at least ₹ 150.00 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), i.e. as at and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 with operating profit in each of these preceding three years;
- (c) Our Company has a net worth of at least ₹10.00 million in each of the preceding three full years (of 12 months each), i.e. as at and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024 calculated on a restated and consolidated basis; and
- (d) Our Company has not changed its name in the last one year prior to the date of this Draft Red Herring Prospectus.

Our Company's restated net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, operating profit and net worth, derived from the Restated Financial Information included in this Draft Red Herring Prospectus, as at and for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, is set forth below:

(in ₹ million, unless otherwise stated)

Particulars	Financial Year ended March 31, 2026	Financial Year ended March 31, 2025	Financial Year ended March 31, 2024
Net tangible assets, as restated ⁽¹⁾	2,052.95	1,641.71	1,383.30
Monetary assets, as restated ⁽²⁾	29.69	4.05	3.41
Monetary assets as a percentage of Net tangible assets (in %), as restated	1.45%	0.25%	0.25%
Operating Profit, as restated ⁽³⁾	644.04	470.61	415.92
Average Operating Profit	510.19		
Net Worth, as restated ⁽⁴⁾	2,054.38	1,643.11	1,384.16

⁽¹⁾ "Net tangible assets" have been defined in Regulation 2(1)gg of the SEBI ICDR Regulations as the sum of all net assets, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38, issued by the Institute of Chartered Accountants of India.

⁽²⁾ Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and committed bank deposits included in other non-current financial assets).

⁽³⁾ Operating Profit" means restated profit before tax excluding other income, finance costs and exceptional items.

⁽⁴⁾ Net worth" has been defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

The average of operating profit for Financial Years ended March 31, 2026, March 31, 2025, March 31, 2024 of our Company was ₹ 510.19 million. For further details, see "Other Financial Information" on page 415.

We are currently eligible to undertake the Offer as per rule 19(2)(b) of the SCRR read with regulation 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 Offer to QIBs, up to 60% of which may be allocated to Anchor Investors and up to 5% of Net QIB Portion may be allocated to Mutual Funds on a proportionate basis; (ii) not less than 15% of the Offer to Non-Institutional Bidders; and (iii) not less than 35% of the Offer to RIIs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

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 refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable.

The status of compliance of our Company with the conditions as specified under Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- a. Neither our Company nor the Promoters, members of the Promoter Group, or the Directors are debarred from accessing the capital markets by the SEBI.
- b. None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- c. None of the Promoters or the Directors has been declared a Fugitive Economic Offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018).
- d. There are no outstanding warrants, options, stock appreciation rights, 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.
- e. None of our Company, our Promoters or Directors is a Willful Defaulter or Fraudulent Borrower.
- f. Our Company has entered into tripartite agreements dated February 02, 2026 and March 25, 2026 with CDSL and NSDL, respectively, for dematerialization of the Equity Shares.
- g. The Equity Shares of our Company held by our Promoters, members of Promoter Group, Directors, Key Managerial Personnel, Senior Management, employees and the Promoter Selling Shareholder, as applicable are in dematerialized 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;
- i. There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.
- j. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively, and
- k. Our Company has appointed [●] as the Designated Stock Exchange.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS

EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, BEELINE CAPITAL ADVISORS PRIVATE LIMITED AND MONARCH NETWORK CAPITAL LIMITED, HAVE 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, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 21, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(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 BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. 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, 2013.

Disclaimer from our Company, our Promoters, our Directors, and the BRLMs

Our Company, our Promoters, our Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company's website, www.jaiparvatiforge.com, or the respective websites (as applicable) of any affiliate of our Company or the BRLMs would be doing so at their own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into among the Underwriters, and our Company.

All information shall be made available by our Company and the BRLMs 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 Centers or elsewhere.

Bidders who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, Underwriters and their respective directors, 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 issue, 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, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, Promoters, affiliates or third parties and their respective directors and officers, partners, trustees, affiliates, 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 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 in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, 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, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and finalized to invest in shares, Mutual Funds registered with the SEBI, VCFs, AIFs, public financial institutions as specified under Section 2(72) of the Companies Act, scheduled commercial banks, state industrial development corporation, permitted national investment funds, NBFC-Sis, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under applicable trust law and who are finalized under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, permitted insurance companies and pension funds, insurance funds set up and managed by the army, navy or air force and insurance funds set up and managed by the Department of Posts, Government of India) and permitted Non-Residents including FPIs and Eligible NRIs, 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, offer to sell or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus for the Offer.

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 our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

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 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 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.

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, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to their filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to their filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

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.

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 from the Bid/Offer Closing Date or such period as may be prescribed by SEBI.

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the prescribed rate in accordance with applicable law.

Consents

Consents in writing of (a) our Directors, our Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditors, CRISIL, practicing company secretary, independent chartered engineer, the legal counsel appointed for the Offer, the bankers to our Company, the BRLMs and Registrar to the Offer, Indraprastha Corridor Advisory Services Private Limited, Cost Vetting Report provider, to act in their respective capacities, have been obtained; and (b) the Syndicate Members, Monitoring Agency, and Bankers to the Offer/Escrow Bank, Public Offer Bank, Sponsor Bank(s) and Refund Bank 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 Sections 26 and 32 of the Companies Act, 2013, as amended. Further, such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Experts to the Offer

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

Our Company has received written consent dated September 21, 2026 from our Statutory Auditors, M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), who hold a valid peer review certificate dated March 01, 2026, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of various certificates issued by them including the examination report dated August 12, 2026 on the Restated Financial Information, the statement of possible special tax benefits dated September 21, 2026 and report dated August 12, 2026 on the Pro Forma Financial Information, included in this Draft Red Herring Prospectus and such consents have 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.

Our Company has received written consent dated September 10, 2026, from Kanwaljit Singh Thanewal, an independent practicing company secretary, (having Membership No. 5901; C.P No.: 5870), the practicing company secretary, holding a valid certificate of practice from Institute of Company Secretaries of India, to include their name as an “expert” as defined under Section 2(38) of the Companies Act, to the extent and in their capacity as a practicing company secretary, and in respect of certain information certified by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated September 10, 2026, from Narender Pal Sethi, a chartered engineer, registered with the Confederation of Engineers (India) bearing registration number 1776155, to include his name as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered

engineer in relation to the certificate dated September 16, 2026, certifying, *inter alia*, the details of our Manufacturing Units, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Our Company has received written consent dated August 03, 2026, from Indraprastha Corridor Advisory Services Private Limited to include their names as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in their capacity as an independent analyst with respect to the Cost Vetting Report issued by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects – our Company

Our Company has not made any public or rights issue of Equity Shares during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries and listed promoters.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years preceding the date of this Draft Red Herring Prospectus.

Capital issue by our Company, listed Group Companies, subsidiaries and associates during the previous three years

Our Company does not have any subsidiaries which are listed. Except as disclosed in the section “*Capital Structure-Notes to Capital Structure-Equity Share capital history of our Company*” on page 107, our Company has not undertaken any capital issue in the last three years preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company.

Exemption under securities laws

Our Company has not applied to SEBI for any exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

Past price Information of past issues handled by the BRLMs

1. Beeline Capital Advisors Private Limited

Price information of past issues handled by Beeline Capital Advisors Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

SME IPO:

Sr. No.	Issue name	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th	+/- % change in closing price, [+/- % change in closing benchmark]- 90th	+/- % change in closing price, [+/- % change in closing benchmark]- 180th
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						calendar days from listing	calendar days from listing	calendar days from listing
1.	Identixweb Limited	166.32	54.00	April 03, 2025	55.00	+15.70% [+5.51%]	+12.98 [+9.70%]	+29.62% [+5.41%]
2.	Neptune Petrochemicals Limited	732.00	122.00	Jun 04, 2025	132.75	+17.54% [+3.19%]	+14.63% [+0.02%]	+32.54% [+6.42%]
3.	Cryogenic OGS Limited	177.66	47.00	July 10, 2025	89.30	+157.34% [-4.00%]	+253.83% [-1.52%]	+277.66% [+2.70%]
4.	Monarch Surveyors & Engineering Consultants Limited	937.50	250.00	July 29, 2025	421.25	+12.62% [-0.68%]	+3.58% [+3.53%]	-25.7% [+0.24%]
5.	BLT Logistics Limited	97.20	75.00	August 11, 2025	90.95	-22.27% [+0.62%]	-36.00% [+3.24%]	-47.33% [+3.69%]
6.	Connplex Cinemas Limited	902.70	177.00	August 14, 2025	195.00	+11.41% [+1.96%]	+20.99% [+4.31%]	+45.17% [+5.02%]
7.	Jay Ambe Supermarkets Limited	184.45	78.00	September 17, 2025	79.00	+89.17% [+0.93%]	+74.42% [+3.04%]	+156.28%[-9.83%]
8.	Apollo Techno Industries Limited	479.57	130.00	December 31, 2025	145.00	-15.38% [-3.11%]	-37.81% [15.57%]	-32.92% [-9.53%]
9.	Modern Diagnostic & Research Centre Limited	368.93	90.00	January 07, 2026	99.50	-10.00% [-1.93%]	-30.55% [-12.78%]	-42.22% [8.47%]
10.	Kratikal Tech Limited	396.90	135.00	July 07, 2026	192.00	+19.11 [+0.99%]	N.A.	N.A.

MAIN BOARD IPO:

Sr. No.	Issue name	Designated Stock Exchange	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Mamata Machinery Limited	BSE	1,793.49 ⁽¹⁾	243.00	December 27, 2024	600.00	+72.74% [-3.19%]	+44.81% [-1.79%]	+74.14% [+4.26%]
2.	Borana Weaves Limited	BSE	1,448.93	216.00	May 27, 2025	243.00	+1.76% [+1.48%]	+0.35% [-0.30%]	+36.89% [+4.51%]
3.	Shreeji Shipping Global Limited	BSE	4,107.10	252.00	August 26, 2025	271.85	-0.46% [+1.15%]	+17.64% [5.50%]	+60.97% [+2.51%]
4.	Amanta	NSE	1,260.00	126.00	Septembe	135.00	+7.12%	-18.06%	-20.06%

Sr. No.	Issue name	Designated Stock Exchange	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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
	Healthcare Limited				r 09, 2025		[+0.71%]	[+5.29%]	[-1.68%]
5.	Om Power Transmission Limited	BSE	1,500.63	175.00	April 17, 2026	186.00	+5.57% [-2.92%]	-0.62% [-1.13%]	N.A.

(1) A discount of ₹12 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Mamta Machinery Limited IPO.

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus. In case of Main Board IPO, opening price information as disclosed on the website of the Designated Stock Exchange, change in closing price over the issue/offer price as disclosed on Designated Stock Exchange, and for change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P 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.

Note:

1. The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
2. "Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Issues on 30th/ 90th/180th Calendar days from listing.
3. "Closing Benchmark" on the listing day of respective scripts is taken as "Base Benchmark" for calculating % Change in Closing Benchmark on 30th/ 90th/180th Calendar days from listing. Although it shall be noted that for comparing the scripts with Benchmark, the +/- % Change in Closing Benchmark has been calculated based on the Closing Benchmark on the same day as that of calculated for respective script in the manner provided in Note No. 4 below.
4. In case 30th/ 90th/180th day is not a trading day, closing price on BSE/NSE of the previous trading day for the respective Scripts has been considered, however, if scripts are not traded on that previous trading day then last trading price has been considered.

Summary statement of price information of past public issues handled by Beeline Capital Advisors Private Limited.

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Beeline Capital Advisors Private Limited.

SME IPO:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			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%
2026-27	01	396.90	-	-	-	-	-	1	-	-	-	-	-	-
2025-26	09	4,046.33	-	-	3	2	-	4	-	4	-	2	3	-
2024-25	24	11,654.40	-	-	4	14	-	6	-	5	3	10	2	4

MAIN BOARD IPO:

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			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%
2026-27	1	1,500.63	-	-	-	-	-	1	-	-	-	-	-	-
2025-26	3	6,816.03	-	-	1	-	-	2	-	-	1	1	1	-
2024-25	1	1,793.49	-	-	-	1	-	-	-	-	-	1	-	-

Notes:

1. Listing date is considered for calculation of total number of IPOs in the respective financial year.
2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
3. Source: www.bseindia.com and www.nseindia.com

2. Monarch Network Capital Limited

Price information of past issues handled by Monarch Network Capital Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue name	Designated Stock Exchange	Issue size (in ₹ million)	Issue price (in ₹)	Listing date	Opening price on listing date (in ₹)	+/- % 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.	Lumino Industries Limited	NSE	7,000.00	82.00	September 03, 2026	110.00	NA	NA	NA
2.	Epac Prefab Technologies Limited	NSE	5,040.00	204.00	October 1, 2025	183.85	29.77% [4.19%]	34.58% [4.45%]	-31.80% [-8.12%]
3.	Sri Lotus Developers and Realty Limited	NSE	7,920.00	150.00	August 6, 2025	178.00	21.84% [0.65%]	18.11% [4.84%]	0.17% [0.01%]
4.	Scoda Tubes Limited	NSE	2,200.00	140.00	June 4, 2025	140.00	47.97% [3.19%]	19.49% [0.02%]	20.84% [6.43%]

Source:

Price information www.bseindia.com and www.nseindia.com, Issue Information from respective prospectus. Source: www.nseindia.com and www.bseindia.com.

Notes:

1. The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a

trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.

2. The Nifty 50 Index is considered as the benchmark index, NSE being the designated stock exchange.

3. Not Applicable – period not completed.

Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Monarch Network Capital Limited

Financial Year	Total No. of IPO's	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			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%
2026-2027	1	7,000.00	-	-	-	-	-	-	-	-	-	-	-	-
2025-2026	3	15,160.00	-	-	-	-	2	1	-	1	-	-	-	1
2024-2025	Nil	-	-	-	-	-	-	-	-	-	-	-	-	-

*The information is as on the date of this DRHP.

The information for each of the financial years is based on issues listed during such financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below:

BRLMs	Website
Beeline Capital Advisors Private Limited	https://beelinemb.com/
Monarch Network Capital Limited	www.mnclgroup.com

For further details in relation to the BRLMs, see “General Information – Book Running Lead Managers” on page 96.

Stock Market Data of Equity Shares

This being an initial public offer 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 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 BRLMs, in the manner provided below. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of the SEBI ICDR Regulations.

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, 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, UPI ID, 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. For Offer-related grievances, investors may contact the BRLMs, details of which are given in “*General Information – Book Running Lead Managers*” on page 96.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. 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 BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

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 BRLMs, in their sole discretion, may identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. In terms of SEBI Master Circular, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures.

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, the investors shall be compensated by the SCSBs in accordance with SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI ICDR Master Circular read with SEBI RTA Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with 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

Scenario	Compensation amount	Compensation period
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application 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 post-Offer BRLMs shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular, see “*General Information – Book Running Lead Managers*” on page 96.

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.

Disposal of investor grievances by our Company

In terms of SEBI RTA Master Circular, companies intending to get listed must submit a declaration that a draft red herring prospectus has been submitted to SEBI in order to obtain SCORES authentication. Our Company shall obtain authentication on the SCORES in terms of the SEBI Circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 and SEBI press release PR No. 06/2024 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Promoter Selling Shareholder has authorized the Company Secretary and the Compliance Officer of our Company and the Registrar to the Offer to redress investor grievances, if any, in relation to her and the Offered Shares, provided that in any such case requiring a written response in respect of any investor grievance, the prior written approval (which includes any approval obtained including over e-mail, and which approval shall not be unreasonably withheld and shall be promptly provided) of the Promoter Selling Shareholder on such response shall be obtained by our Company.

Our Company has also constituted a Stakeholders’ Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer, and issue of duplicate shares. For details of our Stakeholders’ Relationship Committee, see “*Our Management - Stakeholders’ Relationship Committee*” on page 331.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs 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. Our Company has also appointed Gourav Kapoor, Company Secretary of our Company, as the compliance officer for the Offer. For details, “*General Information- Company Secretary and Compliance Officer*” on page 96.

Our Company has not received any investor complaint 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.

Other confirmations

No person connected with the Offer, except for fees or commission for services rendered in relation to the Offer, shall 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.

There are no findings or observations pursuant to any inspections by SEBI, RBI, 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 prospective investors in the Offer.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Draft Abridged Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, transfer of securities and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as maybe prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder.

Expenses for the Offer shall be borne by our Company and Promoter Selling Shareholder in the manner specified in “*Objects of the Offer - Offer related expenses*” on page 144.

Ranking of Equity Shares

The Equity Shares being issued and Allotted pursuant to the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association and Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of voting rights, dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see “*Description of Equity Shares and Terms of Articles of Association*” on page 521.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our Shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, the Memorandum of Association and Articles of Association, dividend policy of our Company, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be payable to the Allottees, for the entire year, in accordance with applicable law. For more information, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 343 and 521, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 2 and the Offer Price is ₹ [●] per Equity Share. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●], being the Price Band. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Offer Price and the Anchor Investor Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

The Offer Price, Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and shall be published at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper and [●] edition of [●], a widely circulated Punjabi daily newspaper (Punjabi being the regional language of Punjab, where our Registered Office is located) and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time there shall be only one denomination for the Equity Shares.

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 our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, 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 any surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “*Description of Equity Shares and Terms of Articles of Association*” on page 521.

Allotment of Equity Shares only in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, the following tripartite agreements had been entered into amongst the Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated March 25, 2026 amongst NSDL, our Company and the Registrar to the Offer; and
- Tripartite agreement dated February 02, 2026 amongst CDSL, our Company and the Registrar to the Offer.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 496.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares for QIBs & RIIs. For NIIs, allotment shall not be less than the Minimum Non-Institutional Application Size. For the method of Basis of Allotment, see “*Offer Procedure*” on page 496.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have sole and exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See “– Bid/Offer Period” on page 485.

Nomination facility to investors

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, 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, 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 Shares. 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 Shares in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Shares by the holder of such Equity Shares. A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Offices or at the Registrar and Transfer Agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as 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 dividend, 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 form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Period

BID/ OFFER OPENS ON	[●] ⁽¹⁾
BID/ OFFER CLOSES ON	[●] ⁽²⁾⁽³⁾

⁽¹⁾ Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors. 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, in consultation with the BRLMs may, 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. on the Bid/ Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●] ⁽¹⁾
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 demat accounts of Allottees	On or about [●]

Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]
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⁽¹⁾ UPI mandate end time and date shall be 5:00 pm 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 BRLMs shall, in its 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 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 and any other applicable law in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with the SEBI ICDR Master Circular.*

This above timetable in respect of the Offer is indicative in nature and does not constitute any obligation or liability on our Company or the Promoter Selling Shareholder or the BRLMs.

SEBI through the SEBI ICDR Master Circular, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5,00,000, shall use UPI. RIBs and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 2,00,000 and up to ₹ 5,00,000, 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.

Any circulars or notifications from the 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 circulars issued by the SEBI to this effect.

Whilst 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 three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by our Company in consultation with the BRLMs. The, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI ICDR Master Circular, our Company shall within four days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that they shall extend all reasonable support and co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs 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 SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis in accordance with the SEBI RTA Master Circular.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue 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, subject to any circulars, clarification or notification issued by the SEBI from time to time.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports

of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue 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. Indian Standard Time (“IST”)
Bid/ Offer Closing Date*	
Submission of Bids	Electronic Applications i. Online ASBA through 3-in-1 accounts for RIIs – Only between 10.00 a.m. and 5.00 p.m. IST. 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 4.00 p.m. IST. i. Syndicate non-retail, non-individual Applications of QIBs and NIIs – Only between 10.00 a.m. and 3.00 p.m. IST Physical Applications i. Direct bank ASBA – Only between 10.00 a.m. and 1.00 p.m. IST. ii. Syndicate non-retail, non-individual applications of QIBs and NIIs where Bid Amount is more than ₹ 0.50 million – Only between 10.00 a.m. and 12.00 p.m. IST and Syndicate members shall transfer such applications to banks before 1 p.m. IST.
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories ^{##}	Only between 10.00 a.m. on the Bid/ Offer Opening Date and up to 4.00 p.m. IST on the Bid/ Offer Closing Date
Upward or downward revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. on the Bid/ Offer Opening Date and up to 5.00 p.m. IST on the Bid/ Offer Closing Date

Our Company in consultation with the BRLMs, may decide to close the Bid/Offer Closing Period for the 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.

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

- (i) 4:00 p.m. IST for Bids by QIBs and Non-Institutional Investors; and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs 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 SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis, as per the format prescribed in the SEBI ICDR 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 as per the format prescribed in SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024.

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 are advised to submit their Bids no later than 3:00 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, 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 Working Days, during the Bid/ Offer Period.

Investors 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. The Designated Intermediaries shall modify select fields uploaded in the electronic platform of 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. Further, 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 the BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank 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.

In case of any 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 shall be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the Book Running Lead Managers, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of any revision to the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 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, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice and at the terminals of the Syndicate Members and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

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.

The Floor Price shall not be less than the face value of the Equity Shares.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/ Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/ Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/ Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company 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 the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum, in accordance with the circulars issued by SEBI, including SEBI ICDR Master Circular and the SEBI ICDR Regulations.

Subject to applicable law, in the event of under-subscription in the Offer, the Equity Shares will be allotted in the following order: (i) such number of Equity Shares comprising 90% of the Fresh Issue, or such other number as required to comply with the minimum subscription to be received in the Offer under applicable law, will be Allotted prior to the sale of Equity Shares in the Offer for Sale; (ii) next all the Equity Shares held by the Promoter Selling Shareholder and offered for sale in the Offer will be Allotted in proportion to their respective Equity Shares being offered for sale; and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the remaining 10% of the Fresh Issue.

Under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and subject to applicable law, and the Designated Stock Exchange. 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 timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction, if any, on transfer and transmission of Equity Shares and on their consolidation or splitting

Except for lock-in of the pre- Offer capital of our Company, lock-in of the Minimum Promoter's Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" on page 106, and except as provided in our Articles of Association as detailed in "*Description of Equity Shares and Terms of Articles of Association*" on page 521, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. Further, there are no restrictions on transmission of any shares/debentures of our Company and on their consolidation or splitting, except as provided in our Articles of Association.

Withdrawal of the Offer

Our Company, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Offer, at any time after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre- Offer advertisements were published, within two days of the withdrawal or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) 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. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. 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 within three Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under Applicable Law, and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC. 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.

Option 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.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares of face value of ₹ 2 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million, comprising a Fresh Issue of up to [●] Equity Shares of face value of ₹ 2 each aggregating up to ₹ 3,000.00 million and an Offer for Sale of up to 9,000,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million by the Promoter Selling Shareholder.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement, 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 BRLMs. 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 SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Offer and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers 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. 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 the Prospectus.

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

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through Book Building Process, in compliance with Regulation 6(1) & Regulation 31 of the SEBI ICDR Regulations.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/ allocation ^{*(2)}	Not more than [●] Equity Shares of face value of ₹ 2 each aggregating up to [●] million.	Not less than [●] Equity Shares of face value of ₹ 2 each, aggregating up to [●] million available for allocation or Offer less allocation to QIBs and Retail Individual Investors.	Not less than [●] Equity Shares of face value of ₹ 2 each, aggregating up to [●] million available for allocation or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer Size Available for Allotment or allocation	Not more than 50% of the Offer size shall be available for allocation to QIBs. Up to 5% of Net QIB Portion (excluding the Anchor Investor Portion) will 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 Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs in the Net QIB Portion.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors will be available for allocation. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be available for allocation 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; (ii) two-thirds of the Non-Institutional Portion will be	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
		available for allocation to Bidders with an application size of more than ₹ 1.00 million. (iii) Under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other subcategory of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.	
Basis of Allotment/allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹ 2 each, shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value of ₹ 2 each, shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above; (c) Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value of ₹ 2 each) may be allocated on a discretionary basis to Anchor Investors of which 33.33% shall be reserved for domestic Mutual Funds and 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	The Allotment to each Non-Institutional Investor 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. For further details, see “Offer Procedure” on page 496.	Allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares of face value of ₹ [●] each, shall be allocated on a proportionate basis. For further details, see “Offer Procedure” on page 496.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	accordance with the SEBI ICDR Regulations.		
Mode of Bidding*	Through ASBA process only except for Anchor Investors (excluding the UPI Mechanism).	Through ASBA process only (Including the UPI Mechanism for an application size of up to ₹ 0.50 million).	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 2 each so that the Bid Amount exceeds ₹ 0.20 million.	For Non-Institutional Investors applying under 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 of face value of ₹ 2 each, such that the Bid Amount exceeds ₹ 0.20 million. For Non-Institutional Investors applying under two-thirds 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 ₹ 2 each, such that the Bid Amount exceeds ₹ 1.00 million.	[●] Equity Shares of face value of ₹ 2 each.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ [●] each, so that the Bid does not exceed the Offer size (excluding Anchor Investor portion), subject to applicable limits to each Bidder.	For Non-Institutional Investors applying under 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 of face value of ₹ 2 each, such that the Bid Amount does not exceed ₹ 1.00 million. For Non-Institutional Investors applying under two-thirds 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 ₹ 2 each not exceeding the size of the Offer, (excluding the QIB Portion) subject to limits applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 2 each, so that the Bid Amount does not exceed ₹ 0.20 million.
Mode of Allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares of face value of ₹ 2 each and in multiples of [●] Equity Shares of face value of ₹ 2 each thereafter.		
Allotment Lot	[●] Equity Shares of face value of ₹ 2 each and in multiples of one Equity Share of face value of ₹ 2 each thereafter. The allotment to NIIs shall not be less than the minimum non-institutional application size.		
Trading Lot	One Equity Share of face value of ₹ 2 each		
Who can Apply ⁽³⁾	Public financial institutions specified in Section 2(72) of the	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies,	Resident Indian individuals, HUFs (in the name of the Karta)

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	Companies Act, 2013, FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with SEBI, venture capital funds registered with the SEBI, AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250.00 million, 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, the 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, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws.	Eligible NRIs, scientific institutions, societies and trusts family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorized as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	and Eligible NRIs
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾. In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form.		

^{*}Assuming full subscription in the Offer

[^]As per SEBI ICDR Master Circular, ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

⁽¹⁾ Subject to valid Bids being received at or above the Offer Price, our Company, in consultation with the BRLMs, 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 ₹2500.00 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 ₹2500.00 million, and an additional 10 Anchor Investors for every additional ₹2500.00 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% of the Anchor Investor Portion shall be reserved as (i) 33.33 per cent for domestic Mutual Funds; and (ii) 6.67 per cent for Life Insurance Companies and Pension Funds, subject to valid Bids being received from the domestic Mutual Funds and Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price. 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 QIB Portion. For further details, see “Offer Procedure” on page 496.

⁽²⁾ This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not less than 15% of the Offer will be available for allocation to Non-Institutional Investors, of which 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 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 sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, 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 met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. 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.

⁽³⁾ 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. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

⁽⁴⁾ 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 Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. 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.

Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 504 and having same PAN may 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) may be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from any other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs 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 483.

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.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, 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, pursuant to the Offer.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars (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 BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, 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 Confirmation of Allocation Note (“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, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) interest in case of delay in Allotment or refund; and (xiii) disposal of applications and electronic registration of Bids.

SEBI through the UPI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued and Retail Individual Investors submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) were allowed to only use UPI Mechanism with a timeline of T+6 days pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (“UPI Phase II”). Furthermore, pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings whose Bid sizes are up to ₹5,00,000 shall use the UPI Mechanism for submitting their Bids. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days (“UPI Phase III”), using the UPI Mechanism for applications by UPI Bidders has become mandatory for public issues opening on or after December 1, 2023. (“T+3 Circular”). Accordingly, the Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI pursuant to the T+3 Circular. Subsequently, SEBI, 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.

Further, pursuant to the SEBI RTA Master Circular and SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLMs shall be the nodal entity for any issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide the SEBI ICDR Master Circular has prescribed certain additional measure for streamlining the process of initial public offers and redressing investor grievances. The SEBI RTA Master Circular has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for the RTAs. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, sub syndicate members, Registered Brokers, Collecting Depository Participants or RTAs or online using the facility of linked online trading, demat and bank account (3 in

I type accounts), provided by certain brokers. Pursuant to the SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The SEBI ICDR Master Circular has consolidated and rescinded the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations, and also prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus.

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 SEBI ICDR Master Circular the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, our Company, the Promoter Selling Shareholder 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.

SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 ("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 influencers. Further, investors are advised to rely only on the information contained in the offer document and the pre-Offer and Price Band advertisement for making investment decision.

Our Company, the Promoter Selling Shareholder, the BRLMs, members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with Applicable laws and does 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 the Red Herring Prospectus and the Prospectus, when filed. Further, our Company, the Promoter Selling Shareholder and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 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 at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the 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 QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million and 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. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

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 categories, as applicable, at the discretion of our Company, in consultation with the BRLMs 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, will not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Offer, the allocation of the Equity Shares will be in accordance with the procedure specified in the section “*Terms of the Offer – Minimum Subscription*” on page 489.

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 dematerialized segment of the Stock Exchanges.

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.

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 UPI Mechanism

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 UPI Bidders 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. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. Considering the time 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:

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 UPI Bidders 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. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public issues opening on or after December 1, 2023. 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 RII 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 was applicable from July 1, 2019 and the continuation of this phase was extended until March 31, 2020 vide SEBI 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. Further, pursuant to SEBI 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 RIIs through Designated Intermediaries (other

than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued 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 SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. 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 the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis). in accordance with the SEBI ICDR Master Circular and the T+3 Notification (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular and SEBI ICDR Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

SEBI has set out specific requirements in the SEBI ICDR Master Circular for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send short message service (SMS) alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the 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. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹ 0.20 million to ₹ 0.50 million for UPI based ASBA in initial public offerings.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹ 0.20 million to ₹ 0.50 million for UPI based ASBA in initial public offerings.

For further details, please refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLMs will be required to compensate the concerned investor.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- (i) a syndicate member;
 - (ii) a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
 - (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- or

- (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

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.
- (b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Draft Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
- (d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.
- (e) 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.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) shall include a QR code and link to access the Red Herring Prospectus, the Abridged Prospectus, and the pre-Offer and Price Band advertisement, and will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office. Electronic copy of the Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through 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 this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) without mentioning the UPI ID 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.

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 members, Registered Brokers, RTAs or CDPs. RIIs 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.

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 a 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.

Since the Offer is made under Phase III, (on a mandatory basis) ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIIs (other than UPI Bidders) 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 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 NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (iv) The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, UPI Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Eligible NRIs, FPIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis^	[●]
Anchor Investors**	[●]

*Excluding electronic Bid cum Application Forms

^Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

**The Anchor Investor Application Forms shall be available at the office of the BRLMs.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders) 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). 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 Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹ 0.50 million and NII & QIB bids above ₹ 0.20 million through SCSBs only.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI ICDR Master Circular. The BRLMs shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022.

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.

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 Bank(s) 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 should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) 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(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) and the Banker(s) to the Offer shall provide the audit trail to the Book Running Lead Managers 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 in accordance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

Pursuant to NSE circular dated August 3, 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, registrar to the issue 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 upto 5:00 pm on the initial public offer closure day.
- (d) 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.

Participation by Promoters and members of the Promoter Group of the Company, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase/subscribe to the Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase/subscribe to the Equity Shares in the Offer 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 and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs or any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the

entities which are associates of the BRLMs or Pension funds sponsored by entities which are associate of the BRLMs) can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Managers” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares 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.

Except to the extent of participation in the Offer for Sale by the Promoter and members of the Promoter Group will not participate in the Offer.

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, the Company reserves the right to reject any Bid without assigning any reason thereof, subject to the applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme concerned for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis should authorise their respective SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External Accounts (“**NRE Account**”) (including UPI ID, if activated), or Foreign Currency Non-Resident Accounts (“**FCNR Account**”), and Eligible NRIs bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs 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 submission of the 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.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible 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 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.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

In accordance with the FEMA 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 Overseas Citizen of India (“OCI”) put together shall not exceed 10% of the total paid-up equity share 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. Our Company has by way of a special resolution dated July 25, 2026 increased the aforesaid aggregate ceiling of 10% to 24%. For details, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 519.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

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 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 will 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 recognised 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 FEMA, FEMA Rules and SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Offer equity share capital on a fully diluted basis. Further, in terms of the applicable FEMA Rules the total holding by each FPI or an investor group cannot exceed 10% of the total paid-up equity share capital of our Company on a fully diluted basis, as applicable and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed the sectoral cap.

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).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions specified under the FEMA Rules and as specified by the Government of India from time to time.

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the capital of an Indian company is subject to certain limits, i.e. the individual holding of an FPI (including its investor group) is restricted to below 10% of the total paid-up share capital of the company. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group 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. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100% under automatic route). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department

of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); including the conditions to deal in overseas direct instruments and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids 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 (such structure referred to as "**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 in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

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.*"

Bids by SEBI registered Alternative Investment Funds and Venture Capital Funds

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, 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 investible funds of the VCF or FVCI. Further, subject to FEMA 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. A 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 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 and at least two-thirds (66.67%) of investible funds should be invested in unlisted equity/equity-linked instruments. Additionally, the VCFs which have not migrated under a new sub-category of AIF called “Migrated VCFs”) under the SEBI AIF Regulations by July 19, 2025, shall be subject to enhanced regulatory reporting (similar to AIFs) and are prohibited from making any new investments or extensions unless they surrender their existing VCF registration. Our Company and the Book Running Lead Manager 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 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, the Promoter Selling Shareholder or the BRLMs shall 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 BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs 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, 1949 (the “**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank’s paid-up share capital and reserves.

A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company’s paid-up share capital as stated in 5(a)(v)(c)(i) the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing no. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013, dated September 13, 2012 and January 2, 2013, respectively, issued by the SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company, in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment) Regulations, 2024, read with the Master Circular on Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment) Regulations, 2024, each as amended (“**IRDAI AFI Regulations**”), and are broadly set forth below:

- equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

** The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.*

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approvals as may be required by the NBFC – SI, must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC – SI shall be prescribed by RBI from time to time.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, 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 laws, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason therefore.

Bids by Anchor Investors

In accordance with the SEBI Regulations, 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 Book Running Lead Managers.
- 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) 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 at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. Any under-subscription in the reserved category specified in clause (ii) above 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 Book Running Lead Managers will finalize allocation to the Anchor Investors on a discretionary basis, subject to the following: (i) minimum of two and maximum of 15 such investors shall be permitted for allocation of up to ₹ 2,500.00 million under the Anchor Investor Portion, subject to minimum allotment of ₹ 50.00 million per Anchor Investor; and (ii) in case of allocation above ₹ 2,500.00 million, a minimum of five Anchor Investors and a maximum of 15 Anchor Investors for allocation of up to ₹ 2,500.00 million under Anchor Investor Portion and an additional 15 such investors for every additional ₹ 2,500.00 million or part thereof, shall be permitted, subject to a 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 will be made available in the public domain by the Book Running Lead Managers 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) Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment.
- 10) Neither (a) the Book Running Lead Managers or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals,

corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the 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.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of 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 BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer and Price Band advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Punjabi daily newspaper (Punjabi being the regional language of Punjab, 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 along with Price Band. 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. 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

Our Company, the Book Running Lead Managers and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a widely circulated Hindi national daily newspaper; and (iii) [●] editions of [●] a widely circulated Punjabi daily newspaper (Punjabi being the regional language of Punjab, where our Registered and Corporate Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, 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 all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Promoter Selling Shareholder and the Underwriters, prior to the filing of the Red Herring Prospectus or the Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus.' The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, 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 483.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

- (a) 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;
- (b) Check if you are eligible to apply as per the terms of the 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;
- (c) Ensure that you have Bid within the Price Band
- (d) Ensure that you (other than in the case of Anchor Investors) have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders) in the Bid cum Application Form (with maximum length of 45 characters. Further, UPI Bidders must mention their UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
- (e) 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;
- (f) UPI Bidders Bidding using the UPI Mechanism in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

- (g) Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- (h) Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;
- (i) Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the 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;
- (j) In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
- (k) If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be);
- (l) All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- (m) The ASBA Bidders shall ensure that Bids above ₹ 5.00 million are uploaded only by the SCSBs.
- (n) 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;
- (o) Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
- (p) Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
- (q) Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- (r) 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;
- (s) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- (t) Ensure that the Demographic Details are updated, true and correct in all respects;
- (u) 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;
- (v) 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;

- (w) 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, are submitted;
- (x) Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- (y) Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. UPI Bidders, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) prior to 5:00 pm of the Bid / Offer Closing Date;
- (z) Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
- (aa) 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;
- (bb) Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), 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 at the time of submission of the Bid;
- (cc) UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
- (dd) RIIs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIIs 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 RII's ASBA Account;
- (ee) 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;
- (ff) UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
- (gg) 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 authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner.
- (hh) Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs; and
- (ii) Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned on the website of the SEBI, is liable to be rejected.
- (jj) Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 million would be considered under the Retail Portion for the purposes of allocation, and Bids for a Bid Amount exceeding ₹ 2.00 million would be considered under the Non-Institutional Portion for allocation in the Offer.

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:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- (c) 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;
- (d) Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- (e) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- (f) Anchor Investors should not Bid through the ASBA process;
- (g) Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;
- (h) Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- (i) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
- (j) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;
- (k) Do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);
- (l) If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/ Offer Closing Date;
- (m) Do not Bid for a Bid Amount exceeding ₹5,00,000 (for Bids by UPI Bidders);
- (n) Do not Bid for a Bid Amount exceeding ₹2,00,000 (for Bids by Retail Individual Investors);
- (o) Do not submit the General Index Register (GIR) number instead of the PAN;
- (p) Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- (q) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- (r) Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI-linked bank account where funds for making the Bid are available;
- (s) 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 Investor;
- (t) 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 Bidder;
- (u) 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;
- (v) 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;

- (w) 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);
- (x) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- (y) Do not submit more than one Bid cum Application Form per ASBA Account;
- (z) Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- (aa) Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by UPI Bidders);
- (bb) Do not Bid if you are an OCB; and
- (cc) Do not Bid for Equity Shares in excess of what is specified for each category.

For helpline details of the Book Running Lead Managers, see “*General Information*” on page 95.

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.

Further, in case of any pre- Offer or post- Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the section titled “*General Information – Company Secretary and Compliance Officer*” on page 96.

For helpline details of the BRLMs pursuant to SEBI ICDR Master Circular, please refer to the section titled “*General Information – Book Running Lead Managers*” on page 96.

Grounds for technical rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
6. Anchor Investors should submit Anchor Investor Application Forms only to the Book Running Lead Managers;
7. 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;
8. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

9. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
10. Bids submitted without the signature of the First Bidder or Sole Bidder;
11. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
12. 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;
13. GIR number furnished instead of PAN;
14. Bids by RIIs with Bid Amount of a value of more than ₹ 0.20 million;
15. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
16. Bids accompanied by stock invest, money order, postal order, or cash; and
17. Bids uploaded by QIBs and by Non-Institutional Investors after 4.00 pm on the Bid/ Offer Closing Date and Bids by RIIs 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 RIIs, after taking into account the total number of Bids received and as reported by the BRLMs 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 shall reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see “*General Information*” on page 95.

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 in accordance with applicable law. The Book Running Lead Managers 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.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI Master Circular (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

For details of grounds for technical rejections of a Bid cum Application Form, 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 Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Offer except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities

allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allocation to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available 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 allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT). For Anchor Investors, the payment instruments for payment into the Escrow Accounts 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 Promoter Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collection of Bid Amounts from Anchor Investors.

The information set out above is given for the benefit of the Bidders/Applicants. Our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers 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.

Undertakings by our Company

Our Company undertakes the following:

- (a) The complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (b) if Allotment is not made, refunds are not made to the Bidders or listing and trading approvals are not obtained 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;
- (c) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/ Offer Closing Date or such other timeline as may be prescribed by SEBI;
- (d) That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;
- (e) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within four Working Days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where the refunds shall be credited along with the amount and the expected date of electronic credit of refund;

- (f) The decisions with respect to the Price Band and the Minimum Bid lot as applicable, revision of Price Band, Offer Price, will be taken by our Company, in consultation with the BRLMs.
- (g) that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre- Offer advertisements would be published. The Stock Exchanges shall be informed promptly;
- (h) that if our Company, in consultation with the BRLMs withdraw the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh DRHP with SEBI, in the event our Company and/or the Promoter Selling Shareholder subsequently decides to proceed with the Offer;
- (i) No further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- (j) No further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.; and
- (k) That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Forms from Anchor Investor.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder undertakes and/ or confirms the following:

- a. The Offered Shares have been held by the Promoter Selling Shareholder for a period of at least one year prior to the date of this Draft Red Herring Prospectus, and are free and clear of any liens or encumbrances and, to the extent that the Offered Shares have resulted from a bonus issue, the 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 and are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- b. She is the legal and beneficial owners of and has full title to the Equity Shares being offered through the Offer for Sale;
- c. She will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- d. She will not sell, transfer, dispose of in any manner or create any lien, charge or encumbrance on the Offered Shares;
- e. She shall deposit the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- f. She 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 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;
- g. She will take all such steps as may be required to ensure that the Offered Shares are available for transfer in the Offer for Sale; and
- h. She will provide assistance to our Company, as may be reasonably required and necessary in accordance with applicable laws, for the completion of the necessary formalities in relation to the Offered Shares.

Utilisation of Offer Proceeds

Our Board certifies that:

- (a) all monies received out of the Fresh Issue 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 2013;

- (b) all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- (c) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

Utilisation of Gross Proceeds

Our Company specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account in a scheduled bank, within the meaning of sub-section (3) of Section 40 of the Companies Act.

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, 2013 for fraud involving an amount of at least ₹ 1.00 million or one per cent 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 one per cent 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 Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. 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 Government of India 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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly, Department of Industrial Policy and Promotion) (“**DPIIT**”) issued the Consolidated FDI Policy Circular of 2020, (“**Consolidated FDI Policy**”) which, with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/activities which are not listed in the FDI Policy is permitted upto to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. For further details, see “*Key Regulations and Policies in India*” beginning on page 300.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated 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 Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, issued by DPIIT, the Consolidated FDI Policy and the FEMA Rules has 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. Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the Consolidated FDI Policy has been further amended to, inter alia, define the expression “beneficial owner” and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments under Press Note. 2 (2026 Series) came into effect from May 2, 2026, i.e., the date of notification of the corresponding amendments to the FEMA Rules. . Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

As per the Consolidated FDI Policy, read with FEMA Rules, 100% foreign direct investment is permitted under the automatic route in the sector in which our Company operates, however, 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. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder shall

intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/ Offer Period.

Pursuant to the resolution dated July 25, 2026 passed by our shareholders, the aggregate investment limit by NRIs and OCIs was increased from 10% to 24% of the paid-up equity share capital of our Company, provided however, that the shareholding of each NRI or OCI shall not exceed 5% of the total paid-up equity capital of our Company on a fully diluted basis or such other limit as may be stipulated by RBI in each case, from time to time and the total holdings of all NRIs and OCIs put together shall not exceed 24% of the total paid-up equity capital on a fully diluted basis.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on pages 503 and 504, respectively.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer.

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 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 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 Shareholder and the Book Running Lead Managers 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, seek independent legal advice about its liability 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.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. This set of Articles of Association has been approved pursuant to the provisions of section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of our Company held on July 25, 2026. Pursuant to the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. No material clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

As on the date of this Draft Red Herring Prospectus, the provisions of the Articles of Association of our Company are in compliance with the Companies Act and applicable securities laws.

TABLE F

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

JAI PARVATI FORGE LIMITED

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of Jai Parvati Forge Limited (the “**Company**”) held on July 25, 2026. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

PRELIMINARY

Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company so far as they are applicable to Public Limited Company except so far as they have implied or expressly modified by what is contained in the Articles mentioned as altered or amended from time to time.

INTERPRETATION

I.

(1) In these Regulations unless the context otherwise require: -

- (a) “**Act**” means the “Companies Act, 2013” and every statutory modification or re-enactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
- (b) “**Applicable Law**” means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time;
- (c) “**Articles**” means these articles of association of the Company or as altered from time to time.
- (d) “**Annual General Meeting**” means the annual general meeting of the Company convened and held in accordance with the Act;
- (e) “**Beneficial Owner**” shall mean beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

- (f) **"Board of Directors" or "Board"**, means the collective body of the directors of the Company.
- (g) **"Committee"** means committee of Board constituted in accordance with the Act;
- (h) **"Company"** means: **Jai Parvati Forge Limited**, a company incorporated under the Companies Act, 1956;
- (i) **"Depository"** means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a Company formed and registered under the Companies Act, 1956/2013 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992;
- (j) **"Depositories Act, 1996"** shall include any statutory modification or re-enactment thereof.
- (k) **"Director"** shall mean any director of the Company including alternate director, independent director and nominee director appointed in accordance with the provisions of these articles;
- (l) **"Electronic Mode"** means carrying out electronically based, whether main server is installed in India or not, including, but not limited to:
 - i. business to business and business to consumer transactions, data interchange and other digital supply transactions;
 - ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
 - iii. financial settlements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
 - iv. online services such as telemarketing, telecommuting, telemedicine, education and information research; and all related data communication services;
 - v. facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail address, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
 - vi. posting of an electronic message board or network that the Company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting;
 - vii. other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
 - viii. video conferencing, audio- visual mode, net conferencing and/or any other electronic communication facility.
- (m) **"Equity Shares" or "Shares"** shall mean the issued, subscribed and fully paid-up equity shares of the Company having a face value of such amount as prescribed under the Memorandum of Association;
- (n) **"Extraordinary General Meeting"** means an extraordinary general meeting of the Company convened and held in accordance with the Act;
- (o) **"Member"** means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository;
- (p) **"Memorandum" or "Memorandum of Association"** means the memorandum of association of the Company, as may be altered from time to time;

- (q) "**Office**" means the Registered Office for the time being of the Company.
 - (r) "**Register of Members**" means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository;
 - (s) "**Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
 - (t) "**The Regulations**" means these Articles of Association as originally framed or as altered, from time to time.
 - (u) "**Seal**" means the common seal of the Company.
 - (v) "**SEBI**" shall mean the Securities and Exchange Board of India, a body established under the provisions of the Securities and Exchange Board of India Act, 1992.
 - (w) "**SEBI ICDR Regulations**" shall mean SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
 - (x) "**SEBI Listing Regulations**" shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time.
 - (y) "**Stock Exchanges**" shall mean BSE Limited, National Stock Exchange of India Limited and any other Stock Exchange in India where the securities of Company are Listed
 - (z) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognized by law as such.
 - (aa) "month" and "year" means a calendar month and calendar year respectively.
 - (bb) Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.
 - (cc) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
- (2) Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

SHARE CAPITAL AND VARIATION OF RIGHTS

II.

- (1) Subject to the provisions of these Articles and Section 62 of the Act, the shares in the capital of the Company shall be under the control of the Board of Directors, who may issue, allot or otherwise dispose off the same or any of the same to such persons, in such proportion and on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par or at discount (subject to the provisions of Section 53, 54, 56 and 58 of the Act), and with sanction of the Company in the 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 directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.

- (2) (i) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a 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 of shares to one or several joint holders shall be a sufficient delivery to all such holders.
- (ii) Every certificate shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (iv) The Company or an investor may exercise an option to issue, deal in, 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 thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other Applicable Law.
- (v) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium.
- (3) (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provision of this Article shall mutatis mutandis apply to debentures of the company.

- (4) Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- (5) (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- (6) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- (7) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- (8) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

- (9) (i) The company shall have a first and paramount lien— (a) on every shares/debentures (not being a fully paid share/debenture), registered in the name of such member (whether solely or jointly with others) for all monies (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures.

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. The fully paid-up shares/debentures shall be free from all lien.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (10) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:
 Provided that no sale shall be made—
 - (a) unless a sum in respect of which the lien exists is presently payable; or
 - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- (11) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (12) (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, shall include all dividends payable and bonuses declared from time to time in respect of such shares.

- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

- (13)(i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
- (14) A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
- (15) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- (16)(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (17)(i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (18) Subject to the provisions of Section 50 and 179 of the Act, the Board—
 - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance. Money so paid in advance shall not confer a right to dividend or to participate in profits. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The Directors may at any time repay the amount so advanced.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

TRANSFER OF SECURITIES

- (19)(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) The Company shall use a common form of transfer.

(20) The Board may, subject to the right of appeal conferred by section 58 decline to register—

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.
- (c) any transfer of shares on which the company has a lien, provided that registration of 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;

(21) (i) The Board may decline to recognise any instrument of transfer unless—

- (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

(ii) The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(22) (a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, 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.

(b) There shall be no charge for:

- (a) registration of shares or debentures.
- (b) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading.
- (c) sub-division of renounceable Letters of Right.
- (d) issue of new certificates in replacement of any certificate which has been worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, upon production and surrender thereof to the Company, in lieu thereof,
- (e) registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

(23) LOCK-IN AND NON-TRANSFERABILITY OF SPECIFIED SECURITIES

(a) Notwithstanding anything contained in these Articles, and subject to the provisions of the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996, the Securities Contracts (Regulation) Act,

1956, the Companies Act, 2013, the SEBI ICDR Regulations, and any circulars, notifications, directions, frameworks or guidelines issued by the SEBI, the Stock Exchanges, Depositories or any other competent authority, the Company shall be entitled and authorised to take all necessary actions for ensuring compliance with any lock-in requirements applicable to the specified securities of the Company.

- (b) Where any specified securities of the Company are required to be locked-in under applicable law, including under the SEBI ICDR Regulations, and where such lock-in cannot be created or implemented in the manner ordinarily prescribed on account of such specified securities being pledged, encumbered, subject to lien, hypothecation, charge, or any other security interest in favour of any lender, pledgee, debenture trustee, security trustee, financial institution, bank or any other secured creditor, the Company shall be entitled and authorised to cause such specified securities to be recorded, marked, tagged or classified by the relevant depository as “non-transferable” or by such other description as may be prescribed by the relevant Depository, for the duration of the applicable lock-in period.
- (c) The recording of such specified securities as “non-transferable” shall have the effect of restricting any transfer, sale, disposal, assignment, alienation, invocation-based transfer, off-market transfer, transmission, pledge release transfer, or any other dealing in such specified securities during the applicable lock-in period, except to the extent expressly permitted under applicable law or with the prior approval of the SEBI, the relevant Stock Exchange, Depository or any other competent authority, as may be applicable.
- (d) The Company, its Board of Directors, any committee thereof, and any officer authorised by the Board shall be entitled to issue necessary intimations, confirmations, undertakings, instructions and communications to the concerned shareholders, promoters, promoter group members, lenders, pledgees, security trustees, debenture trustees, Depositories, depository participants, registrar and share transfer agents, Stock Exchanges, merchant bankers and any other persons or authorities, as may be necessary or desirable for implementation of the lock-in or non-transferability mechanism.
- (e) Any shareholder or beneficial owner whose specified securities are subject to lock-in or are required to be recorded as non-transferable shall provide such confirmations, consents, undertakings, authorisations, declarations, documents and information as may be required by the Company, the merchant bankers, Stock Exchanges, Depositories, depository participants or any regulatory authority for implementation of the lock-in or non-transferability mechanism.
- (f) The Board shall be entitled to refuse, decline, suspend or not recognise any transfer, transmission, pledge invocation, disposal, encumbrance release, corporate action or other dealing in respect of such specified securities during the applicable lock-in or non-transferability period, if such action would result in breach of applicable law, the SEBI ICDR Regulations, any depository framework, or any direction issued by the SEBI, Stock Exchanges or Depositories.
- (g) Where any specified securities of the Company are required to be locked-in under applicable law and, due to any pledge, lien, charge, hypothecation, encumbrance or other security interest, such securities are recorded or marked by the relevant depository as “non-transferable” for the duration of the applicable lock-in period, then upon release, removal, discharge or cessation of such “non-transferable” marking for any reason whatsoever, such specified securities shall, automatically and without any further act, deed, consent, approval or corporate action, be deemed to be locked-in for the remaining period of the original lock-in applicable to such specified securities. The release or removal of the “non-transferable” marking shall not be construed as a release from, waiver of, or reduction in the applicable lock-in. The Board and any authorised officer of the Company shall be entitled to issue necessary instructions to the Depository, depository participant, registrar and share transfer agent, shareholders, beneficial owners, lenders, pledgees, security trustees and other concerned persons to implement, continue or record such automatic lock-in for the balance lock-in period.
- (h) The provisions of this Article shall apply in addition to, and not in derogation of, any other restrictions on transfer, lock-in, encumbrance, pledge, disposal or dealing in securities under these Articles.

DEMATERIALISATION OF SECURITIES

(24) Shares to be held in dematerialized form

- (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and rematerialize its shares, debentures or other securities held in the depositories and/or offer its securities in dematerialised form.
- (ii) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.
- (iii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- (iv) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.
- (v) 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 the bye-laws of the Depository and the Company in that behalf.
- (vi) 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 electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act. Provided that, nothing contained in Article 62 shall apply to the transfer of shares, debentures or other marketable securities effected by the transferor and the transferee, both of whom are entered as beneficial owners in the record of the depository.
- (vii) Every member or allottee of shares(s) shall be entitled without payment to one certificate for all the shares registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payments of fees as the Directors may from time to time determine) to several certificates each for one or more shares. Every certificate of share shall specify the number and denote number of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.
- (viii) If a Share certificate is defaced, lost or destroyed it may be renewed in accordance with the share certificate Rules under the Act on payment of such fee, if any, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Directors think fit.
- (ix) The Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the Company at the times and places specified in the notice issued by the Directors. A call may be made payable by installments.
- (x) The Directors, may if they think, fit, receive from any member willing to advance the same, all or any part of the moneys unpaid in respect of the shares held by him beyond the sum actually called for ; and upon the money so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon and the Directors may at any time repay the amount

be advanced upon giving to such member three month's notice in writing. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

- (xi) Any money due from the Company to a share-holder may without the consent of such shareholder be applied by the Company in or towards payment of any money due from him to the Company for calls or otherwise.

TRANSMISSION OF SHARES

- (25)(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

- (26)(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

- (a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.

- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

- (27)(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

- (28) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

- (29) If a member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

- (30) The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

- (31) 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.
- (32)(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.
- (33)(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.
- (34)(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.
- (35) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

ALTERATION OF CAPITAL

- (36) 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.

(A) FURTHER ISSUE OF SHARES

1. Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, either out of the unissued capital or the increased share capital, then:
 - (a) Such further shares shall be offered 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 following conditions, namely:-
 - (i) The offer aforesaid shall be made by a 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 Section 62 of the Act and Rules made thereunder and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (ii) 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 (i) shall contain a statement of this right;

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.

(b) Such further shares shall be offered to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and Rules thereunder; or

(c) Such further shares shall be offered to any persons, if authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), 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 such conditions as may be prescribed under the Act and Rules thereunder.

2. The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be dispatched through registered post or speed post or through electronic mode to all existing shareholders at least three days before the opening of the issue.

3. Nothing in this section shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or a loan raised by the Company to convert such debentures or loans into shares in the Company:

Provided that the terms of the issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

4. Notwithstanding anything contained in sub-section (3), 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 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 the National Company Law Tribunal which shall after hearing the Company and government pass such order as it deems fit.

5. In determining the terms and conditions of conversion under sub-section (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

6. Where the Government has, by an order made under sub-section (4), directed that any debenture or loan or any part thereof shall be converted into shares in a Company and where no appeal has been preferred to the National Company Law Tribunal under sub-section (4) or where such appeal has been dismissed, the memorandum of the Company shall, stand altered and the authorized share capital of such Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

(B) The provisions contained in this Article shall be subject to the provisions of Section 42, Section 62 of the Act, the Rules and the applicable provisions of the Act.

Notwithstanding anything contained in Article 67 thereof, the further Shares aforesaid may be offered to any persons, if it is authorised by a special resolution, (whether or not those persons include the persons referred to in clause (a) of Article 67 (hereof) in any manner 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 the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed in the Act and the Rules made thereunder.

Nothing in this Article above hereof shall be deemed:

- (a) To extend the time within the offer should be accepted; or
 - (b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the remuneration was first made has declined to take the Shares comprised in the renunciation.
- (C) Any bonds debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- (37)** Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- (38)** Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, so far as near thereto as circumstances admit.
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the 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.
 - (c) 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.
- (39)** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

CAPITALISATION OF PROFITS

- (40)(i)** The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
 - (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- (41)(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

- (42) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

- (43) All general meetings other than annual general meeting shall be called extraordinary general meeting.
- (44)(i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

- (45)(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.
- (46) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (47) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (48) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

- (49)(i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- (50) Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- (51) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- (52) (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.
- (53) 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.
- (54) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- (55) 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.

- (56)(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

- (57) 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.
- (58) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- (59) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

- (60) The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The persons named hereinafter were the first directors of the Company:

1. Mr. Sahender Singh Chauhan
2. Mrs. Suman Chauhan

- (61)(i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
- (62) The Board may pay all expenses incurred in getting up and registering the company.
- (63) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- (64) 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.
- (65) 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.

- (66)(i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- (iii) Subject to the provisions of Section 152 of the Companies Act, 2013, a Managing Director or Whole-time Director shall, while he continues to hold that office, be subject to retirement by rotation and shall be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire and he shall not cease to be a Managing Director or Whole Time Director, if he retires as a Director and is re-elected as a Director in the same meeting.
- (67)(i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- (68)(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote
- (69) 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.
- (70)(i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
- (71)(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- (72)(i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- (73)(i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- (74) 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.
- (75) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee,

shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

(76) 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 think 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.

(77) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

DIVIDENDS AND RESERVE

(78) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

(79) 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.

(80)(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 equalizing 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, think 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.

(81)(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) That any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared.

(iv) That there will be no forfeiture of unclaimed dividends before the claim becomes barred by law.

(v) 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.

(vi) Unpaid Or Unclaimed Dividend:

Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank.

The Company shall, within a period of ninety days of transferring money to the unpaid dividend account of the Company, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the Company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

If any default is made in transferring the total amount referred above or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall ensure to the benefit of the members of the Company in proportion to the amount remaining unpaid to them.

Any money 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 known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

All shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of the Investors Education and Protection Fund subject to the provisions of the Act and Rules.

No unclaimed or unpaid dividend shall be forfeited by the Board.

- (82) 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.
- (83)(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.
- (84) 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.
- (85) 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.
- (86) No dividend shall bear interest against the company.

ACCOUNTS

- (87)(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.

WINDING UP

- (88) 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.

INDEMNITY

- (89)** 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.

SECRECY

- (90)** Directors, officers etc. to maintain secrecy

Every Director, Manager, Trustee for the Company, Member or Debenture holders, Member of Committee, officer, servant, agent, accountant or other person employed in or about the business of the Company shall, if so required by the Board of Directors before entering upon his duties, sign a declaration pledging all transactions of the Company with his customers and state of accounts with individuals and in matters relating thereto, and shall subject to such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board of Directors or by a Court of law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.

- (91) Restriction to enter Premises of the Company**

No member or other person (not being a director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board of Directors or to require discovery of or any information respecting thereto and details of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board of Directors, will be expedient in the interest of the members of the Company to communicate.

*The Company has adopted a new set of Articles of Association in complete substitution of the previous Articles of Association with the approval of the members vide special resolution passed in the Extra ordinary General Meeting held on April 20, 2023.

**The Company has adopted a new set of Articles of Association in complete substitution of the previous Articles of Association with the approval of the members vide special resolution passed in the Extra ordinary General Meeting held on July 25, 2026.

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 will be attached to the copy of the Red Herring Prospectus/Prospectus which will be filed with the RoC.

Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and at www.jaiparvatiforge.com from date of the Red Herring Prospectus until the Bid/ Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/ Offer Closing Date.

Material contracts to the Offer

1. Offer Agreement dated September 21, 2026 entered into between our Company, the Promoter Selling Shareholder and the Book Running Lead Managers.
2. Registrar Agreement dated September 21, 2026 entered into between our Company, the Promoter Selling Shareholder and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] amongst our Company, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members and Bankers to the Offer.
4. Share Escrow Agreement dated [●] entered into among our Company, the Promoter Selling Shareholder and the Share Escrow Agent;
5. Syndicate Agreement dated [●] amongst our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, the Registrar to the Offer and Syndicate Members.
6. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.
7. Underwriting Agreement dated [●] amongst our Company, the Promoter Selling Shareholder, and the Underwriters.

Material Documents

1. Certified copies of the Memorandum of Association and the Articles of Association, as amended until date.
2. Certificate of incorporation dated January 23, 2004 in the name of “*Jai Parvati Forge Private Limited*” issued by the Registrar of Companies, Punjab, HP and Chandigarh.
3. The modified certificate of incorporation dated May 01, 2007, upon conversion of our Company from private limited company to public limited company and consequent change in name from “*Jai Parvati Forge Private Limited*” to “*Jai Parvati Forge Limited*”
4. Fresh certificate of registration dated December 13, 2019 issued by the Registrar of Companies, Chandigarh, upon change in our registered office from the Union Territory of Chandigarh to the State of Punjab.
5. Certificate of registration dated August 11, 2026 of the special resolution confirming alteration of object clause(s) issued by the Registrar of Companies, Central Processing Centre.
6. Resolution of our Board dated August 12, 2026 authorising the Offer and other related matters, and the resolution of the Shareholders dated September 07, 2026 approving the Offer.
7. Resolution dated September 21, 2026 passed by the Board approving this Draft Red Herring Prospectus and certain other related matters.
8. Resolution of the Board dated September 21, 2026 approving the Draft Abridged Prospectus.

9. Resolution of the Audit Committee dated September 21, 2026, approving the KPIs disclosed in this Draft Red Herring Prospectus.
10. Resolution of the Board dated September 03, 2026, taking on record the approval for the Offer for Sale by the Promoter Selling Shareholder.
11. Certificate dated September 21, 2026 from M/s. Ashwani K Gupta and Associates, Chartered Accountants, our Statutory Auditors, certifying the KPIs of our Company.
12. Resolutions dated January 23, 2026 and February 16, 2026, passed by the Board and Shareholders, respectively, approving the terms of appointment and remuneration of our Managing Director.
13. Resolutions dated April 1, 2024 and September 30, 2024, passed by the Board and Shareholders, respectively, approving the terms of appointment and remuneration of our Executive Chairman and Whole-Time Director.
14. Resolutions dated September 27, 2025 and February 16, 2026, passed by the Board and Shareholders, respectively, approving the terms of appointment and remuneration of our Whole-Time Director, Smriti Sindhu Chauhan.
15. Consent letter from the Promoter Selling Shareholder dated September 02, 2026, authorising her participation in the Offer. For further details, see “*The Offer*” beginning on page 78.
16. Our Company has received written consent dated September 21, 2026 from our Statutory Auditors, M/s. Ashwani K Gupta and Associates, Chartered Accountants (FRN: 003803N), who hold a valid peer review certificate dated March 01, 2026, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of various certificates issued by them including the examination report dated August 12, 2026 on the Restated Financial Information, and the statement of possible special tax benefits dated September 21, 2026 and report dated August 12, 2026 on the Pro Forma Financial Information, included in this Draft Red Herring Prospectus and such consents have 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.
17. Written consent dated September 10, 2026 from Narender Pal Sethi, a chartered engineer, registered with the Confederation of Engineers (India) bearing registration number 1776155, the independent chartered engineer, to include his 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 an independent chartered engineer in relation to the certificate dated September 16, 2026, certifying, *inter alia*, the details of our Manufacturing Units, 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.
18. Written consent dated September 10, 2026 from Kanwaljit Singh Thanewal, an independent practicing company secretary, (having Membership No. 5901; C.P No.: 5870), the practising company secretary, holding a valid certificate of practice from the Institute of Company Secretaries of India, 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 an independent practising company secretary, and in respect of the information certified by them, 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.
19. The examination report dated August 12, 2026 of our Statutory Auditor on the Restated Financial Information, included in this Draft Red Herring Prospectus.
20. The assurance report dated August 12, 2026, on the compilation of Pro Forma Financial Information included in this Draft Red Herring Prospectus, issued by our Statutory Auditor.
21. The report dated September 21, 2026 on the statement of possible special tax benefits from M/s. Ashwani K Gupta and Associates, Chartered Accountants, our Statutory Auditors, available to our Company and the Shareholders of our Company, included in this Draft Red Herring Prospectus.
22. Certificates dated September 21, 2026 issued by M/s. Ashwani K Gupta and Associates, Chartered Accountants,

our Statutory Auditors, with respect to the (a) capital expenditure to be incurred by our Company; (b) Basis for Offer Price; (c) average cost of acquisition of shares by the Promoters (including the Promoter Selling Shareholder) and weighted average price at which Equity Shares of the Company were acquired; (d) Financial Indebtedness and (e) fund deployment certificate.

23. Slump Sale Agreement dated January 16, 2026, read with addendum dated June 20, 2026 thereto, entered into between the erstwhile D.S. Engineers and our Company.
24. Valuation certificate dated June 25, 2026 issued by M/s. Ashwani K Gupta and Associates, Chartered Accountants, our Statutory Auditors, in relation to the Slump Sale Agreements, entered into between the erstwhile D.S. Engineers and our Company.
25. Engagement letter dated January 31, 2026 entered into between the Company and CRISIL.
26. Report titled “*Gears, Shafts and Precision Components Industry Report*” dated September, 2026 prepared and issued by CRISIL and commissioned by and paid for by our Company, exclusively for the purposes of the Offer and which is available on the website of our Company at www.jaiparvatiforge.com.
27. Consent dated September 10, 2026 from CRISIL issued for inclusion of their name and to reproduce the industry report titled “*Gears, Shafts and Precision Components Industry Report*” dated September, 2026 in this Draft Red Herring Prospectus.
28. Report titled “Cost Vetting Report” dated September 18, 2026 issued by Indraprastha Corridor Advisory Services Private Limited, available on our Company’s website at www.jaiparvatiforge.com.
29. Consent letter dated August 03, 2026 from Indraprastha Corridor Advisory Services Private Limited with respect to the Cost Vetting Report.
30. Certificate dated September 16, 2026 issued by Narender Pal Sethi, independent chartered engineer, relating to the details of our Manufacturing Units;
31. Consents of the BRLMs, 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), Underwriter(s), Monitoring Agency, the legal counsel to the Offer, our Directors, the Company Secretary and Compliance Officer and Chief Financial Officer, to act in their respective capacities.
32. Undertaking dated [●] submitted by the BRLMs to SEBI in relation to the utilisation of the proceeds from the Pre-IPO placement.
33. Copies of annual reports of our Company for Fiscal 2026, Fiscal 2025 and Fiscal 2024.
34. Tripartite agreement dated March 25, 2026, among our Company, NSDL and the Registrar to the Offer.
35. Tripartite agreement dated February 02, 2026, among our Company, CDSL and the Registrar to the Offer.
36. Due diligence certificate dated September 21, 2026 addressed to SEBI from the Book Running Lead Managers.
37. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
38. SEBI final observation letter, bearing reference number [●] dated [●].

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 notice to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR OF OUR COMPANY

Vineet Chauhan
(Managing Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE EXECUTIVE CHAIRMAN & WHOLE TIME DIRECTOR OF OUR COMPANY

Sahender Singh Chauhan

(Executive Chairman and Whole-Time Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE TIME DIRECTOR OF OUR COMPANY

Smriti Sindhu Chauhan
(Whole-Time Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Arshdeep Kaur

(Independent Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Maninder Singh Grewal
(Independent Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY

Kulwant Kumar Sharma
(Independent Director)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with, and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, the SCRR and the SEBI Act, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Vijay Kumar Sharma
(Chief Financial Officer)

Date: September 21, 2026

Place: Dera Bassi

DECLARATION BY PROMOTER SELLING SHAREHOLDER

I, Suman Chauhan, in my capacity as a Promoter Selling Shareholder, hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as the Promoter Selling Shareholder and the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including, those made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

Suman Chauhan

Date: September 21, 2026

Place: Dera Bassi