DRAFT RED HERRING PROSPECTUS
Dated: September 30, 2026
(Please read Section 26 and 32 of the Companies Act, 2013)
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

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

ACE FURNACES LIMITED

(Formerly Ace Furnaces Private Limited)

Corporate Identity Number: U29242MH2014PLC253538

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Thane, Maharashtra, India, 400604.	Ms. Mukta Bhansali Company Secretary and Compliance Officer	**Email:** compliance@acefurnaces.com **Telephone:** +91-8097600759	https://www.acefurnaces.com/

OUR PROMOTERS: MR. KAILASH VISHNU NASTA, MRS. RHEA KAILASH NASTA AND MR. NITIN JAGANNATH PHIRAKE

DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY
Fresh Issue and Offer for Sale	Up to 21,80,000 Equity Shares aggregating up to ₹[●] lakhs	Up to 5,40,000 Equity shares aggregating to ₹[●] lakhs	Up to 27,20,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	This Offer is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – For further details see "Other Regulatory and Statutory Disclosures" on page 269 of this Draft Red Herring Prospectus.

Name of Promoter Selling Shareholder	Type	No. of equity shares of face value ₹10/- each of our company offered/ amount (in ₹ lakhs)	Weighted average cost of Acquisition (in ₹ per Equity Share)*
Kailash Vishnu Nasta	Promoter	Up to 2,70,000 Equity Shares	0.63
Rhea Kailash Nasta	Promoter	Up to 2,16,000 Equity Shares	6.25
Nitin Jagannath Phirake	Promoter	Up to 54,000 Equity Shares	3.44

**As certified by M/s Abhishek Kumar & Associates, Chartered Accountants Statutory Auditors of the company by way of certificate dated September 29, 2026.*

RISK IN RELATION TO THE FIRST OFFER

This being the first offer of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page 104 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 or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

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 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 issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 24 of this Draft Red Herring Prospectus.

OUR COMPANY'S & PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Promoter Selling Shareholders, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares Issued through Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited ("BSE SME").

BOOK RUNNING LEAD MANAGER TO THE OFFER

NAME AND LOGO OF THE BRLM	CONTACT PERSON	EMAIL & TELEPHONE

Beeline Capital Advisors Private Limited	**Mr. Nikhil Shah**	**Email:** mb@beelinemb.com **Tel. No:** +91 79 49185784
REGISTRAR TO THE OFFER		
NAME OF THE REGISTRAR	**CONTACT PERSON**	**EMAIL & TELEPHONE**
PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED	**Ms. Deepali Gaonkar**	**Email:** newissue@purvashare.com **Tel No:** 022- 4134 3255 / 4134 3256
BID/OFFER PERIOD		
ANCHOR PORTION OFFER OPENS/ CLOSES ON*: [●], 2026	**BID/ OFFER OPENS ON: [●], 2026**	**BID/ OFFER CLOSES ON**: [●], 2026**

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

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

****The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.*

DRAFT RED HERRING PROSPECTUS
Dated: September 30, 2026
(Please read Section 26 and 32 of the Companies Act, 2013)
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Offer

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

ACE FURNACES LIMITED

(Formerly Ace Furnaces Private Limited)

Corporate Identity Number: U29242MH2014PLC253538

Our Company was originally incorporated as "Ace Furnaces Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 24, 2014 issued by the Registrar of Companies, Maharashtra at Mumbai, having Corporate Identification Number U29242MH2014PTC253538. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company held on August 31, 2026 and consequently the name of our Company was changed to "Ace Furnaces Limited" pursuant to Certificate of Incorporation Consequent upon conversion to public company dated September 18, 2026 issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre having Corporate Identification Number U29242MH2014PLC253538.

Registered and Corporate Office: Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Thane, Maharashtra, India, 400604.
Contact Person: Ms. Mukta Bhansali**; Telephone No.:** +91-8097600759
E-Mail: compliance@acefurnaces.com; **Website:** www.acefurnaces.com
Corporate Identity Number: U29242MH2014PLC253538

OUR PROMOTERS: MR. KAILASH VISHNU NASTA, MRS. RHEA KAILASH NASTA AND MR. NITIN JAGANNATH PHIRAKE

DETAILS OF THE OFFER
INITIAL PUBLIC OFFER OF UPTO 27,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF ACE FURNACES LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF 21,80,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UPTO 5,40,000 EQUITY SHARES BY THE PROMOTER SELLING SHAREHOLDERS ("OFFER FOR SALE") AGGREGATING TO ₹ [●] LAKHS COMPRISING; UPTO 2,70,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY KAILASH VISHNU NASTA, UPTO 2,16,000 EQUITY SHARES BY RHEA KAILASH NASTA AGGREGATING UP TO ₹[●] LAKHS BY, UPTO 54,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS BY NITIN JAGANNATH PHIRAKE (REFFERD AS "PROMOTER SELLING SHAREHOLDERS"), OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN OFFER PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. **THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ENLISH EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND HINDI EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER AND [●], REGIONAL NEWSPAPER (MARATHI, BEING THE REGIONAL LANGUAGE OF MUMBAI, MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED ("BSE SME") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**
In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank as applicable.
The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), 40% of the Anchor Investor Portion shall be reserved for, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% 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 event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds in accordance with the SEBI ICDR Regulations Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders (of which one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size exceeding ₹ 10 lakhs) and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of Individual Bidders using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of

respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 301 of this Draft Red Herring Prospectus.

ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Offer Procedure" beginning on page 301 of this Draft Red Herring Prospectus.

RISK IN RELATION TO THE FIRST OFFER

This being the first Offer of the issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for offer Price" on page 104 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 or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

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 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 issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 24 of this Draft Red Herring Prospectus.

OUR COMPANY & PROMOTER SELLING SHAREHOLDER ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Promoter Selling Shareholders, severally and not jointly, accepts responsibility for only such statements specifically confirmed or specifically undertaken by such Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent such statements specifically pertain to itself and/or its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Promoter Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or any other Promoter Selling Shareholder, in this Draft Red Herring Prospectus.

LISTING

The Equity Shares Issued through Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from SME Platform of BSE Limited ("BSE SME") for using its name in the Offer Document for listing of our shares on the SME Platform of BSE Limited ("BSE SME"). For the purpose of this Offer, the Designated Stock Exchange will be the BSE Limited ("BSE").

BOOK RUNNING LEAD MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
BEELINE Capital Advisors Pvt. Ltd.	Purva Sharegistry
BEELINE CAPITAL ADVISORS PRIVATE LIMITED SEBI **Registration Number:** INM000012917 **Address:** B/1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India **Telephone Number:** +91 79 4918 5784 **Email Id:** mb@beelinemb.com **Investors Grievance Id:** ig@beelinemb.com **Website:** www.beelinemb.com **Contact Person:** Mr. Nikhil Shah **CIN:** U67190GJ2020PTC114322	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** **Address:** Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai – 400011, Maharashtra, India. **Tel No:** 022- 4134 3255 / 4134 3256 **Email:** newissue@purvashare.com **Investor Grievance E-mail:** newissue@purvashare.com **Website:** www.purvashare.com **Contact Person:** Ms. Deepali Gaonkar **SEBI Registration Number:** INR000001112

BID/ISSUE PERIOD

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

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

*** Our Company, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.*

*** ^The UPI mandate end time and date shall be at 5.00 p.m. on the Bid/ Issue 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, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms in "Objects of the Offer", "Basis for Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Industry Regulations", "History and Corporate Structure", "Restated Financial Information", "Statement of Financial Indebtedness", "Outstanding Litigation and Material Developments" and "Description of Equity Shares Related Terms of the Articles of Association", beginning on pages 92, 104, 115, 121, 187, 198, 230, 232, 255 and 334 respectively, will have the meaning ascribed to such terms in those respective sections.

GENERAL TERMS

Term	Description
"Ace Furnaces Limited", "AFL", "our Company", "we", "us", "our", "the Company", "the Issuer Company" or "the Issuer"	Ace Furnaces Limited (formerly known as Ace Furnaces Private Limited), a public limited company, registered under the Companies Act, 1956 and having its registered office at Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Thane, Maharashtra, India, 400604.
Our Promoters	Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta, and Mr. Nitin Jagannath Phirake
Promoter's Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled "Our Promoters and Promoters Group" beginning on pages 224 of this Draft Red Herring Prospectus.
"we", "us" and "our"	Unless the context otherwise indicates or implies, it refers to our Company and our subsidiary Companies on a consolidated basis
"you" or "your" or "yours"	Prospective Investors in this Offer.

COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association / AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details, refer section titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditor, being M/s. Abhishek Kumar & Associates as mentioned in the section titled "General Information" beginning on page 65 of this Draft Red Herring Prospectus.
Bankers to the Company	ICICI Bank Limited and HDFC Bank Limited
Board of Directors / Board / BOD	The Board of Directors of our Company, including all duly constituted committees thereof. For details refer section titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Central Registration Centre (CRC)	It's an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices.
Chairman	The chairman of our Company, Mr. Kailash Vishnu Nasta. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Chartered Engineer	M/s. Creative Services was appointed in connection with the certification of information relating to the plant & machinery and capacity included in this Draft Red Herring

Term	Description
	Prospectus.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, being Mr. Ganesh Shankar Srivastav. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
CIN	Corporate Identification Number of our Company i.e. U29242MH2014PLC253538
Companies Act	The Companies Act, 2013 as amended from time to time.
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, Ms. Mukta Bhansali. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
D&B Report	The industry report titled "Report on Indian Industrial Furnaces Sector" dated September, 2026, prepared and issued by Dun & Bradstreet Information Services India Private Limited
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director (s)	The Director(s) on our Board, as appointed from time to time. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus
ED	Executive Director
AFL ESOP 2026/ ESOP Scheme	Ace Furnaces Limited Employee Stock Option Plan 2026
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, "Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Information as covered under the applicable accounting standards, and as disclosed in "Information with respect to Group Companies" on page 268 of this Draft Red Herring Prospectus.
Independent Director	The Independent Director(s) on our Board, as described in chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
ISIN	INE1TXP01026
Key Managerial Personnel / Key Managerial Employees	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in the chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008
Managing Director / MD	MD means Managing Director of the company namely Mr. Kailash Vishnu Nasta. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Manufacturing Facility	Manufacturing facility operated by our Company and located at G-50 Chikhloli, MIDC Road No.22, Wagle Industrial Estate, Thane-400604, Maharashtra, India
Materiality Policy	The materiality policy of our Company adopted by our Board pursuant to a resolution of our Board dated September 29, 2026, for identification of (a) material outstanding litigations; (b) material group companies; and (c) outstanding dues to 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 the Prospectus
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Non-Executive Director	Non-Executive Director on our Board, as appointed from time to time. For details refer chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA

Term	Description
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management Act, 1999
Peer Reviewed Auditor	The Peer Review Auditor of company, M/s. Abhishek Kumar & Associates Chartered Accountants holding a valid Peer Review certificate, as mentioned in the section titled "General Information" beginning on page 65 of this Draft Red Herring Prospectus.
Promoter Selling Shareholders	The Promoter Selling Shareholders namely, Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake
Registered & Corporate Office	Registered & Corporate Office of the company situated at Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Thane, Maharashtra, India, 400604.
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the year ended March 31, 2026, 2025 and 2024 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 and 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Maharashtra at Mumbai II.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act/ SEBI	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/ Listing Regulations/SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled "Our Management" on page 204 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Salimuddin Gitay, Mr. Prakash Dharamdas Mehta, Mr. Sheikh Aslam and Mr. Shirish Chandrakant Parayane.
WTD/ Whole-time director	The Whole-time director of our Company, being Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake.
Wilful Defaulter(s) or a Fraudulent Borrower	A person or an offeror/ issuer who or which is categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, as defined under Regulation 2(1)(111) of SEBI ICDR Regulations.

OFFER RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this regard.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity

Terms	Description
	Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment / Allot / Allotted	Unless the context otherwise requires, allotment of Equity Shares issued pursuant to the Fresh Issue to successful Bidders.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued
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 Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Escrow Account /Escrow Account(s)	Account opened with Anchor Escrow Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
Anchor Investor Allocation	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Offer Period / Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
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 two Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI (ICDR) Regulations. However, effective December 1, 2025, in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2025, 40% of the Anchor Investor Portion shall be reserved for, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% 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 event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
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 specified bank account maintained with such SCSB and will includes applications made by UPI Bidders using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bidders	All Bidders except Anchor Investors.
ASBA Form	A bid cum application form, whether physical or electronic, used by ASBA bidders, which will be considered as the bid for Allotment in terms of the Red Herring Prospectus and Prospectus.
Banker to the Offer Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Offer.
Bankers to the Offer and Refund Banker	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank(s), in this case being [●].
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Offer

Terms	Description
	and which is described in paragraph titled 'Basis of allotment' under chapter titled "Offer Procedure" starting from page no. 301 of this Draft Red Herring Prospectus.
BCAPL/BRLM/Lead Manager/Book Running Lead Manager	Beeline Capital Advisors Private Limited.
Bid	An indication to make an application during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA 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 and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable. In the case of IIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such IIs and mentioned in the Bid cum Application Form. The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires. The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
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 the English National Daily newspaper [●], all editions of the Hindi National Daily newspaper [●], and edition of Regional language daily newspaper [●] (a widely circulated regional language daily newspaper in Mumbai, Maharashtra, where our Registered Office is located). Our Company in consultation with the BRLM, may, consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. 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 BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, 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, being [●], which shall be published in the English National Daily newspaper [●], all editions of the Hindi National Daily newspaper [●], and edition of Regional language daily newspaper [●] (a widely circulated regional language daily newspaper in Mumbai, Maharashtra), where our Registered Office is located.
Bid/ Offer Period	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 the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders. Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/ Offer Period for the QIB Portion One Working Day prior to the Bid/ Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.
Bidder/ Investor/Applicant	Any prospective investor who makes a bid for Equity Shares in terms of Draft Red Herring

Terms	Description
	Prospectus.
Bidding	The process of making a Bid. Bidding for all categories on the last day shall close at 4.00 PM. Downward modification and cancellation shall not be applicable to any of the category of bidding. Placing bid on cut of price shall not be applicable/available to any of the category of bidding
Bidding / Collection Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Offer, in this case being Beeline Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker, provided that Individual Investor who applies for minimum application size 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 at www.bseindia.com and www.nseindia.com.
BSE SME	SME Platform of BSE Limited
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price will not be finalized and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	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 circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the lists available on the websites of BSE and NSE, as updated from time to time.
Collecting Registrar and Share Transfer Agent	Registrar to the Offer and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and of the SEBI UPI Circulars.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange.
Cut-off Price	Offer Price, being ₹ [●] per Equity Shares, finalised by our Company in consultation with the Book Running Lead Manager, which shall be any price within the Price Band. Only IIBs Bidding in the Individual Investor Portion were entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, occupation and Bank Account details
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in

Terms	Description
	terms of the Draft Red Herring Prospectus, after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Offer.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.bseindia.com
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	SME Platform of BSE Limited ("BSE SME")
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus	Draft Red Herring prospectus dated September 30, 2026 issued in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Draft Abridged Prospectus	The memorandum dated September 30, 2026, containing such salient features of this Draft Red Herring Prospectus as may be specified by SEBI in this regard.
Document Repository Platform	The online platform set up by the stock exchanges to upload and maintain documents electronically as required in terms of SEBI Merchant Bankers Regulations and SEBI Circular number- SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/170 dated December 5, 2024.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRI(s) eligible to invest under Schedule III and Schedule IV of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and resident in jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Draft Red Herring Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
Escrow Account	Accounts opened with the Banker to the Offer
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (lll) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue component of the Offer comprising of an issuance of up to 21,80,000 Equity Shares of face value of ₹10 each at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to the circular

Terms	Description
	(SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and 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 BRLM.
GIR Number	General Index Registry Number
Individual Investors (IIs) / Individual Bidders (IBs)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies for minimum application size.
Individual Investors Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares of ₹ 10.00 each which shall be available for allocation to Individual Bidders who applies for minimum application size in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
IPO/ Offer / Offer Size/ Public Offer	Initial Public Offering
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	The Market Maker to the Offer, in this case being Spread X Securities Private Limited
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 10 each at an Offer price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Offer.
Market Making Agreement	The Market Making Agreement dated September 29, 2026 between our Company, Book Running Lead Manager and Market Maker.
Minimum Bid Lot / Minimum Application Size	The minimum application size shall be two lots per application for application under Individual Investor category and three lots for other categories, subject to size of application value being more than ₹2 lakhs.
Mutual Fund Portion	The portion of this Offer being 5% of the Net QIB Portion, or [●] Equity Shares of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Offer	The Offer excluding the Market Maker Reservation Portion, comprising the Fresh Issue of Equity Shares by our Company and the Offer for Sale by the Selling Shareholder(s), aggregating to [●] Equity Shares of face value of ₹10 each for cash at the Offer Price aggregating to ₹[●] Lakhs.
Net Proceeds	The Gross Proceeds from the Offer less the Offer related expenses., for further details please refer to chapter titled "Objects of the Offer" on page 92 of this Draft Red Herring Prospectus.
Net QIB Portion	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Investors or NII(s) or Non-Institutional Bidders or NIB(s)	All Bidders, that are not QIBs or Individual Investors and who have Bid for Equity Shares of more than two lots (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares of ₹ 10.00 each, which shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The allocation to the NIIs shall be as follows: a) One-third of the Non-Institutional Portion shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs; and b) Two-thirds of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹10 lakhs Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).

Terms	Description
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Offer	The initial public offer of up to 27,20,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] per Equity Share (including a share premium of [●] per Equity Share) aggregating up to ₹ [●] lakhs consisting of a Fresh Issue of up to 21,80,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] lakhs by our Company and an Offer for Sale of up to 5,40,000 Equity Shares of face value of ₹10 each aggregating up to [●] lakhs, by the Promoter Selling Shareholders.
Offer Agreement	The agreement dated September 29, 2026 amongst our Company, the Promoter Selling Shareholders and the BRLM, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer.
Offer Price	₹ [●] per Equity Share of face value ₹ 10 each, being the final price within the Price Band, at which the Equity Shares will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process by our Company, in consultation with the BRLM, 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 compliance with the SEBI ICDR Regulations, in consultation with the BRLM, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
Offer document	Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies.
Offered Shares	The offer for sale component of the Offer of up to 5,40,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] lakhs by the Promoter Selling Shareholders.
Offer Period	The periods between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application
Offer Price	₹ [●] per Equity Share (including share premium of ₹ [●]/- per Equity Share), being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. 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 Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about the use of Offer Proceeds, please see "Objects of the Offer" on page 92.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
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 BRLM, and will be advertised in all editions of the English National Daily newspaper [●], all editions of the Hindi National Daily newspaper [●],edition of Regional language daily newspaper [●] (the regional language of Mumbai, Maharashtra, where our Registered 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 website.
Prospectus	The Prospectus to be filed with the ROC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the

Terms	Description
	end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	Account opened with the Bankers to the Offer to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Offer Account Agreement	Agreement to be entered into by our Company, the Registrar to the Offer, the Book Running Lead Manager, and the Public Offer Bank/Banker to the Offer for collection of the Application Amounts.
QIB Bidders	QIBs who Bid in the Offer
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares of ₹ 10.00 each which shall be allotted to QIBs, including the Anchor Investors on a proportionate basis (which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the Book Running Lead Manager up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors Portion), as applicable
Qualified Institutional Buyers / QIBs	The 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 Issued and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened, in this case being [●].
Registered Broker	Stockbrokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, with the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Registrar / Registrar to the Offer	Registrar to the Offer being Purva Sharegistry (India) Private Limited.
Registrar Agreement	The agreement dated September 29, 2026 entered into amongst our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018.
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). All Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 & https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable or such other website as may be prescribed by SEBI from time to time; and

Terms	Description
	(b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public Offers using UPI Mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, as updated from time to time
Specified Locations	The Bidding centers where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated 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 amongst our Company, the Selling Shareholders, and the Share Escrow Agent for deposit of the Equity Shares offered by the Selling Shareholders in escrow and credit of such Equity Shares to the demat account of the Allottees.
Sponsor Bank	The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Agreement to be entered into among our Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Offer and carry out activities as an underwriter.
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI (ICDR) Regulations
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriter, the Promoter Selling Shareholders and our Company dated September 29, 2026.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors applying as (i) Individual Investors in the Individual Investor Portion and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the non-institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public offers where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is

Terms	Description
	mentioned on the website of the stock exchange as eligible for such activity)
UPI Circular	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 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 and Stock Exchanges in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Individual Bidder to such Mobile App) to the Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and 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 an Individual Bidders to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the Mumbai are open for business: - However, in respect of announcement of price band and Offer Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the Mumbai are open for business. In respect to the time period between the Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
ADEETIE	Assistance in Deploying Energy Efficient Technologies in Industries & Establishments
AI	Artificial Intelligence
AMC	Annual Maintenance Contract
B2B	Business-to-Business
BE	Budget Estimates
BEE	Bureau of Energy Efficiency
BHEL	Bharat Heavy Electricals Limited
BIS	Bureau of Indian Standards
BOF	Basic Oxygen Furnace
BSE	Bombay Stock Exchange
CEPA	Comprehensive Economic Partnership Agreement
CERC	Central Electricity Regulatory Commission
CMIE	Centre for Monitoring Indian Economy
CPCB	Central Pollution Control Board
CPSE	Central Public Sector Enterprise
CPI	Consumer Price Index
CR	Cold Rolled / Cold-Rolled (used for CR coil)
CTD	Cold Twisted Bar
DC	Designated Consumer
DFC	Dedicated Freight Corridor
DGFT	Directorate General of Foreign Trade
DPIIT	Department for Promotion of Industry and Internal Trade
DPR	Detailed Project Report
DPSU	Defence Public Sector Undertaking
D&B	Dun & Bradstreet
D-U-N-S	Data Universal Numbering System
EAF	Electric Arc Furnace
EPC	Engineering, Procurement and Construction
ESCerts	Energy Saving Certificates
ESIC	Employees' State Insurance Corporation
EU	European Union
EV	Electric Vehicle
FE	Estimate notation used for Fiscal 2026 in the report
FRE	First Revised Estimate
FTA	Free Trade Agreement
GeM	Government e-Marketplace
GFCF	Gross Fixed Capital Formation
GNDI	Gross National Disposable Income
GP	Galvanized Plain (used for GP sheet)
GVA	Gross Value Added
H1	First Half
HCES	Household Consumption Expenditure Survey
HR	Hot Rolled / Hot-Rolled (used for HR coil)
HS	Harmonized System
HSN	Harmonized System of Nomenclature
IAF	Induction Arc Furnace
IEA	International Energy Agency
IF	Induction Furnace
IGEA	Investment Grade Energy Audits
IIP	Index of Industrial Production
IMF	International Monetary Fund
IS	Indian Standards
IT	Information Technology
MHI	Ministry of Heavy Industries

MoEFCC	Ministry of Environment, Forest and Climate Change
MoSPI	Ministry of Statistics and Programme Implementation
MPC	Monetary Policy Committee
MSME	Micro, Small and Medium Enterprises
MTOE	Million Tonnes of Oil Equivalent
MTPA	Million Tonnes Per Annum
NMEEE	National Mission for Enhanced Energy Efficiency
NOF	Non-Oxidizing Furnace
NSO	National Statistics Office
NSP	National Steel Policy
NSWS	National Single-Window System
ODC	Over Dimensional Cargo
OEM	Original Equipment Manufacturer
PE	Provisional Estimates
PFCE	Private Final Consumption Expenditure
PLC	Programmable Logic Controller
PLI	Production Linked Incentive
PLFS	Periodic Labour Force Survey
PPE	Personal Protective Equipment
PV	Photovoltaic
QCO	Quality Control Order
QST	Quenching and Self-Tempering
RE	Revised Estimates
REIT	Real Estate Investment Trust
RTF	Radiant Tube Furnace
S&L	Standards and Labelling
SCADA	Supervisory Control and Data Acquisition
SEC	Specific Energy Consumption
SPCB	State Pollution Control Board
SWOT	Strengths, Weaknesses, Opportunities and Threats
USD	United States Dollar
WEO	World Economic Outlook
WPI	Wholesale Price Index
YoY	Year-on-Year

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees, the official currency of the Republic of India.
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio

Term	Description
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
DIN	Director Identification Number
DP ID	Depository Participant's Identification
DP/Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
EBITDA	Earnings before interest, taxes, depreciation, and amortization
ECS	Electronic Clearing System
EMDE	Emerging Market and Developing Economy
EOGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
II	Individual Investor
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standard
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
ITAT	Income Tax Appellate Tribunal
KMP	Key Managerial Personnel
KPI	Key Performance Indicators
LIC	Low-Income Country
Ltd.	Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant

Term	Description
	Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NDI Rules	Foreign Exchange Management (Non-Debt Instruments) Rules, 2019
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchanges of India Limited
NTA	Net Tangible Assets
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
Pvt. Ltd.	Private Limited
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoCE	Return on Capital Employed
RoE	Return on equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SAT	Securities Appellate Tribunal
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time

Term	Description
Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
UIN	Unique Identification Number
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

KEY PERFORMANCE INDICATORS

KPI	Remarks/ Definition/ Assumption
Revenue from Operations (₹ in lakhs)	Revenue from operations is used to track the revenue profile of the business and in turn helps assess the overall financial performance and size of business.
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after tax (PAT) (₹ in lakhs)	Profit for the year / period provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Return on Equity (RoE) (%)	Return on equity provides how efficiently Company generates profits from shareholders' funds.
Return on Capital Employed (%)	Return on capital employed provides how efficiently Company generates earnings from the capital employed in the business.
Total Debt / Equity	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Net Fixed Asset Turnover ratio	Indicates how efficiently a company is using its fixed assets (Plant & Machinery, Building, Furniture, etc.) to generate revenue.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Operating Cash Flows (₹)	Computed by adjusting PBT for non-cash items, non-operating items, changes in working capital, and taxes paid.
Operational KPIs	
Export Revenue (₹ in Lakhs)	This metric enables us to track the progress of our revenues in the export markets
Top 5 customer Contribution % to sales	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks
Average value per order (₹ in Lakhs)	This metric enables us to track the average value of orders received by us and assess the size and value of our customer orders.
Percentage of revenue contributed by repeat	This metric enables us to assess the contribution of repeat customers to our

KPI	Remarks/ Definition/ Assumption
customers (%)	revenue and evaluate the extent of recurring business generated from our existing customer base.
Number of repeat customers	This metric enables us to assess customer retention and the strength of our recurring customer relationships.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Draft Red Herring Prospectus to "India" are to the Republic of India and its territories and possession 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 in this Draft Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Draft Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Ace Furnaces Limited", "AFL", and, unless the context otherwise indicates or implies, refers to Ace Furnaces Limited. In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore".

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in IST.

Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our financial statements prepared and Restated Financial Statements for the year ended March 31, 2026, 2025 and 2024 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled "Restated Financial Information" beginning on page 230 of this Draft Red Herring Prospectus. Our financial year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards ("IFRS") and the Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. 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. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in "Risk Factors", "Business Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's Restated Financial Information prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled "Restated Financial Information" beginning on page 230 of this Draft Red Herring Prospectus.

For additional definitions used in this Draft Red Herring Prospectus, see the section "Definitions and Abbreviations" on page 01 of this Draft Red Herring Prospectus. In the section titled "Description of Equity Shares and Terms of the Articles of Association", on page 334 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Currency and Units of Presentation

All references to:

"Rupees" or "INR" or "Rs." Or "₹" are to Indian Rupee, the official currency of the Republic of India; and "USD" or "US$" are to United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakhs" units. One Lakh represents 1,00,000. 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 derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

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

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

Currency*	For the period ended		
	March 31, 2026	March 31, 2025	March 31, 2024
1 USD	₹93.49	₹85.43	₹83.38
1 EUR	₹108.02	₹92.42	₹90.06

*Source: exchange-rates.org

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakhs" units. One Lakh represents 1,00,000. 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 derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Use of Industry & Market Data

Unless stated otherwise, information pertaining to the industry in which our Company operates in, contained in this Draft Red Herring Prospectus is derived from the 'Report on Indian Industrial Furnaces Sector' which has been exclusively commissioned and paid for by our Company, pursuant to an engagement letter for the purpose of understanding the industry in connection with this Offer, since no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's services, that may be similar to the D&B Report. This Draft Red Herring Prospectus contains certain data and statistics from the D&B Report, which is available on the website of our Company at https://www.acefurnaces.com/

Dun & Bradstreet Information Services India Private Limited is an independent agency which has no relationship with our Company, our Promoters, any of our Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Manager.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Offer has been omitted. Data from these sources may also not be comparable. Further, D&B has confirmed that to the best of its knowledge no consent is required from any Government or other source from which any information is used in the D&B Report.

The D&B Report is subject to the following disclaimer:

This study has been undertaken through extensive secondary research, which involves compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Dun & Bradstreet ("Dun & Bradstreet") and its assumptions are based on varying levels of quantitative and qualitative analysis including industry journals, company reports and information in the public domain.

Dun & Bradstreet has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.

The recipient should conduct its own investigation and analysis of all facts and information contained in this report is a part and

the recipient must rely on its own examination and the terms of the transaction, as and when discussed. The recipients should not construe any of the contents in this 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.

For details of risks in relation to commissioned reports, see "*Risk Factor- Industry Overview section of this Draft Red Herring Prospectus contain information from the Dun & Bradstreet Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"* in chapter titled "*Risk Factors*" on page 24 of this Draft Red Herring Prospectus. Accordingly, no investment decision should be made solely on the basis of such information.

In accordance with the SEBI (ICDR) Regulations, the section titled "*Basis for* Offer *Price*" on page 104 of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

FORWARD – LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also 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. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our ability to successfully execute and deliver orders within the stipulated timelines and specifications;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies.
- Any delay, cancellation, deferment or reduction in orders from our customers;
- Our ability to maintain and grow our order book and secure new orders;
- Any disruption, breakdown or operational failure at our manufacturing facility;
- Fluctuations in the prices and availability of key raw materials, components and other inputs used in manufacturing our products;
- Dependence on third-party suppliers, vendors, contractors and logistics service providers;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations.
- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Failure to attract, retain and manage the transition of our management team and other skilled & unskilled employees
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate.
- Changes in laws and regulations relating to the industries in which we operate.
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition
- Our ability to meet our working capital requirements.
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner.
- The performance of the financial markets in India and globally.
- Any adverse outcome in the legal proceedings in which we are involved.
- Our ability to expand our geographical area of operation.
- Effect of lack of infrastructure facilities on our business.
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause our actual results to differ, see the Section titled "*Risk Factors"; "Business Overview" and "Management's Discussion and Analysis of Financial Position and Results of Operations*" beginning on page 24, 160 and 233 respectively of the Draft Red Herring Prospectus. 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 differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Book Running Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or

to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Book running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Offer.

SECTION II - 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 our Equity Shares. To obtain a better understanding, you should read this section together with "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 160 and 233, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. 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 impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Before making an investment decision, investors must rely on their own examination of the Offer and us.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer, including the merits and the risks involved. You should not invest in this Offer unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Indian Industrial Furnaces Sector" dated September, 2026 (the "D&B Report") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("D&B") appointed by us and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. A copy of the D&B Report is available on the website of our Company at https://www.acefurnaces.com/. For further details, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the D&B Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 24 and the section titled "Industry Overview" beginning on page 121.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" on page 24 and "Management Discussion and Analysis of Financial Condition and Results of Operations" on page 233 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Financial Information of our Company" prepared in accordance with the Accounting Standards.

Materiality

The Risk factors have been determined and disclosed on the basis of their materiality. The following factors have been considered for determining the materiality:

1. Some events may have material impact quantitatively;
2. Some events may have material impact qualitatively instead of quantitatively;
3. Some events may not be material individually but may be found material collectively;
4. Some events may not be material at present but may be having material impact in future.

INTERNAL RISK FACTORS

1. Our business is project-based in nature, and any delay, modification, suspension or cancellation of projects may adversely affect our business, financial condition, cash flows and results of operations.

Our business primarily involves the design, engineering, manufacture, supply, installation and commissioning of industrial furnace

systems, which are executed on a project-specific basis pursuant to customer purchase orders or contracts. The execution of such projects generally spans a period of six months to one year and is subject to various factors, many of which are beyond our control, including the timely receipt of customer approvals, finalisation of engineering designs, availability and procurement of raw materials and critical components, logistics and transportation, availability of skilled manpower, readiness of the customer's site, obtaining necessary statutory approvals, and timely completion of civil and utility works by the customer.

Further, customers may request changes in project scope, technical specifications or delivery schedules after the commencement of execution. Such changes may lead to delays, increased costs, disputes regarding pricing or timelines, or affect our ability to recover additional costs from customers. In certain cases, projects may also be deferred, suspended or cancelled due to changes in customers' capital expenditure plans, financial constraints, market conditions or other commercial considerations.

In addition, delays in project execution may result in deferment of revenue recognition, increased working capital requirements, imposition of liquidated damages or contractual penalties, invocation of performance guarantees, or deterioration in customer relationships. Due to the nature of our business and the project-specific requirements associated with our operations, we have experienced instances of significant delays, modifications of projects in the past. There can be no assurance that similar instances will not occur in the future, which may adversely affect our business, results of operations, financial condition and cash flows. Since a significant portion of our revenue is generated from the execution of customized industrial furnace projects, any material delay, modification, suspension or cancellation of projects, or our inability to execute projects within the agreed timelines and budgets, could materially and adversely affect our business, financial condition, cash flows and results of operations.

For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

2. Our customised and project-specific manufacturing operations make it difficult to determine our installed manufacturing capacity and capacity utilisation in conventional units, which may limit the comparability of our manufacturing performance.

We are engaged in the designing, manufacturing, assembly, commissioning and servicing of customised industrial furnaces and related thermal processing systems based on specific customer requirements. Each furnace may differ significantly in terms of its design, dimensions, weight, configuration, production capacity, technical specifications, complexity, material requirements, scope of fabrication, bought-out components, degree of automation and time required for manufacturing, assembly and commissioning. Accordingly, our manufacturing operations do not involve standardised or repetitive production of homogeneous products. The number of furnaces manufactured during a particular period may not provide a meaningful representation of our manufacturing capacity or operational performance, as a single large or technically complex furnace may require substantially greater manufacturing resources, including raw materials, manufacturing floor space, manpower, engineering resources and execution time, than multiple smaller or less complex furnaces.

Further, depending upon the scope and technical requirements of individual projects, certain specialised manufacturing, machining, treatment, testing or other activities may be undertaken through approved external vendors, while designing, engineering, fabrication, assembly, quality inspection, project management and commissioning activities are undertaken or supervised by us. Consequently, the resources deployed and the time required for execution may vary materially from project to project.

In view of the customised and project-specific nature of our products and manufacturing processes, our installed manufacturing capacity and capacity utilisation cannot be reliably determined or expressed in conventional units of production, such as number of furnaces. Accordingly, disclosure of installed capacity, actual production and capacity utilisation based solely on the number of furnaces manufactured may not provide a meaningful or comparable representation of our manufacturing operations or utilisation of our manufacturing facilities. Such inability to determine or disclose conventional capacity and utilisation metrics may make it difficult for investors to assess and compare our manufacturing performance across periods or with that of our competitors.

The aforesaid position regarding our manufacturing capacity has been certified by M/s. Creative Services pursuant to its certificate dated September 21, 2026.

Any change in the nature, size, complexity or technical requirements of the projects undertaken by us may materially affect the utilisation of our manufacturing facilities, resources and personnel, and consequently our operating performance and financial results. Accordingly, our inability to determine conventional capacity and capacity utilisation may adversely affect the assessment of our operational performance and may have an adverse effect on our business, financial condition, results of operations and prospects.

For further details, please refer to Business Overview on page 160 of this DRHP.

3. We rely on the availability of steel and other raw materials, as well as third-party suppliers, for the uninterrupted supply of raw materials. We do not have continuing or exclusive arrangements with any supplier. The loss of key suppliers or delays in raw material deliveries could adversely impact our business, financial condition, results of operations, and cash flows.

Our business, financial condition, results of operations and prospects are significantly impacted by the availability and cost of raw materials, particularly steel (mild steel and stainless-steel plates and structural sections, refractory bricks and castables, ceramic fibre insulation materials, industrial burners, electrical and instrumentation components, heating elements, pipes, valves, fabricated components, motors, gearboxes and other engineering consumables), power and fuel. Our cost of raw materials and components consumed constitutes a significant portion of our total expenses. Steel, which is a key raw material for the manufacturing of our products, is a commodity and is subject to fluctuation in commodity prices. Steel prices have witnessed increases and volatility during the last three years, and any further increase in steel prices or other raw material costs may increase our manufacturing and project execution costs. We purchase steel required for our manufacturing primarily through third party suppliers. Due to our high dependence on steel as a key raw material, our ability to effectively manage challenges related to fluctuating input costs and working capital requirements is critical to our operations. Any significant volatility in steel prices, disruption in supply, or an inability to efficiently manage our working capital could adversely affect our profitability, cash flows, and overall financial condition.

The table below sets forth details of our cost of steel purchases, including as a percentage of our total expenses, for the periods indicated below:

Particulars	For the year ended March 31,		
	2026	2025	2024
Cost of steel purchase (₹ in Lakhs)	1,432.28	1,807.32	1,337.52
Total purchases (₹ in Lakhs)	6,072.68	6,474.21	5,414.26
% of total purchases	23.59%	27.92%	24.70%

We depend on third-party suppliers for supply of raw materials required in our production process. Our suppliers are associated with us through purchase orders and we do not enter into any short term or long term agreements. Steel is one of our key raw materials and finding readymade substitute suppliers for supplying the raw materials, including steel, of exact specifications and on terms and conditions acceptable to us may be difficult. We rely on such suppliers to perform their conditions and deliver adequate supplies and high-quality raw materials, plant, machinery and components and other inputs in a timely manner. Our purchase orders typically do not contain any provision for indemnification against any losses suffered by us or any resource for us in case of delay of supply. Accordingly, our suppliers may not perform their obligations in a timely manner or at all, resulting in possible delays to our production schedule and adversely affecting our output, and may require us to transition our work to other suppliers.

Although we have not experienced any such disruption in past, we cannot assure that such events will not occur in the future. Any disruption in the supply chain, increase in raw material costs, or failure to secure adequate and timely supplies may adversely affect our manufacturing capabilities, project execution timelines, profitability, and overall financial condition. Furthermore, our inability to adjust customer pricing in response to raw material cost increases could have a material adverse effect on our business and future prospects. For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

4. Our revenues are geographically concentrated in certain States, and any adverse developments in these regions could adversely affect our business, financial condition and results of operations.

Our Company's revenues are geographically concentrated, with our customers located predominantly in certain States in India. Our top three States, namely Maharashtra, Haryana and Punjab contributed 33.65%, 21.32% and 10.54% of our total revenue from operations for the year ended March 31, 2026. As our business is primarily dependent on orders from customers located in these States, any adverse developments in these regions could have a material adverse effect on our business, financial condition and results of operations.

Our Company is engaged in the business of designing, manufacturing, supplying, installation and commissioning of industrial furnaces and related heating and thermal processing solutions for customers across various industries. Our ability to generate revenues is dependent, to a considerable extent, on the demand for our products and services from customers operating in the regions where we have a significant presence. Accordingly, any adverse changes in economic conditions, industrial activity, government policies, regulatory environment, infrastructure development, investment levels or customer demand in these States

may adversely affect our business operations and financial performance. The state-wise revenue bifurcation for the periods presented is set forth below:

Particulars	As at March 31, 2026 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2025 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2024 (₹ in Lakhs)	% of Total revenue from operation
Maharashtra	3,391.88	33.65%	2,742.21	31.29%	1,664.00	20.50%
Gujarat	163.36	1.62%	1,009.97	11.52%	722.65	8.90%
Uttar Pradesh	270.17	2.68%	517.31	5.90%	978.64	12.06%
Karnataka	276.12	2.74%	-	0.00%	290.50	3.58%
Tamilnadu	273.61	2.71%	256.40	2.93%	958.29	11.81%
West Bengal	381.78	3.79%	1,026.01	11.71%	400.46	4.93%
Telangana	11.31	0.11%	135.61	1.55%	21.92	0.27%
Chhattisgarh	513.12	5.09%	7.63	0.09%	391.41	4.82%
Jharkhand	57.56	0.57%	8.94	0.10%	12.34	0.15%
Haryana	2,149.41	21.32%	2,015.09	22.99%	1,285.64	15.84%
Rajasthan	0.32	0.00%	64.94	0.74%	82.99	1.02%
Odisha	80.41	0.80%	221.80	2.53%	309.95	3.82%
Punjab	1,062.41	10.54%	189.29	2.16%	486.10	5.99%
Madhya Pradesh	394.14	3.91%	7.10	0.08%	-	0.00%
Uttarakhand	-	0.00%	16.43	0.19%	-	0.00%
Himachal Pradesh	6.30	0.06%	-	0.00%	-	0.00%
Tripura	82.08	0.81%	-	0.00%	-	0.00%
Total	**9,113.98**	**90.42%**	**8,218.73**	**93.77%**	**7,604.89**	**93.71%**

Based on the certificate dated September 29, 2026 issued by our Statutory Auditors, M/s. Abhishek Kumar & Associates.

Any adverse developments in these States, including slowdown in industrial activity, reduction in capital expenditure by our customers, delays in industrial projects, changes in government policies, regulatory changes, economic downturns, supply-chain disruptions, increased competition or loss of key customers, could adversely affect the demand for our industrial furnaces and related services. Further, any concentration of our customer base in these regions may limit our ability to mitigate the impact of adverse developments in a particular geographical market.

Although we intend to expand our customer base and geographical presence across other States and regions, there can be no assurance that such expansion will be successful or that we will be able to reduce our geographical concentration. Our inability to diversify our revenues across additional geographical markets could materially and adversely affect our business, financial condition, results of operations and prospects.

For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

5. Delays in receipt of payments from our customers or our inability to recover trade receivables may adversely affect our liquidity, working capital requirements, cash flows and results of operations.

Our business is working capital intensive, and the execution of industrial furnace projects generally requires substantial expenditure towards procurement of raw materials, manufacturing, labour, transportation, installation and commissioning before the receipt of payments from customers. Payments under our contracts are generally linked to specified project milestones, including dispatch, installation, commissioning and final acceptance by customers.

Accordingly, we are exposed to the risk of delays in certification of milestones, delayed customer approvals, retention of contractual payments, extended credit periods, disputes relating to project execution or quality, or defaults by customers in making timely payments. Such delays may increase our dependence on external borrowings, result in higher finance costs, adversely affect our liquidity position and increase our working capital requirements.

The table below sets forth our trade receivables, bad debts written off and trade receivables turnover ratio for the years indicated.

(in ₹ Lakhs)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Trade receivables	2,687.47	1,785.14	2,139.39
Bad debts written off	189.16	18.99	1.85
Trade receivables turnover ratio (in Times) [(1)]	4.51	4.47	4.73

(1)Trade receivables turnover ratio is calculated as revenue from operations divided by average trade receivables as on the date of the specified period/fiscal as disclosed in the Restated Financial Information.

Any increase in our receivable turnover days in the future will negatively affect our business, results of operations, cash flows and financial condition. 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, results of operations, cash flows and financial condition.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers for projects, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customers, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our business, results of operations, cash flows and financial condition.

For further details in relation to our credit period, please see "Financial Information of our company" on page 230 of this Draft Red Herring Prospectus.

6. We have significant working capital requirements, and our inability to meet such requirements or delays in achieving project milestones may adversely affect our business, financial condition and results of operations.

Our business requires significant working capital primarily due to the procurement of raw materials and critical components, manufacturing of industrial furnaces, project execution, installation and commissioning activities and the time taken to realise payments from our customers. There may be a considerable time lag between the procurement of raw materials and components, commencement and completion of manufacturing and project execution activities, and receipt of payments from customers. Consequently, we are required to maintain adequate liquidity and working capital to meet our ongoing operational and project-related requirements.

Our working capital requirements may increase due to various factors, including increase in the cost of raw materials and critical components, higher advance payments to suppliers, increase in inventory requirements, delays in project execution, extended credit periods offered to customers, delays in collection of trade receivables, increase in the size or number of projects undertaken by us and any increase in the scale of our operations. Further, our projects require us to incur significant expenditure towards procurement of raw materials and components before corresponding payments are received from customers.

As our industrial furnace projects generally involve a project execution cycle extending over several months, we may be required to incur substantial costs towards raw materials, components, manufacturing, transportation, installation, site work and other project-related activities before receiving full consideration from our customers. Any delay in customer payments or extension of credit periods may result in increased working capital requirements and adversely affect our liquidity and cash flows.

Further, our contracts may involve multiple consignments, with billing and collection linked to agreed items, inspections, dispatches, commissioning or other project milestones, and a portion of the contract consideration may remain outstanding until completion of subsequent milestones or confirmation of performance. Accordingly, completion of manufacturing or dispatch of equipment may not result in immediate collection of the entire contract value. Any delay or dispute in achieving subsequent milestones may result in amounts due to us remaining outstanding for an extended period, which could increase our receivables and working capital requirements and adversely affect our cash flows, financial condition and results of operations.

We primarily meet our working capital requirements through internal accruals and borrowings/working capital facilities from banks and financial institutions, as applicable. There can be no assurance that such sources of funds will continue to be available to us in sufficient amounts or on terms acceptable to us. Any inability to obtain adequate working capital financing in a timely manner may affect our ability to procure raw materials and components, execute projects, meet our payment obligations and undertake new orders.

Further, a portion of the Net Proceeds from the Offer is proposed to be utilised towards funding our working capital requirements.

For further details, see "Objects of the Offer" on page 92 of this Draft Red Herring Prospectus.

The table below sets forth our working capital for the years indicated.

(₹ In Lakhs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)
		31-March-2024	31-March-2025	31-March-2026
I	**Current Assets**			
	Inventories	339.78	1096.46	508.81
	Trade receivables	2139.39	1785.14	2687.47
	Cash and Bank Balance	-	-	-
	Loans and Advances	268.00	176.63	288.57
	Other current Assets	23.72	4.80	3.35
	Total Current Assets (A)	**2770.89**	**3063.03**	**3488.20**
II	**Current Liabilities**			
	Trade payables	1256.82	1435.12	1045.92
	Other Current Liabilities & Provisions	1081.24	1027.57	749.15
	Total Current Liabilities (B)	**2338.06**	**2462.69**	**1795.07**
III	**Total Working Capital Gap (A-B)**	**432.83**	**600.34**	**1693.13**

Note: As certified by Statutory Auditors, M/s. Abhishek Kumar & Associates by way of its certificate dated September 29, 2026

As we continue to expand our business and undertake larger and more complex industrial furnace projects, our working capital requirements may increase further. We may be required to raise additional funds through additional borrowings, internal accruals or equity funding to meet our working capital requirements and support our growth plans. Any inability to arrange adequate working capital on commercially acceptable terms, or at all, could result in delays in procurement, manufacturing, project execution or delivery, inability to meet our contractual obligations, increased financing costs and loss of business opportunities, which may materially and adversely affect our business, financial condition, cash flows, results of operations and prospects.

7. Our revenue is substantially dependent on certain products and furnace solutions, and any decline in demand for such products could adversely affect our business, financial condition and results of operations.

A significant portion of our revenue is derived from a limited number of product categories and furnace solutions. Based on the revenue break-up of our products, a substantial portion of our revenue was generated from Bell Furnaces and Reheat Furnaces which contributed 31.24%, and 37.25% respectively of our total revenue from operations for Fiscal 2026.

Our Company is engaged in the business of designing, manufacturing, supplying, installation and commissioning of industrial furnaces and related heating and thermal processing solutions. The demand for our products is influenced by the capital expenditure and expansion plans of customers operating in industries such as steel, metals, engineering, automotive, foundries and other industrial sectors. Accordingly, any decline in demand for the particular types of furnaces or solutions offered by us, changes in customer requirements, technological developments, reduction in industrial capital expenditure or changes in industry practices may adversely affect our sales and profitability. The Company has recently commenced the production of soaking pit furnaces to cater to the requirements of the industry.

The following table sets forth the revenue contribution from our major product categories for the periods presented:

Particulars	2026		2025		2024	
	Amount (₹ Lakhs)	% of revenue from operations	Amount (₹ Lakhs)	% of revenue from operations	Amount (₹ Lakhs)	% of revenue from operations
Bell Furnaces	3,148.92	31.24%	1,014.25	11.57%	871.76	10.74%
Reheat Furnaces	3,754.86	37.25%	2,668.05	30.44%	2,991.45	36.86%
Heat Treatment Furnace	1,407.55	13.96%	4,884.11	55.72%	4,079.78	50.27%
Soaking Pit Furnace	1,338.25	13.28%	-	0.00%	-	0.00%
TOTAL	**9,649.58**	**95.73%**	**8,566.41**	**97.73%**	**7,942.99**	**97.87%**

Note: The above amount comprises respective furnaces and spare parts for such furnaces.
Based on the certificate dated September 29, 2026 issued by our Statutory Auditors, M/s. Abhishek Kumar & Associates.

Any adverse change in demand for our major product categories, including lower capital expenditure by our customers,

postponement or cancellation of industrial projects, changes in manufacturing technologies, increased competition, substitution by alternative technologies or products, or changes in customer preferences, could result in lower order inflows and capacity utilisation and may adversely affect our revenue and margins.

Further, our ability to diversify our revenue across different furnace categories and industrial applications depends on our ability to develop and offer products that meet changing customer requirements. There can be no assurance that we will be successful in expanding our product portfolio or that demand for our existing products will remain at current levels.

8. There are certain discrepancies, procedural lapses and non-compliances in our corporate records and statutory filings, including filings with the Registrar of Companies, which may expose us to regulatory action, penalties or other adverse consequences and may adversely affect our business, reputation and financial condition.

There have been certain discrepancies, errors and procedural lapses in our corporate records and statutory filings made with the Registrar of Companies and in relation to certain provisions of the Companies Act, 2013 and rules made thereunder. Although we have taken steps to rectify certain of these matters and have initiated appropriate remedial measures, there can be no assurance that the relevant regulatory authorities will not initiate any adjudication, penalty, prosecution or other regulatory action in respect of such past non-compliances, or that we will not be subject to any financial or other consequences in this regard.

S.No.	Details of non-compliances	Action Taken
1.	Our auditors' reports for the financial years from Fiscal 2020 to Fiscal 2025 contained the heading relating to the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), while certain of the disclosures reported therein were based on the requirements applicable under the Companies (Auditor's Report) Order, 2016 ("CARO 2016").	The company has filed an application for adjudication in respect of the relevant non-compliances for Fiscal 2020 to Fiscal 2023. Further we have filed revised Form AOC-4 for Fiscal 2024 and Fiscal 2025, pursuant to which the matter has proceeded for adjudication. We have received the adjudication orders in respect of Fiscal 2024 and Fiscal 2025, against which the Company proposes to file appeals in accordance with the applicable laws.
2.	We had transactions with Micro, Small and Medium Enterprises ("MSME") suppliers and certain payments to such suppliers remained outstanding beyond the prescribed period of 45 days, we have not filed the requisite Form MSME-1 with the Registrar of Companies since 2019, as applicable.	The company is in the process of filing the relevant forms for the applicable periods.
3.	During the relevant financial years, our Company received certain advances from customers in connection with long-term projects for the supply of capital goods. Certain such advances remained outstanding for extended periods. However, the Company did not disclose such amounts under the applicable category of advances received under long-term projects for supply of capital goods in the Form DPT-3 filings made for the relevant financial years.	The company has filed an adjudication application in respect of this matter.
4.	Company declared interim dividends in Fiscal 2016 to Fiscal 2026; however, a separate bank account for depositing the amount of such dividend was not opened as required under the applicable provisions of the Companies Act, 2013.	The company has filed an adjudication application in respect of this matter.

There have been certain instances of clerical, typographical, formatting, computational, and other inadvertent errors, omissions, inconsistencies or discrepancies in relation to certain corporate actions undertaken by our Company in the past, including inaccuracies in names, dates, figures, references, descriptions and cross-references. There have been certain instances of delays in filing Forms ADT-1, CHG-4, CHG-1, INC-22, DPT-3 and AOC-4 beyond the prescribed timelines, for which the Company has paid the applicable additional fees. Also certain historical bank statements pertaining to past allotment in the year 2015 were not traceable in the records of our Company and, accordingly, we have relied upon the certificate dated September 29, 2026 issued by M/s. Aparna Paricharak & Associates, Practising Company Secretaries, in relation to the relevant transactions.

Historically, our Company did not have a whole-time Company Secretary, and accordingly, certain secretarial and compliance matters were not overseen by a dedicated whole-time Company Secretary. The Company has now appointed a whole-time Company Secretary to oversee its secretarial and other applicable statutory compliances and to strengthen its compliance

framework. Further, there can be no assurance that all such errors, omissions, inconsistencies or discrepancies have been identified or that similar instances will not arise in the future, which may require further rectification or clarification and could result in additional costs, delays or other consequences for our Company.

Any penalty, adjudication, compounding, prosecution or other regulatory action arising from the aforesaid matters or any other past or future non-compliances with applicable corporate and other laws could adversely affect our business operations, reputation, financial condition and results of operations.

9. We have experienced negative cash flows in the past. Any such negative cash flows in the future could affect our business, results of operations and prospects.

Our Company had reported certain negative cash flows from operating, investing activities and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	For the year ended March 31,		
	2026	2025	2024
Cash flow from Operating Activities	(378.30)	434.27	(190.84)
Cash flow from Investing Activities	(43.29)	(86.59)	124.71
Cash flow from Financing Activities	133.84	(139.54)	(2.94)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows in future, it may affect our business and financial operations. For further please refer chapter titled "Financial Information of our company" beginning on Page 230 of this Draft Red Herring Prospectus.

10. Our business is dependent on our sole manufacturing facility located at Ambernath West, Maharashtra and a network of job workers. Any disruption, slowdown or shutdown of operations at this manufacturing or inability of our job workers to undertake activities as required could adversely affect our business, results of operations, financial condition and cash flows.

Our manufacturing operations are primarily carried out through our manufacturing facility located at G-50, Chikhloli MIDC, Ambernath West, Maharashtra – 421501, India. Accordingly, our business is exposed to risks arising from the concentration of our principal manufacturing operations at a single location. Recently, in Fiscal 2025, we shifted our manufacturing facility from Plot No - F-27/1, Anand Nagar, Additional MIDC Ambernath, Thane-421506, Maharashtra, India To G-50, Chikhloli MIDC, Ambernath West, Maharashtra – 421501, India to accommodate our requirement for a larger facility and support the growth of our business and increased business opportunities.

In addition to our manufacturing facility, we also rely on various job workers for undertaking certain manufacturing, fabrication, machining, processing and other activities relating to our products. We have been associated with certain of these job workers for several years and provide them with regular business throughout the year. Given the longstanding nature of these relationships and the regular volume of work undertaken by them on our behalf, we consider such job workers as an extension of our manufacturing capabilities. Such arrangements provide us with additional manufacturing capacity and flexibility and reduce our dependence on undertaking all manufacturing activities at our own facility.

However, any disruption in the operations of our manufacturing facility or the inability, failure or unwillingness of our job workers to undertake activities within the required timelines or specifications could adversely affect our ability to manufacture and deliver our products. Such disruptions may arise due to fire, industrial accidents, machinery or equipment breakdown, power shortages, failure of utilities, labour unrest, shortage of skilled workforce, natural disasters, epidemics or pandemics, adverse weather conditions, transportation disruptions, regulatory actions, environmental issues, civil disturbances or other unforeseen events.

In addition, we may be required to undertake planned shutdowns at our manufacturing facility for maintenance, capacity augmentation or equipment replacement. Although we have not experienced any material disruption or shutdown of our manufacturing operations in the past, we cannot assure you that our manufacturing facility or job workers will not experience operational disruptions in the future or that we will be able to restore or supplement our manufacturing capabilities within an acceptable timeframe. Any material disruption, slowdown or shutdown of our manufacturing operations, or any inability of our job workers to provide the required manufacturing support, could materially and adversely affect our business, results of operations, financial condition and cash flows.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

11. The Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.

Our Company derives a significant portion of its revenue from a limited number of customers. For the financial years ended March 31, 2026, 2025 and 2024, our top ten customers contributed 64.68%, 54.39% and 58.64%, respectively, of our total revenue from operations. Our Company is engaged in the business of designing, manufacturing, supplying, installation and commissioning of industrial furnaces and related heating and thermal processing solutions, catering to customers across various industries.

Our business operations are dependent, to a certain extent, on our ability to maintain and develop relationships with our existing customers and secure repeat orders from them. The loss of any significant customer, reduction in orders from our key customers, or any delay or cancellation of orders may adversely affect our revenues, profitability, cash flows and overall business operations. Further, there can be no assurance that we will be able to retain our existing customers or maintain our existing levels of business with them in the future.

The table set forth below states contribution of Top 1/3/5/10 customers in our total revenue from operations:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ Lakhs)	% of Total revenue from operation	Amount (₹ Lakhs)	% of Total revenue from operation	Amount (₹ Lakhs)	% of Total revenue from operation
Top 1 Customers	1208.63	11.99%	975.60	11.13%	1,463.05	18.03%
Top 3 Customers	2823.63	28.01%	2119.94	24.19%	2,764.16	34.06%
Top 5 Customers	4294.38	42.60%	2988.3	34.09%	3,570.98	44.00%
Top 10 Customers	6520.25	64.68%	4766.87	54.39%	4,758.48	58.64%

The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations.

However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time. For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

12. Our top ten suppliers contribute majority of our purchases. Any loss of business with one or more of them may adversely affect our business operations and profitability.

Our Company is dependent on a limited number of suppliers for procurement of raw materials, components and other inputs required for the manufacturing, installation and commissioning of industrial furnaces. For the financial years ended March 31, 2026, our top ten suppliers accounted for 52.07%, 44.75% and 44.81%, respectively, of our total purchases. Any significant dependence on a limited number of suppliers may expose us to risks relating to the availability, quality, pricing and timely delivery of raw materials and components required for our operations.

The details of our top ten suppliers and their contribution to our total purchases for the financial years ended March 31, 2026, 2025 and 2024 are set forth below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ Lakhs)	% of Total Purchases	Amount (₹ Lakhs)	% of Total Purchases	Amount (₹ Lakhs)	% of Total Purchases
Top 1 Suppliers	561.84	9.16%	634.63	9.57%	371.19	6.74%
Top 3 Suppliers	1,450.97	23.65%	1,479.80	22.32%	929.29	16.87%
Top 5 Suppliers	2,099.82	34.23%	2,036.75	30.72%	1,439.18	26.12%
Top 10 Suppliers	3,194.24	52.07%	2,967.41	44.75%	2,469.70	44.81%

The loss of one or more of our key suppliers, failure or inability of suppliers to meet our requirements, delays in delivery, quality issues or any significant increase in the prices of materials and components could require us to identify and qualify alternative suppliers. In respect of certain components, suitable alternative suppliers may not be readily available or may require additional time and costs for qualification and procurement. Any such disruption may result in delays in manufacturing, installation or commissioning of our furnaces, increase our procurement and project execution costs and adversely affect our ability to fulfil customer orders within agreed timelines.

For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

13. The properties used by the Company for the purpose of its operations are not owned by us. Any termination of the relevant lease agreements or rent agreements in connection with such properties or our failure to renew the same could adversely affect our operations.

Our Registered and Corporate Office, Branch Office and manufacturing facility are not owned by us and have been taken on lease basis. Any termination of the lease in connection with the above properties or our failure to renew the same, in a timely manner or at all could adversely affect our operations. If we are required to vacate the current premises, we would be required to make alternative arrangements for our business activities and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition. For details regarding properties taken on lease refer the Section titled ―Properties – "Business Overview" beginning on page no. 160 of this Draft Red Herring Prospectus.

14. Our Company is dependent on imports from Germany or France for critical component used in our Bell Furnaces, and any disruption in the availability or timely procurement of such components could adversely affect our business, financial condition and results of operations.

Our Company imports one critical component used in the manufacture and execution of our Bell Furnace projects, i.e., water cooled motors, from suppliers located in Germany or France. Such imported component is important for the timely execution and commissioning of the relevant furnace projects. Although imported materials constituted only approximately 3–4% of our total material requirements, such materials are essential raw materials for the manufacture and operation of bell furnaces. Any disruption in the supply of these components, including due to delays in shipment, transportation or customs clearance, changes in import regulations, trade restrictions, geopolitical developments, supplier-related issues, manufacturing disruptions or other factors beyond our control, could result in delays in the execution and delivery of our projects.

The cost of imported raw materials in Fiscals 2026, 2025 and 2024, including its percentage as a total of raw material purchases, are set out in the table below.

Particulars	2026		2025		2024	
	Amount (₹ Lakhs)	% of total raw material purchases	Amount (₹ Lakhs)	% of total raw material purchases	Amount (₹ Lakhs)	% of total raw material purchases
Cost of imported raw materials	268.97	4.06%	158.27	2.87%	179.01	3.03%

Further, the procurement of such components from overseas suppliers generally involves longer lead times as compared to domestically sourced components. Any delay in placing orders, production or dispatch by the overseas supplier, or delay in transportation and customs clearance, may affect our ability to procure such components within the required timelines. Such delays may consequently result in delays in project execution, installation and commissioning and may adversely affect our customer relationships, reputation, revenues and profitability.

Our import purchases are also exposed to foreign currency exchange rate fluctuations, which may increase the cost of imported components in Indian Rupee terms. Further, we also sell and deliver our products to customers located outside India and, accordingly, our revenues and receivables from such overseas sales may also be exposed to fluctuations in foreign currency exchange rates. Any significant depreciation of the Indian Rupee against the relevant foreign currency could increase our procurement costs and adversely affect our margins, particularly where we are unable to pass on such increased costs to our customers. Although we have recorded foreign exchange gains during the last three financial years, there can be no assurance that such gains will continue in the future, and adverse movements in foreign exchange rates may result in foreign exchange losses and adversely affect our financial performance**.** The details of foreign exchange gain recorded by our Company during the last three

financial years are set forth below:

Particulars	For the year ended March 31,		
	2026	2025	2024
Foreign Exchange Gain (₹ in Lakhs)	6.58	0.64	12.95

Although we have developed a locally sourced alternative for the motor, the use of locally sourced motors remains our last preference, subject to technical and quality requirements. Any inability to procure such critical components on a timely basis or on commercially favourable terms could adversely affect our business, financial condition, cash flows, results of operations and prospects.

For further please refer chapter titled "Financial Information of our company" beginning on Page 230 of this Draft Red Herring Prospectus.

15. We derive a certain portion of our revenues from repeat orders from our customers or entities belonging to the same corporate group. Any loss of, or a significant reduction in the repeat orders received by us could adversely affect our business, results of operations, financial condition and cash flows.

We derive a certain portion of our revenue from operations from repeat orders from customers and customer groups (identified as customers forming part of the same corporate group) ("Customer Groups" and such orders, "Repeat Orders") which we identify as orders placed by customers or Customer Groups that have placed orders with our Company previously. Set forth below is our revenue from such Customer Groups in the Fiscals 2026, 2025 and 2024.

Particulars	FY 2025-26	FY 2024-25	FY 2023-24
Number of repeat customers	25.00	26.00	18.00
Revenue from repeat customers (₹ in Lakhs)	2,218.00	1,490.41	1,051.50
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%

Based on the certificate dated September 29, 2026 issued by our Statutory Auditors, M/s. Abhishek Kumar & Associates.

We have historically been dependent, and expect to depend, on such Customer Groups and such Repeat Orders, for a substantial portion of our revenue and the loss of any them for any reason (including due to loss of, or termination of existing arrangements; limitation to meet any change in quality specification, customization requirements, or change in construction technology, disputes with a customer; adverse changes in the financial condition of our customers, such as possible bankruptcy or liquidation or other financial hardship, change in business practices of our customers or a change in the corporate structure of such Customer Groups) could have a material adverse effect on our business, results of operations, financial condition and cash flows.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

16. Our order book may not necessarily translate into future revenues, and any reduction, modification, delay or cancellation of orders could materially and adversely affect our business, financial condition, cash flows and results of operations.

Our business is primarily driven by customer purchase orders and contracts for the design, engineering, manufacture, supply, installation and commissioning of industrial furnace systems. While our order book represents the value of ongoing projects and unexecuted orders received from customers, it should not be construed as an assurance of future revenues or profitability. The execution of such orders is subject to various conditions and uncertainties, many of which are beyond our control. As of August 31, 2026, our unexecuted order book stood at approximately ₹6,820.26 lakhs pertains to projects that are currently under execution, including projects where erection and commissioning activities are pending.

The realization of revenue from our order book depends upon several factors, including timely receipt of customer approvals, finalization of engineering designs, availability of raw materials and critical components, readiness of customer sites, availability of skilled manpower, compliance with contractual milestones, and the fulfilment of other commercial and technical obligations. In addition, customers may postpone project implementation, revise technical specifications, defer delivery schedules, reduce the scope of work, renegotiate commercial terms or, in certain circumstances, terminate or cancel orders in accordance with contractual provisions or due to changes in their business requirements, financial position or capital expenditure plans.

Further, delays in project execution may result in postponement of revenue recognition, increased project costs, extended working capital requirements, and reduced profitability. There can be no assurance that all orders reflected in our order book will be executed in accordance with the expected timelines, values or margins, or that such orders will ultimately result in the anticipated

revenues. Any material reduction, modification, delay or cancellation of orders, or our inability to execute our existing order book efficiently, could materially and adversely affect our business, financial condition, cash flows and results of operations.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

17. Our business may require us to engage third-party job workers for certain manufacturing and fabrication activities during periods of peak demand or accelerated project timelines, and any failure by such job workers to perform their obligations may materially and adversely affect our business, financial condition, cash flows and results of operations.

In the ordinary course of our business, we undertake the design, engineering, manufacture, supply, installation and commissioning of industrial furnace systems. During periods of increased order volumes, capacity constraints or where customers require expedited delivery schedules, we may engage third-party job workers to undertake certain manufacturing, fabrication, machining or other ancillary activities. Such arrangements enable us to optimize our manufacturing capacity, meet project timelines and efficiently execute customer orders.

Our ability to successfully execute projects involving job workers depends on their ability to perform their contractual obligations in a timely manner and in accordance with our quality standards, technical specifications and delivery schedules. However, we do not exercise the same degree of operational control over third-party job workers as we do over our own manufacturing operations. Consequently, we may be exposed to risks including delays in execution, inconsistent product quality, shortages of skilled labour, non-availability of job workers, increased costs related to job workers, non-compliance with applicable laws and contractual requirements, or failure by job workers to adhere to agreed timelines and specifications.

We have experienced instances in the past where certain job workers were unable to complete the assigned work as per the required specifications or timelines, pursuant to which we were required to transfer the partially completed work to an alternate job workers for completion. Any such failure or inability of our job workers to perform their obligations in accordance with the required quality standards, specifications or timelines may result in delays in project execution and delivery, increased costs on account of rework or engagement of alternate job workers, penalties, warranty claims, customer dissatisfaction, reputational damage and loss of future business opportunities. Further, there can be no assurance that similar instances will not occur in the future or that we will be able to identify and engage suitable alternate job workers within the required timeframe.

Accordingly, any material disruption, delay or deficiency in the services rendered by our job workers, or our inability to effectively manage such arrangements, could materially and adversely affect our business, financial condition, cash flows, results of operations and future prospects.

For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

18. We have certain contingent liabilities that have not been provided for in our Restated Financial Information, which, if they materialize, may adversely affect our business, results of operations and financial condition.

The following table and notes set forth the principal components of our contingent liabilities as per AS 29 – Provisions, Contingent Liabilities and Contingent Assets, as at March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ in Lakhs)

A. Claims against the Company (including unasserted claims) not acknowledged as debt:			
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
1. Bank Guarantees Outstanding*	259.24	398.60	287.60
2. Income Tax Demand	1.70	1.70	1.70
3. TDS Demands**	8.83	4.45	4.14
4. GST Demand***	-	-	-
Total	**269.77**	**404.75**	**293.44**
Note: * Subsequent to the balance sheet date, the Company has been issued fresh Bank Guarantees amounting to ₹ 327.62 Lakh between April 1, 2026, and the date of approval of these Restated Financial Statements, in the ordinary course of business. There is no financial impact of this event on the financial statements for the year ended March 31, 2026.			
** TDS demand includes short payment/Non-payment along with interest and penalty for FY 2026-27 amounts to Rs 3.40 Lakhs which is not included.			
*** The Company has received notices from the GST Department under Form ASMT-10 for FY 2023-24, proposing tax liabilities, including interest, of ₹7.43 lakhs and ₹6.00 lakhs respectively and Form DRC 01 for FY 2021-22, proposing tax liabilities of ₹ 0.20 Lakh. The Company has furnished its replies to the notices and is awaiting further communication from the department.			

Our contingent liabilities may become actual liabilities. If a significant portion of these liabilities materialize, it could have an adverse effect on our business, results of operations and financial condition. While we have not witnessed any contingent liabilities turning into actual liabilities as at March 31, 2026, there can be no assurance that we will not witness similar or increased levels of contingent liabilities turning into actual liabilities in the current fiscal year or in the future. For further details, please refer to *Note H – Contingent Liabilities* of the chapter titled "*Financial Information of the Company*" on page 230 of this Draft Red Herring Prospectus.

19. We may be subject to warranty claims, product liability claims and performance obligations under our customer contracts, which could materially and adversely affect our business, financial condition, cash flows and results of operations.

Our customer contracts generally contain warranties relating to the quality, performance and functionality of the industrial furnace systems designed, manufactured, supplied, installed and commissioned by us. We provide a warranty of 12 months from the date of commissioning, unless otherwise agreed with the customer under the applicable contractual arrangements. We also undertake performance guarantees and are required to rectify defects or deficiencies identified during the warranty period in accordance with the terms of our contracts.

Any failure of our products or systems to perform in accordance with the agreed specifications, design defects, manufacturing defects, installation errors, commissioning issues or operational failures may result in warranty claims, product liability claims, repair or replacement obligations, liquidated damages, contractual penalties or claims for compensation by our customers. Further, defects or performance issues may require us to incur significant costs towards repair, replacement of components, deployment of technical personnel, transportation, or other remedial measures, which may not always be recoverable from suppliers or job workers. Although we have incurred liquidated damages in the past for delays in delivery in rare cases. We have not incurred any liquidated damages or penalties on account of quality-related issues.

In addition, any significant warranty or product performance issues may adversely affect our reputation, customer relationships and our ability to secure repeat orders or attract new customers. If we are unable to effectively manage warranty obligations or product performance risks, our business, financial condition, cash flows and results of operations could be materially and adversely affected.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

20. Our customized furnaces may fail to meet the agreed performance parameters, which may require us to incur additional costs and could result in payment deductions, warranty claims or other claims from our customers.

Our furnaces are customized and engineered to meet the specific applications, technical requirements and operating conditions of individual customers. The contracts entered into with our customers may contain specified performance parameters, including production capacity, temperature, output, fuel efficiency and other technical specifications, which may be evaluated during testing, commissioning or performance trials.

There can be no assurance that our furnaces will consistently achieve the agreed performance parameters. Any errors or deficiencies in design, engineering, manufacturing, installation, commissioning or other aspects of project execution may result in a furnace not performing in accordance with the agreed specifications. In such circumstances, we may be required to undertake modifications, repairs, replacement of components, additional testing or other remedial measures, which may require us to incur additional costs and deploy additional resources.

Further, depending on the terms of the relevant contracts, our customers may withhold or defer payment of amounts due to us, make contractual deductions, invoke warranties or guarantees, or raise claims for rectification, damages or other losses. Such events may result in delays in receipt of contract payments, increase our project execution costs and adversely affect our margins, cash flows and profitability. Further, any failure to meet customer-specific performance requirements may adversely affect our customer relationships and reputation, and consequently, our business, financial condition and results of operations.

21. We depend on the large industries for selling of our products which may effects our revenue from operation and profits.

We are engaged in the manufacturing, supplying, installing, commissioning, modernizing and maintaining thermal processing systems which includes customised industrial furnaces, and related equipment for various industrial applications, which are totally designed and manufactured for large industries and not for the general public or use in the homes. Thus, we are completely dependent on industries and large organizations which use these products, this dependency on industries may affect our profits and revenue. In case these industries refuse to accept the delivery of the product manufactured by us it would be very difficult for us to find an alternative market to sell the manufactured product, any such present and future conflicts could have a material

adverse affect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

22. Our business is exposed to risks associated with the installation and commissioning of industrial furnace systems at customer sites, and any delays or failures in execution may materially and adversely affect our business, financial condition and results of operations.

The installation and commissioning of industrial furnace systems constitute an integral part of our project execution process and involve significant technical expertise and coordination with customers. The successful completion of installation and commissioning activities depends upon several factors beyond our control, including site readiness, completion of civil works, availability of utilities such as electricity, gas and water, customer infrastructure, statutory approvals, weather conditions, availability of skilled manpower and coordination among multiple stakeholders.

Delays or disruptions in any of these activities may result in postponement of project completion, increased project costs, deferment of revenue recognition, contractual disputes, liquidated damages or claims by customers. Further, any deficiencies identified during testing or commissioning may require rectification, replacement of components or additional engineering efforts, resulting in increased costs and delays.

Although, we have not experienced such risks associated with the installation and commissioning of industrial furnace systems at customer sites, we cannot assure that such events will not occur in the future. Our inability to complete installation and commissioning activities within the agreed timelines or in accordance with contractual specifications may adversely affect customer satisfaction, our reputation in the market and our ability to secure repeat business. Consequently, any material delay or failure in installation and commissioning activities could materially and adversely affect our business, financial condition, cash flows and results of operations.

For further details in relation to our business, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

23. Our manufacturing operations are subject to environmental, health, safety and other regulatory requirements, and any non-compliance with such laws may materially and adversely affect our business, financial condition and results of operations.

Our manufacturing operations are subject to various central, state and local laws and regulations relating to environmental protection, pollution control, occupational health and safety, hazardous waste management, fire safety, labour and industrial regulations, and other statutory requirements. Compliance with these laws requires us to obtain and renew various registrations, licences, approvals and consents from the relevant governmental and regulatory authorities and to continuously adhere to prescribed operational standards.

Although we have not faced any non-compliance with respect to such laws in the past, we cannot assure you that we will not face any instances of non-compliance in the future. Any failure to comply with applicable laws, regulations, permit conditions or regulatory requirements, whether due to operational lapses, changes in applicable laws or otherwise, may result in penalties, fines, suspension or revocation of licences, interruption of manufacturing operations, increased compliance costs, civil or criminal proceedings or other regulatory actions against us.

Further, environmental and occupational health and safety laws are subject to change, and any tightening of applicable standards may require us to incur substantial capital expenditure or additional operating costs to maintain compliance. Any actual or alleged non-compliance with such laws or regulations, or any significant industrial accident or environmental incident at our manufacturing facility, could adversely affect our reputation, business operations, financial condition, cash flows and results of operations.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

24. There are certain proceedings involving our Company, our Directors and Promoters which, if determined against us, may have an adverse effect on our business, cash flows and results of operations.

There are outstanding legal proceedings involving our Company. Brief details of material outstanding litigation that have been initiated our Company, Promoters and Directors are set forth below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Company						
By the Company	NIL	NIL	NIL	NIL	NIL	NIL
Against the Company	NIL	15	NIL	NIL	NIL	24.06
Directors	NIL	NIL	NIL	NIL	NIL	NIL
By our directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	03	NIL	NIL	NIL	0.22
Promoters	NIL	NIL	NIL	NIL	NIL	NIL
By Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoters	NIL	02	NIL	NIL	NIL	3.80
KMPs who are not promoters and/or Directors	NIL	NIL	NIL	NIL	NIL	NIL
By our KMPs	NIL	NIL	NIL	NIL	NIL	NIL
Against the KMPs	NIL	NIL	NIL	NIL	NIL	NIL

For details of default, please refer to chapter titled "Outstanding Litigation and Material Developments" on Page 255 of this Draft Red Herring Prospectus.

We cannot assure you that these proceedings will be decided in our favor. If any new developments arise, such as a change in Indian laws or rulings against us by appellate courts or tribunals, we may need to make provisions that could increase our expenses and current liabilities. Further, such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. We cannot assure you that any of these matters will be settled in our favor or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our business, results of operations, cash flows and financial condition.

25. Our success is dependent on our Promoters, management team and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our Promoter or Managing Director, Whole time Directors and Executive Directors may have an adverse effect on our business prospects.

Our performance and its success largely depend on the efforts and abilities of our Promoters. Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business. We believe that our relation with our promoters, who have experience in this industry sector, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoters, directors and key managerial personnel have been actively involved in the day-to-day operations and management of the Company. Our procurement of business orders also has high dependence on our Promoters relationship with customers and industry experiences of our Promoters. We believe that the inputs and experience of our Promoters and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We also depend significantly on the expertise, experience and continued efforts of our employees; hence, our performance and success substantially depend on the ability to attract and retain our key employees, including our experienced personnel. There can be no assurance that any member of our management or other experienced personnel will not leave us in the future. The lack of or loss of the services of such key persons in the organization could impair our ability to manage and expand our business. Our success is also dependent on our continuous ability to identify, hire, train retain and motivate our personnel. While we believe we have an experienced team, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel may adversely affect our business and results of operations.

For further details of our Promoters and Management, please refer chapter titled "Our Promoters and Promoter Group" and "Our Management" beginning on Page 224 & 204 of this Draft Red Herring Prospectus.

26. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.

Our business requires various approvals, licenses and registrations to operate our premises, and some of these are yet to be obtained,

renewed or updated. The details pertaining to such approvals that are yet to be applied for or obtained are set forth below:

Sr. No.	Particulars	Applicable Act	Relevant Authority
1.	Final Fire No Objection Certificate (Fire NOC) for the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501, Maharashtra	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	Chief Fire Officer, Maharashtra Industrial Development Corporation (MIDC) Fire Services
2.	Labour Welfare Fund registration for the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501, Mahrashtra	Maharashtra Labour Welfare Fund Act, 1953	Welfare Commissioner, Maharashtra Labour Welfare Board
3.	Registration as principal employer for engagement of contract labour at the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501	Occupational Safety, Health and Working Conditions Code, 2020 (erstwhile Contract Labour (Regulation and Abolition) Act, 1970)	Registering Officer, Labour Department, Government of Maharashtra
4.	Shops and Establishment registration certificate for the branch office at Office No. B-114, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Thane – 400604	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	Office of the Deputy Commissioner of Labour, Thane

Further Certificate of Registration under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 for the registered office was expired on August 20, 2020 and No Objection Certificate for manufacturing unit was expired on September 02, 2025. Our Company is in the process of renewing the both the licenses.

Additionally, pursuant to the recent conversion of our Company from a private limited company to a public limited company and the consequent change in its name from "Ace Furnaces Private Limited" to "Ace Furnaces Limited", certain approvals of our Company continue to be in the erstwhile name. Our Company has made, or is in the process of making, applications for change of name in these approvals, which are pending as on the date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled "*Government and Other Statutory Approvals*" on page 261 of this Draft Red Herring Prospectus. While we intend to obtain these approvals in due course, there can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Further, these approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities may contain conditions, some of which could be onerous.

There can also be no assurance that the Approvals currently held by us will not be suspended, cancelled or revoked for non-compliance or alleged non-compliance with their terms and conditions, or due to changes in applicable laws or regulatory action. Any such suspension, cancellation or revocation could impair our ability to conduct our operations and adversely affect our business, cash flows, financial condition and results of operations.

Any delay or failure to obtain them may result in penalties or other regulatory action, which could affect our operations and financial condition.

27. We may not be able to prevent unauthorised use of trademarks/logo obtained/ applied for by third parties, which may lead to the dilution of our goodwill

Our Company has applied for registration of trademarks under Classes 11, 35 and 37 under the Trade Marks Act, 1999 (the "Trade Marks Act"). The applications are currently under examination and are in the name of "Ace Furnaces Private Limited". Following the recent conversion of our Company from a private limited company to a public limited company, we have started using a revised logo,  , in the course of our business. However, as on the date of this Draft Red Herring Prospectus, we have not applied to register this logo, and we have not applied to record the change of name in our existing applications. Until our logo

is registered, we may not be able to use statutory remedies against third parties who use identical or deceptively similar marks, and we may have to rely on common law remedies such as passing off, which can be time-consuming and uncertain. We may also face claims from third parties who have used or registered similar marks, and our applications may be opposed or refused.

We cannot assure you that our pending or future applications for registration of trademarks will be granted by the relevant authorities in a timely manner or at all. In the event that our applications are not registered, or if our intellectual property rights are challenged, infringed or otherwise compromised, we may be required to initiate legal proceedings to protect or enforce our rights or determine the validity and scope of the proprietary rights of third parties. Any such proceedings may be time-consuming and costly, and the outcome of such proceedings cannot be assured.

We may also be unable to detect instances of unauthorised use or infringement of our intellectual property or take timely and appropriate action against such infringement. Any failure to adequately protect, maintain or enforce our intellectual property rights could result in dilution of our brand and goodwill and may adversely affect our business, financial condition, results of operations and prospects.

For further details, please refer to the chapter titled "Government and Other Approvals" beginning on page 261 of this Draft Red Herring Prospectus.

28. Our Company's management will have flexibility in utilizing the Net Proceeds from the Offer. The deployment of the Net Proceeds from the Offer is not subject to any monitoring by any independent agency.

Our Company intends to primarily use the Net Proceeds towards Working capital requirement and repayment of loan, as well as utilisation of proceeds for general corporate purposes as described in "Objects of the Offer" on page 92 of this Draft Red Herring Prospectus. In terms of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Offer size is not in excess of ₹50 crores. The management of our Company will have discretion to use the Net Proceeds from the Offer, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Offer. Our Company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders of our Company who does not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Offer and our business and financial results may suffer.

29. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an effect on our business, results of operations and financial condition.

Our future growth and profitability depend, to a significant extent, on our ability to successfully execute our business strategies and effectively manage our expanding operations. Our growth strategy includes expanding our manufacturing capabilities, strengthening our presence across existing and new geographical markets, increasing our customer base across various industries, enhancing our product portfolio through technological innovation and customized engineering solutions, improving operational efficiencies, and maintaining long-term relationships with our customers.

For further details, see the chapter titled "Business Overview" beginning on page 160 of this Draft Red Herring Prospectus.

The successful implementation of our business strategies is subject to various risks and uncertainties, including, among others:

- our ability to identify and secure new customer orders and expand into new industries and geographical markets;
- our ability to successfully execute larger and more complex industrial furnace projects within the stipulated timelines and budgets;
- our ability to expand our manufacturing capacity and efficiently utilize such expanded capacity;
- our ability to procure raw materials and critical components on commercially acceptable terms and maintain an efficient supply chain;
- our ability to recruit, train and retain experienced engineers, technical personnel and skilled workforce;
- our ability to maintain strong relationships with our existing customers while acquiring new customers in a competitive

market;
- our ability to effectively manage our working capital requirements and finance our future growth initiatives; and

There can be no assurance that our business strategies will be implemented successfully or within the anticipated timeframe, or that such strategies will generate the expected benefits or financial returns. Our expansion initiatives may involve significant capital expenditure, increased working capital requirements, operational complexities, integration challenges and higher management oversight. Further, rapid growth may place additional demands on our manufacturing facilities, engineering capabilities, project execution teams, internal controls, information systems and management resources. If we are unable to effectively implement our business strategies or successfully manage our growth, our business, financial condition, cash flows, results of operations and future prospects could be materially and adversely affected.

30. If there is a change in policies related to tax, duties or other such levies applicable to us, it may affect our results of operations.

We benefit from certain general tax regulations and incentives that accord favorable treatment to certain of our operations as well as for our activities. These tax benefits include income tax deductions and other taxes. For details regarding income tax deductions, please refer to the chapter "Statement of Special Tax Benefits" on page 115 of this Draft Red Herring Prospectus.

New or revised accounting policies or policies related to tax, duties or other such levies promulgated from time to time by the relevant authorities may significantly affect our results of operations. We cannot assure you that we would continue to be eligible for such lower tax rates or any other benefits. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and affect our business, prospects, results of operations and financial condition.

31. Any Penalty or demand raised by statutory authorities in future may adversely affect the financial position of our Company

Our Company is engaged in the business of manufacturing of customised industrial furnaces, and related equipment for various industrial applications which attracts tax liability such as Goods and Service Tax and Income Tax as per the applicable provisions of Law. We are also required to comply with the provisions such as registration under the labour laws like Provident Fund, Employee State insurance etc. Further, these tax laws, including Goods and Services Tax (GST), income tax, and other statutory levies, often involves complex interpretations, there may be differences in opinion between our Company and the relevant tax authorities with respect to the interpretation of certain provisions, the applicability of exemptions, or the treatment of specific transactions. During the past, our Company has faced challenges in adhering to various statutory provisions, spanning key regulations such as the Goods and Services Tax Act, the Employees Provident Fund and the Employees State Insurance Act. Further, there have been delays primarily in areas such as the depositing of GST amounts, provident fund contributions mandated by the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act. For further details, please refer Risk factor- *There have been certain instances of delays in the payment of statutory dues by our Company in the past. Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company's business, financial condition, results of operation and cash flows.*

Although, we have taken all the necessary approvals and deposited the required returns and taxes under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

32. We operate in a competitive industry, and our inability to effectively compete may materially and adversely affect our business, financial condition, results of operations and future growth prospects.

The industrial furnace industry is competitive and comprises few domestic and international manufacturers offering a wide range of furnace solutions across various industries. We compete with established players on several parameters, including product quality, engineering and technological capabilities, customization, pricing, delivery schedules, after-sales service, customer relationships, reliability, and overall project execution capabilities.

Competition within the industry may intensify due to the entry of new market participants, expansion by existing competitors, technological advancements, pricing pressures, consolidation within the industry, or changes in customer preferences and procurement practices. Certain competitors may possess significantly greater financial resources, broader manufacturing capabilities, stronger research and development infrastructure, wider geographical presence, more diversified product portfolios, longer operating histories, or greater brand recognition than us. Such competitors may also be able to offer products or services at more competitive prices or on more favourable commercial terms.

Further, customers generally evaluate multiple vendors before awarding contracts, and purchasing decisions are often influenced by factors such as technical qualifications, project experience, pricing, delivery commitments, and post-installation support. Our inability to maintain our competitive position, respond to evolving customer requirements, adopt new technologies, offer cost-effective solutions, or successfully secure new orders may result in loss of market share, reduced order inflows, pricing pressures, lower operating margins and diminished profitability.

Accordingly, any increase in competitive pressures or our failure to compete effectively could materially and adversely affect our business, financial condition, cash flows, results of operations and future growth prospects.

For further details, please see "Business Overview" on page 160 of this Draft Red Herring Prospectus.

33. 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.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. Our Company has declared dividends in the past; however, there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled "Dividend Policy" on page 229 of this Draft Red Herring Prospectus.

34. Our Promoters and Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoter and Directors of our Company, other than normal remuneration or benefits, see "Our Management" and "Our Promoter and Promoter Group" on pages 204 and 224 respectively of this Draft Red Herring Prospectus.

35. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.

Our operations are subject to certain hazards such as accidents at work, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause destruction of property and inventory. While we are contemplating to obtain insurance coverages for our facilities and premises, we have obtained certain insurance coverages for our stocks that includes all normal risks associated with our business, including burglary insurance policy, standard fire and special perils insurance policy and employee compensation insurance policy along with Group Personal Accident Policy and Directors & Officers Liability Policy. These insurance policies are generally valid for a year and are renewed annually. Although we have not encountered any such situations in the past. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

Our insurance may not be adequate to completely cover any or all our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. To the extent that we suffer loss or damage as a result of events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

For further details of Insurances taken by Company, please refer chapter titled "Business Overview" beginning on Page 160 of this Draft Red Herring Prospectus.

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

There have been certain instances in the past where our Company has delayed the payment of certain statutory dues and/or filing of statutory returns, including Provident Fund ("PF") returns, Employees' State Insurance ("ESI") returns and Goods and Services Tax ("GST") returns, beyond the timelines prescribed under the applicable laws and regulations. Such delays were primarily attributable to administrative and procedural reasons. Although our Company endeavours to ensure timely payment of statutory dues and filing of applicable returns within the prescribed timelines, there can be no assurance that such delays will not occur in the future.

Any delay or failure in payment of statutory dues or filing of statutory returns may result in the levy of interest, penalties, late fees or other charges and may also expose our Company to regulatory actions or other proceedings under the applicable laws. Further, any recurring or material instances of non-compliance may adversely affect our reputation and require us to deploy additional resources and incur additional costs towards rectification and compliance. Such consequences may adversely affect our business, financial condition, results of operations and cash flows.

The table below provides the delays in payment of statutory dues by our Company during the years indicated.

Particulars	**Delays**		
	Fiscal 2026	**Fiscal 2025**	**Fiscal 2024**
Provident Fund (PF)			
Number of instances	2	-	3
Amount (₹ lakhs)	5.89	-	8.23
Employee State Insurance (ESI)			
Number of instances	3	3	6
Amount (₹ lakhs)	0.27	0.29	0.86
GST			
Number of instances	2	1	1
Amount (₹ lakhs)	492.46	115.87	51.42
TDS			
Number of instances	3	4	11
Amount (₹ lakhs)	0.17	15.46	36.56
Professional Tax			
Number of instances	12	10	10
Amount (₹ lakhs)	1.72	1.33	1.48

To strengthen its compliance framework and ensure timely compliance with applicable statutory requirements, the Company has appointed dedicated compliance personnel responsible for monitoring and overseeing the payment of statutory dues and filing of statutory returns within the prescribed timelines. The Company has also implemented internal processes to facilitate regular tracking and timely completion of such compliances. However, despite these measures, there can be no assurance that instances of delay or non-compliance will not occur in the future.

37. We are subject to the risk of failure of, or a material weakness in, our internal control systems and major fraud, lapses of internal control or system failures could adversely impact the company's business.

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations. Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

38. We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.

As of March 31, 2026, our short-term borrowings were 525.36 Lakhs and we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

➢ increasing our vulnerability to general adverse economic, industry and competitive conditions;
➢ limiting our ability to borrow additional amounts in the future;
➢ affecting our capital adequacy requirements; and
➢ Increasing our finance costs.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "Financial Information of our Company" on page 230 of this Draft Red Herring Prospectus.

39. Any failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may affect our operational flexibility, business, results of operations and prospects.

As on March 31, 2026, our total secured borrowings amounted to Rs. 691.66 Lakhs from Banks which includes short-term and long-term borrowings. Our leverage has several important consequences, including the following:

➢ A portion of our cash flow will be used towards to fund working capital requirements, capital expenditures and other general corporate purposes;

➢ Our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted;

➢ Fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest; and

➢ Our financing agreements require us to obtain the consent of, or to intimate, for corporate actions.

Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take certain actions in a timely manner or at all may result in declaration of an event of default by any current or future lenders, which may accelerate repayment or increase applicable interest rates or trigger cross-default or cross-acceleration under other financing agreements. The termination of, or declaration or enforcement of default under, any current or future financing agreement (if not waived or cured) may affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives and, therefore, have an effect on our business, results of operations and prospects.

40. Failure to keep pace with technological developments and changing customer requirements may affect demand for our products and may adversely affect our business, financial condition and results of operations.

The thermal processing equipment industry is subject to evolving customer requirements relating to energy efficiency, temperature uniformity, process control, automation, fuel efficiency, heat recovery, emissions and overall operating costs. Technological developments in industrial heating and thermal processing, including increased adoption of automation, digital monitoring and control systems, energy-efficient heating solutions and lower-emission technologies, may require us to continuously adapt our products, designs and engineering capabilities.

If we are unable to anticipate or respond effectively to changes in technology or customer requirements, our existing furnace solutions may become less competitive or may not meet the technical or operational requirements of our customers. Further, our efforts and expenditure towards development, customization or integration of new technologies may not result in commercially successful solutions or generate sufficient customer orders. Any such inability to adapt our products and solutions to evolving technologies and customer requirements could adversely affect our ability to secure new orders, retain existing customers and maintain our competitiveness, which may adversely affect our business, financial condition and results of operations.

41. Industry Overview section of this Draft Red Herring Prospectus contains information from the Dun & Bradstreet Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Industry Overview section of this Draft Red Herring Prospectus (DRHP) contains information sourced from the Dun & Bradstreet Report, which was commissioned and purchased by the Company. While the Company has made efforts to ensure the accuracy and reliability of the information contained in such third-party reports, there are inherent risks associated with relying on this data.

The information provided by Dun & Bradstreet is based on their analysis, methodologies, and assumptions, which may not fully reflect the current or future financial performance or market conditions of the Company. The accuracy, completeness, and timeliness of the data cannot be guaranteed, and there is a possibility that the report may contain errors or outdated information. As such, investors should not place undue reliance on the information sourced from the Dun & Bradstreet Report and should consider this as one of many factors in their investment decision-making process. The Company does not assume any responsibility for the accuracy or completeness of the third-party report and recommends that investors conduct their own independent due diligence.

For further details of our Industry, please refer chapter titled "Industry Overview" beginning on Page 121 of this Draft Red Herring Prospectus.

42. Our manufacturing operations are dependent on the uninterrupted availability of electricity, and any disruption or inadequacy in power supply may materially and adversely affect our business, financial condition, cash flows and results of operations.

Our manufacturing facility relies on a continuous and adequate supply of electricity for carrying out various manufacturing processes, including fabrication, machining, welding, assembly, testing and quality inspection of our industrial furnace systems. The efficient functioning of our manufacturing equipment, machinery and other plant infrastructure is dependent upon the uninterrupted availability of power.

Any interruption, shortage or failure in the supply of electricity arising from grid failures, equipment breakdowns, transmission failures, natural calamities, maintenance shutdowns, regulatory restrictions or any other unforeseen circumstances may disrupt our manufacturing operations, reduce production efficiency and delay the execution and delivery of customer orders. Such disruptions may also result in idle labour and machinery costs, damage to work-in-progress or equipment, increased operating expenses due to the use of alternative power sources, and reduced operational efficiency.

Further, prolonged or recurring power outages may adversely affect our ability to adhere to contractual delivery schedules, resulting in project delays, customer dissatisfaction, contractual liabilities or loss of future business opportunities. Any significant increase in electricity tariffs or energy costs may also increase our manufacturing costs and adversely affect our operating margins if we are unable to pass on such increases to our customers.

For further details regarding our manufacturing operations, please refer to the chapter titled "Business Overview" beginning on page 160 of this Draft Red Herring Prospectus.

43. We use third party transportation and logistics service providers for the delivery of oversized and heavy engineering equipment. Any delay in delivery of our products could adversely affect our business, results of operations, cash flows and financial condition. We also may be exposed to the risk of theft, accidents and/or loss of our products in transit.

We use third party transportation and logistics service providers for the delivery of oversized and heavy engineering equipment. We do not have any contractual arrangements with any such third-party transportation and logistics providers, and they could stop providing transportation at any time. Any disruption in services by such third-party transportation provider could adversely affect our reputation and image among our customers. Further, transportation strikes could also have an adverse effect on supplies and deliveries to and from our customers and suppliers. Although during Fiscal 2026, Fiscal 2025 and Fiscal 2024 we did not face any significant disruptions due to our use of third-party transportation and logistics service providers any disruptions of logistics in the future could impair our ability to deliver our products on time, which could materially and adversely affect our business, results of operations, cash flows and financial condition.

The following table sets forth our consolidated freight charges and our consolidated freight charges as a percentage of total consolidated expenses in the years indicated.

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	₹ Lakhs	% of total expenses	₹ Lakhs	% of total expenses	₹ Lakhs	% of total expenses
Freight charges	26.54	1.78%	29.45	2.15%	34.03	2.64%

In addition, we are subject to the risk of increases in freight costs. If we cannot fully offset any increases in freight costs through increases in the prices for our products, we would experience lower margins.

Furthermore, we are exposed to the risk of theft, accidents and/or loss of our products in transit. While we believe we have adequately insured ourselves against such risk, we cannot assure you that our insurance will be sufficient to cover the losses arising due to such theft, accidents and/or loss of products, equipment, machines in transit. While there have been no material instances of theft, accident or loss not covered by insurance or transportation strikes during Fiscal 2026, Fiscal 2025 and Fiscal 2024, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could adversely affect our business, results of operations, cash flows and financial condition.

44. Our business is subject to strikes, work stoppages and/or increased wage demands, as well as other disputes with our employees. Such instances may cause disruptions in our operations, which could materially adversely affect our business, financial condition and results of operations.

Our business operations depend on the availability of an adequate number of skilled, semi-skilled and other personnel for our manufacturing, project execution, installation, commissioning and other operational activities. Any shortage of manpower, increase in employee turnover, work stoppages, strikes, labour disputes or other workforce-related disruptions could adversely affect our operations and may result in delays in the execution and delivery of our projects.

We cannot assure that our employees will not seek to form or join labour unions or engage in collective bargaining activities in the future. Any demands for increases in wages, benefits or other changes to the terms and conditions of employment may increase our employee-related costs and operating expenses. Further, any labour disputes or disagreements with our employees could divert management's time and attention and disrupt our manufacturing and project execution activities.

Any increase in labour costs, shortage of skilled manpower, employee attrition, strikes, work stoppages, labour disputes or failure by job workers to provide adequate manpower could result in increased costs, delays in manufacturing, installation or commissioning of our projects, and adversely affect our business, financial condition, cash flows, results of operations and prospects.

45. Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties resulting into relatively more favourable terms and conditions and better margins.

Our Company has entered into various transactions with our Directors and Promoters. These transactions, inter-alia includes, remuneration, Loan taken or repaid etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, we believe that all our related party transactions have been conducted on an arm's length basis, but we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse effect on results of our operations.

The Related Party Transactions entered into by our company are detailed below:

(₹ in Lakhs)

Nature of Transactions	Name of Related Parties	As at March 31, 2026	% of Revenue from Operations	As at March 31, 2025	% of Revenue from Operations	As at March 31, 2024	% of Revenue from Operations
1. Directors Remuneration	Mr. Kailash Vishnu Nasta	91.80	0.91%	79.20	0.90%	48.00	0.59%
	Mr. Amjad Ahmed Sheikh	-	-	79.20	0.90%	48.00	0.59%

	Mr. Nitin Jagannath Phirake	28.38	0.28%	24.18	0.28%	18.12	0.22%
	Mr. Prashant Dattatray Patil	-	-	34.38	0.39%	18.12	0.22%
	Mrs. Rhea Kailash Nasta	30.00	0.30%	-	-	-	-
	Total	**150.18**	**1.49%**	**216.96**	**2.48%**	**132.24**	**1.63%**
2. Commission Expenses	Mr. Kailash Vishnu Nasta	-	-	-	-	40.58	0.50%
	Mr. Amjad Ahmed Sheikh	-	-	-	-	32.46	0.40%
	Mr. Nitin Jagannath Phirake	-	-	-	-	4.06	0.05%
	Mr. Prashant Dattatray Patil	-	-	-	-	4.06	0.05%
	Total	**-**	**-**	**-**	**-**	**81.15**	**1.00%**
3. Reimbursement of Expenses	Mr. Kailash Vishnu Nasta	-	-	14.93	0.17%	21.79	0.27%
	Mr. Amjad Ahmed Sheikh	-	-	3.32	0.04%	12.02	0.15%
	Mr. Nitin Jagannath Phirake	-	-	5.78	0.07%	17.09	0.21%
	Mr. Prashant Dattatray Patil	-	-	10.73	0.12%	18.85	0.23%
	Total	**-**	**-**	**34.77**	**0.40%**	**69.75**	**0.86%**
4. Salary paid to KMP / Relative of KMP	Mr Hriday Nasta	12.00	0.12%	-	-	-	-
	Ms. Meher Nasta	1.50	0.01%	-	-	-	-
	Mr. Navneet Phirake	2.16	0.02%	-	-	-	-
	Total	**15.66**	**0.16%**	**-**	**-**	**-**	**-**
5. Loan Received (Paid) during the Year to Related Parties	**Mr. Kailash Vishnu Nasta**						
	Opening Balance	-	-	47.00	0.54%	70.00	0.86%
	Loan Received during the year	-	-	2.50	0.03%	-	-
	Loan Paid during the year	-	-	(49.50)	(0.56%)	(23.00)	(0.28%)
	Closing Balance	**-**	**-**	**-**	**-**	**47.00**	**0.58%**
	Mr. Amjad Ahmed Sheikh						
	Opening Balance	-	-	42.60	0.49%	56.00	0.69%
	Loan Received during the year	-	-	-	-	5.00	0.06%
	Loan Paid during the year	-	-	(42.60)	(0.49%)	(18.40)	(0.23%)
	Closing Balance	**-**	**-**	**-**	**-**	**42.60**	**0.52%**
	Mr. Nitin Jagannath Phirake						
	Opening Balance	-	-	4.70	0.05%	7.00	0.09%
	Loan Received during the year	-	-	0.12	0.00%	-	-
	Loan Paid during the year	-	-	(4.82)	(0.05%)	(2.30)	(0.03%)
	Closing Balance	**-**	**-**	**-**	**-**	**4.70**	**0.06%**

	Mr. Prashant Dattatray Patil						
	Opening Balance	-	-	4.70	0.05%	7.00	0.09%
	Loan Received during the year	-	-	0.12	0.00%	-	-
	Loan Paid during the year	-	-	(4.82)	(0.05%)	2.30	(0.03%)
	Closing Balance	**-**	**-**	**-**	**-**	**4.70**	**0.06%**
7. Outstanding Balances of Directors	Mr. Kailash Vishnu Nasta	-	-	-	-	74.94	0.92%
	Mr. Amjad Ahmed Sheikh	-	-	-	-	64.96	0.80%
	Mr. Nitin Jagannath Phirake	-	-	-	-	7.52	0.09%
	Mr. Prashant Dattatray Patil	-	-	-	-	12.22	0.15%
	Total	**-**	**-**	**-**	**-**	**159.64**	**1.97%**

For details of transactions, please refer to "***Related Party Transactions***" under Section titled "***Financial Information of the Company***" and Chapter titled "***Capital Structure***" beginning on page 230 and 77 respectively of this Draft Red Herring Prospectus.

46. We have not identified any alternate source of raising the fund for working capital requirement and repayment of loan, mentioned as our 'Objects of the Offer'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

Our Company has not identified any alternate source of funding working capital requirement and repayment of loan, as well as utilisation of proceeds for general corporate purposes and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Offer proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may require our Company to borrow funds on unfavorable terms, both of which scenarios may affect the business operation and financial performance of the Company. For further details of our Object for the Offer, please refer chapter titled "Object for the Offer" beginning on Page 92 of this Draft Red Herring Prospectus.

47. The Objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which may be beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Red Herring Prospectus would be subject to compliance requirements, including prior shareholders' approval.

The deployment of the Net Proceeds would be based on management estimates, prevailing circumstances of our business & market conditions. The Objects of the Issue have not been appraised by any bank or financial institution. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this DRHP without obtaining the Shareholder's 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 and any delay or inability in obtaining such Shareholder's approval may adversely affect our business or operations.

We operate in a highly competitive and dynamic industry and may have to revise our estimates from time to time on account of changes in external circumstances or costs, or changes in other financial conditions, business or strategy. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at our discretion. For further details, please see "Objects of the Issue" beginning on page 92 of this Draft Red Herring Prospectus. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Any variation in the planned use of the Net Proceeds would require Shareholder's approval and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects and may involve considerable time or cost overrun and any such eventuality may adversely affect our operations or business. Additionally, the requirement on Promoter or controlling shareholders to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such

variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Offer to use any unutilized proceeds of the Offer, if any, 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 unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

As on March 31, 2026, we had total inventory consisting of raw material, work in progress and finished goods to the value of Rs. 508.81 Lakhs. Our business operations require us to maintain inventory at times. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during manufacturing. Although we have set up various security measures and follow operational processes but, 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, in case of losses due to fraud, theft or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft or misconduct and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

49. We may be subject to surveillance measures, such as the Additional Surveillance Measures (ASM) and the Graded Surveillance Measures (GSM) by the Stock Exchanges which may adversely affect trading price of our Equity Shares.

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

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation. In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by the Stock Exchange, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

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

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be titled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. Other than the listing fees (which shall be borne by our Company), the Offer related expenses shall be shared amongst our Company and the Selling Shareholders in the proportion with the amount pertaining to Fresh Issue and Offer for Sale in the Offer. In case our Company withdraws the Offer in the future, the said expenses shall be shared between the Selling Shareholders and our Company in proportion with the respective amount proposed to be raised.

The Offer for Sale is [●] times of the Fresh Issue. Further, the below are certain details regarding the Selling Shareholders:

Name of the Selling Shareholder	Pre-Offer equity share capital		Average cost of acquisition per Equity Share	Number of Equity Shares of face value of Rs.10/-	Post-offer equity share capital	
	No. of pre-Offer Equity	Percentage of the pre-			No. of post-Offer Equity	Percentage of the post-

	Shares of face value of Rs.10/- held	Offer equity share capital (%)	(in ₹) since incorporation*	Offered	Shares held of face value of Rs.10/-	Offer equity share capital (%)
Mr. Kailash Vishnu Nasta	40,00,000	50.00	0.63	Up to 2,70,000 Equity Shares	[●]	[●]
Mrs. Rhea Kailash Nasta	31,99,960	39.99	6.25	Up to 2,16,000 Equity Shares	[●]	[●]
Mr. Nitin Jagannath Phirake	8,00,000	10.00	3.44	Up to 54,000 Equity Shares	[●]	[●]
TOTAL	**79,99,960**	**99.99**		**Up to 5,40,000 Equity Shares**	[●]	[●]

** Based on the certificate dated September 29, 2026 issued by our Statutory Auditors, M/s. Abhishek Kumar & Associates.*

For Further details of equity shares issued, please refer to the chapter titled "Capital Structure" beginning on page 77 of the Draft Red Herring Prospectus.

51. Portion of our Offer Proceeds are proposed to be utilized for general corporate purposes which constitute [●] % of the Offer Proceeds. As on date we have not identified the use of such funds.

Portion of our Offer Proceeds are proposed to be utilized for general corporate purposes which constitute [●]% of the Offer Proceeds. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details, please refer the chapter titled **"**Objects of the Offer" beginning on Page No. 92 of this Draft Red Herring Prospectus.

52. We have in the last 12 months issued Equity Shares at a price that may be at lower than the Offer Price.

In the last 12 months we may have issued fresh Equity Shares to the promoters of our Company which are as follows:-

- Bonus issue in the ratio of 15:1 dated July 22, 2026 issuing 75,00,000 Equity shares face value ₹ 10/- per Equity Share by capitalisation of reserves.

The Equity Shares allotted to investors pursuant to this Offer is being priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For Further details of equity shares issued, please refer to the chapter titled "Capital Structure" beginning on page 77 of the Draft Red Herring Prospectus.

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

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Offer Price decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "Capital Structure" beginning on pages 77 of this Draft Red Herring Prospectus.

54. We will continue to be controlled by our Promoters and Promoter Group after the completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group hold 100.00% of the issued and outstanding paid-up share capital of our Company. Following the completion of the Offer, our Promoter and Promoter Group will continue to hold together [●]% of our post- Offer Equity Share capital. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details regarding our shareholding, please refer to chapter titled "Capital Structure" beginning on Page 77 of this Draft Red Herring Prospectus.

55. Loans availed by our Company has been secured on personal guarantees of our Director. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees provided by our Directors.

Our Promoters, Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Phirake Jagannath have provided personal guarantee to secure a significant portion of our existing borrowings taken from the ICICI bank and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "Statement of Financial Indebtedness" on page 232 of this Draft Red Herring Prospectus.

56. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Offer Price or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is determined considering various financials factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment

57. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

58. The Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer and the market price of our Equity Shares may decline below the Offer Price and you may not be able to sell your Equity Shares at or above the Offer Price.

The Offer Price of our Equity Shares has been determined through the Book building process. This price is based on numerous factors. For further information, see "Basis for Offer Price" beginning on page 104 of this Draft Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price are:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

59. 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 us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

60. None of the Promoters of our Company have experience of being a promoter of a public listed company.

The Promoters of our Company do not have the experience of being a promoter or director of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the Company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited half yearly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies. Further, as a publicly listed company, the 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 the Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Promoters of the Company may have to provide increased attention to such procedures and their 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 we cannot assure you that we will be able to do so in a timely and efficient manner.

61. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

EXTERNAL RISK FACTORS

62. 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, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

63. Our business and activities may be further regulated by the Competition Act and any adverse application or interpretation of the Competition Act could materially and adversely affect our business, financial condition and results of operations.

The Competition Act seeks to prevent business practices that have or are likely to have an appreciable adverse effect on competition in India and has established the Competition Commission of India (the "**CCI**"). Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which has or is likely to have an appreciable adverse effect on competition is void and attracts substantial penalties. Any agreement among competitors which, directly or indirectly, determines purchase or sale prices, results in bid rigging or collusive bidding, limits or controls the production, supply or distribution of goods and services, or shares the market or source of production or providing of services by way of allocation of geographical area or type of goods or services or number of customers in the relevant market or in any other similar way, is presumed to have an appreciable adverse effect on competition and shall be void. Further, the Competition Act prohibits the abuse of a dominant position by any enterprise. If it is proven that a breach of the Competition Act committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the breach themselves and may be punished as an individual. If we, or any of our employees are penalized under the Competition Act, our business may be adversely affected. Further, the Competition Act also regulates combinations and requires approval of the CCI for effecting any acquisition of shares, voting rights, assets or control or mergers or amalgamations above the prescribed asset and turnover based thresholds. On March 4, 2011, the Government of India notified and brought into force new provisions under the Competition Act in relation to combined entities (the "Combination Regulation Provisions"), which came into effect from June 1, 2011. The Combination Regulation Provisions require that any acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, must be notified to and preapproved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 (as amended). These regulations, as amended, set out the mechanism for the implementation of the Combination Regulation Provisions under the Competition Act.

64. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business.

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. As regards the General Anti-Avoidance Rules ("GAAR"), The general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

65. You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.

Under the Companies Act, a company incorporated in India must offer its shareholders 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 shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the shares who have voted on the resolution, or unless the company has obtained approval from the Government of India to issue without such special resolution, subject to votes being cast in favour of the proposal exceeding the votes cast against such proposal. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without our Company filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless our Company makes such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in our Company would be reduced.

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

We currently operate only in India and are dependent on domestic, regional and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent on the steel industry of the Indian economy. There have been periods of slowdown in the economic growth of India. For instance, the past situation of lock-down was prevailed in India due to pandemic Covid-19 spread in India and all other parts of world. If such condition occur in future the Demand for our products & services may be adversely affected by an economic downturn in domestic, regional and global economies. India's economic growth is also affected by various other factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

67. Companies in India are required to prepare financial statements under the new Indian Accounting Standards. In addition, all income-tax assessee in India will be required to follow the Income Computation and Disclosure Standards.

The Ministry of Corporate Affairs ("MCA"), Government of India, has through notification dated February 16, 2015 issued the Indian Accounting Standards Rules, 2015 ("Ind AS") which have come into effect from April 1, 2015 and are applicable to companies which fulfill certain conditions. Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations or financial condition. Any of these factors relating to the use of Ind AS may adversely affect our financial condition and results of operations. Further, the Ministry of Finance, Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for computation of taxable income. The ICDS shall apply from the assessment year 2017-2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

68. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;

- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;

69. *A significant change in the Government of India's economic liberalization and deregulation policies could adversely affect our business and the price of our Equity Shares.*

The Government of India has traditionally exercised, and continues to exercise, a dominant influence over many aspects of the economy. Unfavorable government policies including those relating to the internet and e-commerce, consumer protection and data-privacy, could adversely affect business and economic conditions in India, and could also affect our ability to implement our strategy and our future financial performance. Since 1991, successive governments, including coalition governments, have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector and encouraging the development of the Indian financial sector. However, the members of the Government of India and the composition of the coalition in power are subject to change. As a result, it is difficult to predict the economic policies that will be pursued by the Government of India. For example, there may be an increasing number of laws and regulations pertaining to the internet and ecommerce, which may relate to liability for information retrieved from or transmitted over the internet or mobile networks, user privacy, content restrictions and the quality of services and products sold or provided through the internet. The rate of economic liberalization could change and specific laws and policies affecting the financial services industry, foreign investment, currency exchange and other matters affecting investment in our securities could change as well. Any significant change in India's economic liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

SECTION III – INTRODUCTION

THE OFFER

PRESENT OFFER DETAILS IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Equity Shares Offered through Public Offer: *(1)(2)	Offer of up to 27,20,000 Equity Shares of face value of ₹10/- each fully paid- up at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Consisting of:	
Fresh Issue	Up to 21,80,000 Equity Shares of face value of ₹10/- each fully paid- up at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Offer for Sale	Up to 5,40,000 Equity Shares of face value of ₹10/- each fully paid- up at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
Reserved for Market Makers	[●] Equity Shares of face value of ₹10/- each fully paid- up for cash at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Net Offer to the Public (3)	[●] Equity Shares of face value of ₹10/- each fully paid- up for cash at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
The Net Offer comprises of:	
A. QIB Portion (4)	Not more than [●] Equity Shares of face value of ₹10/- each fully paid- up for cash at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
i. Anchor Investors	Not more than [●] Equity Shares of face value of ₹10/- each fully paid- up for cash at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
ii. Net QIB (assuming the anchor Investor Portion is fully subscribed)	Not more than [●] Equity Shares of face value of ₹10/- each fully paid- up for cash at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
of which:	
a) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)	Not less than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds.	Not more than [●] Equity Shares of face value of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
B. Non-Institutional Investors*	Not less than [●] Equity Shares of face value of ₹10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
of which:	
One third of the Non-Institutional Portion available for bidders with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs	Not less than [●] Equity Shares of face value of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Two third of the Non-Institutional Portion available for bidders with application size of more than ₹10 lakhs	Not less than [●] Equity Shares of face value of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
C. Individual Investor Portion	Not less than [●] Equity Shares of face value of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Pre and Post – Issue Equity Shares	
Equity Shares outstanding prior to the Offer	80,00,000 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Offer#	[●] Equity Shares of ₹ [●]/- each
Use of Proceeds	For details, please refer chapter titled "*Objects of the Offer*" beginning on Page no. 92 of this Draft Red Herring Prospectus for information on use of Offer Proceeds.

**Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of offer price.*

To be updated upon finalization of the Offer Price

(1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (2) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer paid up equity share capital of our company are being offered to the public for subscription.

(2) The present Offer has been authorized pursuant to a resolution of our Board dated September 18, 2026 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on September 21, 2026. Further, our Board has taken on record the consents of the Promoter Selling Shareholders by a resolution of our Board dated September 29, 2026. The Promoter Selling shareholders have consented to participate in the offer for sale in the following manner:

Name of selling shareholders	Authorization letter dated	No. of equity shares of face value of ₹10/ each held	No. of equity shares of face value of ₹10/ each offered
Mr. Kailash Vishnu Nasta	September 29, 2026	40,00,000	Up to 2,70,000 Equity Shares
Mrs. Rhea Kailash Nasta	September 29, 2026	31,99,960	Up to 2,16,000 Equity Shares
Mr. Nitin Jagannath Phirake	September 29, 2026	8,00,000	Up to 54,000 Equity Shares
Total		**79,99,960**	**Up to 5,40,000 Equity Shares**

The Promoter Selling Shareholders confirms that the Equity Shares of face value of ₹10 each being offered by them have been held by them for a period of atleast one year immediately preceding the date of this Draft Red Herring Prospectus and accordingly, are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 and Regulation 8A of the SEBI ICDR Regulations They have not been prohibited from dealings in securities market and the Equity Shares of face value of ₹10/ each offered and sold are free from any lien, encumbrance or third-party rights. The Promoter Selling Shareholders have also severally confirmed that they are the legal and beneficial owners of the Equity Shares of face value of ₹10/ each being offered by them under the Offer for Sale.

(3) The SEBI ICDR Regulations permit the offer of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non- Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Individual Investor who applies for minimum application size and not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Accordingly, we have allocated the Net Offer i.e. not more than 50% of the Net Offer to QIB and not less than 35% of the Net Offer shall be available for allocation to Individual Investors who applies for minimum application size and not less than 15% of the Net Offer shall be available for allocation to non-institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other subcategory of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(4) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. Out of above 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% 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 event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 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, 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 in proportion to their Bids.

(5) Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the BSE Limited, subject to applicable laws.

(6) Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer will be available for allocation to Individual Investor who applies for minimum application size, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Offer only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "Offer Procedure" on page no. 301 of this Draft Red Herring Prospectus.

(7) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allotment of specified securities to applicants other than individual investors who applies for minimum application size, non-institutional investors and anchor investors, shall be on proportionate basis within the specified 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 in the RHP. Allocation to investors in all categories, except the Individual Investor who applies for minimum application size, shall be made on a proportionate basis subject to valid bids received at or above the Offer Price. The allocation to each Individual Investor who applies for minimum application size shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor who applies for minimum application size, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Subject to the availability of shares in non-institutional investors' category, the allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in non-institutional investor category, and the remaining shares, if any, shall be allotted on a proportionate basis in accordance with the provision of SEBI ICDR Regulations.

SUMMARY OF FINANCIAL STATEMENTS

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Equity Share Capital	50.00	50.00	50.00
(b) Reserves and surplus	1,720.03	882.23	397.88
Sub Total Shareholders' Funds (1)	**1,770.03**	**932.23**	**447.88**
LIABILITIES			
(2) NON-CURRENT LIABILITIES			
(a) Long-term borrowings	166.29	234.24	243.93
(b) Other Non-current Liabilities	-	-	-
(c) Long-term provisions	110.59	93.61	95.87
(c) Deferred Tax lability	20.34	-	-
Sub Total Non-Current Liabilities (2)	**297.22**	**327.86**	**339.79**
(3) CURRENT LIABILITIES			
(a) Short-term borrowings:	525.36	222.80	265.69
(b) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	334.90	421.00	505.28
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	711.02	1,014.12	751.53
(c) Other current liabilities	735.03	1,000.25	1,019.04
(d) Short-term provisions	14.11	27.33	62.21
Sub Total Current Liabilities (3)	**2,320.43**	**2,685.50**	**2,603.75**
TOTAL EQUITY AND LIABILITIES (1+2+3)	**4,387.68**	**3,945.59**	**3,391.42**
Assets			
(1) NON-CURRENT ASSETS			
(a) Property, Plant and Equipment and Intangible assets			
i) Property, Plant and Equipment	257.14	259.78	195.32
ii) Intangible Asset	1.58	4.15	0.34
iii) Capital Work in Progress	-	-	-
(b) Non-current investments		-	-
(c) Deferred Tax Assets	-	24.53	33.22
(d) Other Non-Current Assets	354.12	19.71	25.41
Sub Total Non-Current Assets (A)	**612.84**	**308.17**	**254.29**
(2) CURRENT ASSETS			
(a) Current Investments	-	-	-
(b) Inventories	508.81	1,096.45	339.78
(c) Trade receivables	2,687.47	1,785.14	2,139.39
(d) Cash and cash equivalents	286.65	574.39	366.25
(e) Short-term loans and advances	288.55	176.63	268.00
(f) Other current assets	3.35	4.80	23.71
Sub Total Current Assets (B)	**3774.85**	**3637.42**	**3137.13**
TOTAL ASSETS (1+2)	**4,387.68**	**3,945.59**	**3,391.42**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Revenue			
Revenue from operations	10,080.00	8,764.90	8,115.23
Other income	41.15	35.52	33.19
Total Income	**10,121.15**	**8,800.42**	**8,148.42**
Expenses			
Purchase of Stock in Trade	-	-	-
Cost of Material Consumed	6,594.96	6,088.60	5,583.56
Change in Inventories of Finished goods and WIP	126.89	-215.46	280.95
Employees Benefit Expenses	584.88	717.43	502.74
Finance Costs	80.78	66.97	48.82
Depreciation and Amortization	68.56	50.20	30.97
Other Expenses	1,488.37	1,372.86	1,286.82
Total Expenses	**8,944.44**	**8,080.60**	**7,733.87**
PROFIT BEFORE TAX EXCEPTIONAL ITEMS	**1,176.71**	**719.82**	**414.55**
Exceptional Items (Prior Period)	-	-	-
Profit before tax	**1,176.71**	**719.82**	**414.55**
Tax Expense			
Current tax	-274.04	-206.79	-141.39
Excess/Shortage of Taxes Paid			-
Deferred Tax Provided (Written Back)	-44.87	-8.69	30.17
Total Tax Expenses	**-318.91**	**-215.47**	**-111.23**
Profit/(loss) for the period	**857.80**	**504.35**	**303.32**
Earnings per equity share (`10/-)			
a) Basic EPS and Diluted EPS	1,715.59	1,008.70	606.65
b) Adjusted Basic EPS and Diluted EPS	10.72	6.30	3.79

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax	**1,176.71**	**719.82**	**414.55**
Adjustments for:			
Depreciation	68.56	50.20	30.97
Finance Cost	80.78	66.97	48.82
Adjustment of Non Cash Items	19.45	(0.35)	8.05
Interest Income	(20.07)	(31.88)	(13.41)
Operating profit before working capital changes	**1,325.44**	**804.77**	**488.99**
Movements in working capital :	-	-	-
(Increase)/Decrease in Inventories	587.65	(756.68)	354.21
(Increase)/Decrease in Trade Receivables	(902.32)	354.25	(846.13)
(Increase)/Decrease in Loans & Advances	(111.92)	91.37	(274.06)
(Increase)/Decrease in Other Current Assets	1.45	18.92	68.62
Increase/(Decrease) in Trade Payables	(389.20)	178.31	(700.76)
Increase/(Decrease) in Other Current Liabilities	(265.68)	(19.55)	884.79
(Increase)/Decrease in Other Non Current Assets	(334.41)	5.70	(25.41)
Increase/(Decrease) in Long Term Provisions	0.00	(0.00)	-
Increase/(Decrease) in Short Term Provisions	(15.25)	(36.02)	0.30
Cash generated from operations	**(104.25)**	**641.06**	**(49.45)**
Adjustment on Account of Income Tax Expense	(274.04)	(206.79)	(141.39)
Net cash from operating activities (A)	**(378.30)**	**434.27**	**(190.84)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Sale/(Purchase) of Investments	-	-	153.99
Interest Income	20.07	31.88	13.41
Sale/(Purchase) of Fixed Assets	(63.36)	(118.47)	(42.68)
Net cash from investing activities (B)	**(43.29)**	**(86.59)**	**124.71**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest/Other expenses paid on borrowings	(80.78)	(66.97)	(48.82)
Repayment of Long Term Borrowings	(67.95)	(9.68)	(90.24)
Repayment in Short Term Borrowings	-	(42.89)	-
Proceeds from Short Term Borrowings	302.56	-	151.12
Payment of Dividend	(20.00)	(20.00)	(15.00)
Net cash from financing activities (C)	**133.84**	**(139.54)**	**(2.94)**
Net increase in cash and cash equivalents (A+B+C)	**(287.74)**	**208.15**	**(69.07)**
Cash and cash equivalents at the beginning of the year	**574.39**	**366.25**	**435.32**
Cash and cash equivalents at the end of the year	**286.65**	**574.39**	**366.25**

SUMMARY OF CONTINGENT LIABILITIES

The below table represents the summary of the Contingent Liabilities of our company for the period ended March 31, 2026, March 31, 2025 and March 31, 2024 based in Restated Financial Statements:

(₹ in Lakhs)

A. Claims against the Company (including unasserted claims) not acknowledged as debt:			
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
1. Bank Guarantees Outstanding*	259.24	398.60	287.60
2. Income Tax Demand	1.70	1.70	1.70
3. TDS Demands**	8.83	4.45	4.14
4. GST Demand***	-	-	-
Total	**269.77**	**404.75**	**293.44**
Note: * Subsequent to the balance sheet date, the Company has been issued fresh Bank Guarantees amounting to ₹ 327.62 Lakh between April 1, 2026, and the date of approval of these Restated Financial Statements, in the ordinary course of business. There is no financial impact of this event on the financial statements for the year ended March 31, 2026.			
** TDS demand includes short payment/Non-payment along with interest and penalty for FY 2026-27 amounts to Rs 3.40 Lakhs which is not included.			
*** The Company has received notices from the GST Department under Form ASMT-10 for FY 2023-24, proposing tax liabilities, including interest, of ₹7.43 lakhs and ₹6.00 lakhs respectively and Form DRC 01 for FY 2021-22, proposing tax liabilities of ₹ 0.20 Lakh. The Company has furnished its replies to the notices and is awaiting further communication from the department.			

SUMMARY OF RELATED PARTY TRANSACTIONS

Statement of Related Party & Transactions:

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1.	Mr. Kailash Vishnu Nasta (Chairman cum Managing Director)	Key Management Personnel
2.	Mrs. Rhea Kailash Nasta (Whole-time Director)	Key Management Personnel
3.	Mr. Nitin Jagannath Phirake (Whole-time Director)	Key Management Personnel
4.	Mr. Hriday Nasta	Relative to KMP
5.	Ms. Meher Nasta	Relative to KMP
6.	Mr. Navneet Phirake	Relative to KMP

Transactions based on Restated Standalone Financial Statement:

(₹ in lakhs)

Nature of Transactions	Name of Related Parties	As at March 31, 2026	% of Revenue from Operations	As at March 31, 2025	% of Revenue from Operations	As at March 31, 2024	% of Revenue from Operations
1. Directors Remuneration	Mr. Kailash Vishnu Nasta	91.80	0.91%	79.20	0.90%	48.00	0.59%
	Mr. Amjad Ahmed Sheikh	-	-	79.20	0.90%	48.00	0.59%
	Mr. Nitin Jagannath Phirake	28.38	0.28%	24.18	0.28%	18.12	0.22%
	Mr. Prashant Dattatray Patil	-	-	34.38	0.39%	18.12	0.22%
	Mrs. Rhea Kailash Nasta	30.00	0.30%	-	-	-	-
	Total	**150.18**	**1.49%**	**216.96**	**2.48%**	**132.24**	**1.63%**
2. Commission Expenses	Mr. Kailash Vishnu Nasta	-	-	-	-	40.58	0.50%
	Mr. Amjad Ahmed Sheikh	-	-	-	-	32.46	0.40%
	Mr. Nitin Jagannath Phirake	-	-	-	-	4.06	0.05%
	Mr. Prashant Dattatray Patil	-	-	-	-	4.06	0.05%
	Total	**-**	**-**	**-**	**-**	**81.15**	**1.00%**
3. Reimbursement of Expenses	Mr. Kailash Vishnu Nasta	-	-	14.93	0.17%	21.79	0.27%
	Mr. Amjad Ahmed Sheikh	-	-	3.32	0.04%	12.02	0.15%
	Mr. Nitin Jagannath Phirake	-	-	5.78	0.07%	17.09	0.21%
	Mr. Prashant Dattatray Patil	-	-	10.73	0.12%	18.85	0.23%
	Total	**-**	**-**	**34.77**	**0.40%**	**69.75**	**0.86%**
4. Salary paid to KMP / Relative of KMP	Mr Hriday Nasta	12.00	0.12%	-	-	-	-
	Ms. Meher Nasta	1.50	0.01%	-	-	-	-
	Mr. Navneet Phirake	2.16	0.02%	-	-	-	-

	Total	**15.66**	**0.16%**	**-**	**-**	**-**	**-**
5. Loan Received (Paid) during the Year to Related Parties	**Mr. Kailash Vishnu Nasta**						
	Opening Balance	-	-	47.00	0.54%	70.00	0.86%
	Loan Received during the year	-	-	2.50	0.03%	-	-
	Loan Paid during the year	-	-	(49.50)	(0.56%)	(23.00)	(0.28%)
	Closing Balance	**-**	**-**	**-**	**-**	**47.00**	**0.58%**
	Mr. Amjad Ahmed Sheikh						
	Opening Balance	-	-	42.60	0.49%	56.00	0.69%
	Loan Received during the year	-	-	-	-	5.00	0.06%
	Loan Paid during the year	-	-	(42.60)	(0.49%)	(18.40)	(0.23%)
	Closing Balance	**-**	**-**	**-**	**-**	**42.60**	**0.52%**
	Mr. Nitin Jagannath Phirake						
	Opening Balance	-	-	4.70	0.05%	7.00	0.09%
	Loan Received during the year	-	-	0.12	0.00%	-	-
	Loan Paid during the year	-	-	(4.82)	(0.05%)	(2.30)	(0.03%)
	Closing Balance	**-**	**-**	**-**	**-**	**4.70**	**0.06%**
	Mr. Prashant Dattatray Patil						
	Opening Balance	-	-	4.70	0.05%	7.00	0.09%
	Loan Received during the year	-	-	0.12	0.00%	-	-
	Loan Paid during the year	-	-	(4.82)	(0.05%)	2.30	(0.03%)
	Closing Balance	**-**	**-**	**-**	**-**	**4.70**	**0.06%**
6. Outstanding Balances of Directors	Mr. Kailash Vishnu Nasta	-	-	-	-	74.94	0.92%
	Mr. Amjad Ahmed Sheikh	-	-	-	-	64.96	0.80%
	Mr. Nitin Jagannath Phirake	-	-	-	-	7.52	0.09%
	Mr. Prashant Dattatray Patil	-	-	-	-	12.22	0.15%
	Total	**-**	**-**	**-**	**-**	**159.64**	**1.97%**

GENERAL INFORMATION

Our Company was originally incorporated as "Ace Furnaces Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 24, 2014 issued by the Registrar of Companies, Maharashtra at Mumbai, having Corporate Identification Number U29242MH2014PTC253538. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company held on August 31, 2026 and consequently the name of our Company was changed to "Ace Furnaces Limited" pursuant to Certificate of Incorporation Consequent upon conversion to public company dated September 18, 2026 issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre having Corporate Identification Number U29242MH2014PLC253538.

The promoters of our company are Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake.

For further details, please refer to chapter titled "History and Corporate Structure" beginning on page 198 of this Draft Red Herring Prospectus.

BRIEF INFORMATION ON COMPANY AND OFFER

Particulars	Details			
Name of Issuer	**ACE FURNACES LIMITED**			
Registered & Corporate Office	Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Estate, Thane, Thane, Maharashtra, India, 400604. **Telephone No.:** +91-8097600759 **Website:** www.acefurnaces.com **E-Mail:** compliance@acefurnaces.com			
Date of Incorporation	February 24, 2014			
Company Identification Number	U29242MH2014PLC253538			
Company Registration Number	253538			
Company Category	Company Limited by Shares			
Registrar of Company	ROC Mumbai II			
Address of the RoC	100, Everest, Marine Drive, Mumbai-400002, Maharastra **Phone:** 022-22812627			
Company Secretary and Compliance Officer	Ms. Mukta Bhansali			
Chief Financial Officer	Mr. Ganesh Shankar Srivastav			
Designated Stock Exchange	SME Platform of BSE Limited **Address:** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Maharashtra, India			
Offer Programme	**Offer Opens On:**	**[●]**	**Offer Closes On**:**	**[●]**
	Anchor Bid Opens on: [●] *			

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

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

Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Offer *Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the* Offer *Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days. The UPI mandate acceptance / confirmation end time shall be at 5.00 p.m. on the Bid/* Offer *Closing Date.*

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any Pre- Offer or Post- Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. for all Offer related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the Applicant, number of Equity Shares applied for, the Application amount paid on submission of the Application Form and the bank branch or collection center where the Application was submitted.

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 application was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the application was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Applicant, Application Form number, address of the applicant, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of 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 Application was submitted, and the ASBA Account number in which the amount equivalent to the application 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 Application was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the application 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 applicant, Application Form number, address of the applicant, applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of 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 Application was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the application Amount was blocked.

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM are required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

BOARD OF DIRECTORS OF OUR COMPANY

As on date of the Draft Red Herring Prospectus, our Board of Directors comprises of following Directors.

Sr. No.	Name	Designation	Address	DIN
1.	Mr. Kailash Vishnu Nasta	Chairman cum Managing Director	201/301, Devkripa, Mogul lane, Mahim West, Mumbai, Maharashtra 400016	01966871
2.	Mrs. Rhea Kailash Nasta	Whole-Time Director	201/301, Devkripa, Mogul lane, Mahim West, Mumbai, Maharashtra 400016	11031314
3.	Mr. Nitin Jagannath Phirake	Whole-Time Director	401/A Pranit Building, Barave Road, Sai Chowk, Khadakpada, Kalyan West, Thane, Maharashtra, 421301	06956475
4.	Mr. Muralidhar Sunil Chaudhari	Non-Executive Director	2/803 Indraprastha Above Andhra Bank Near Adharwadi Chowk, M.K. Singh High School Road, Kalyan West, Thane, Maharashtra 421301	07480536
5.	Mr. Rohit Shripad Karulkar	Independent Director	3/15, Makarand Society, Sane Guruji Road, Near B Cabin, Shivaji Nagar, Naupada, Thane West, Maharashtra 400602	02575888
6.	Mr. Vivek Dinesh Nathwani	Independent Director	Flat no. 202, Mangal Kiran Apartment, Kalavad Road, Ramdham Plots, Rajkot Sau Uni Area, Gujarat 360005	09791683

For further details, pertaining to the education qualification and experience of our directors, please refer the chapter titled "Our Management" beginning on Page no. 204 of this Draft Red Herring Prospectus.

DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS OFFER AND OUR COMPANY

BOOK RUNNING LEAD MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
BEELINE CAPITAL ADVISORS PRIVATE LIMITED **SEBI Registration Number:** INM000012917 **Address**: B/1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. **Telephone Number:** +91 79 49185784 **Email Id:**mb@beelinemb.com **Investors Grievance Id:** ig@beelinemb.com **Website:**www.beelinemb.com **Contact Person:** Mr. Nikhil Shah **CIN:** U67190GJ2020PTC114322	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** **Address:** Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near Lodha Excelus, Lower Parel (East), Mumbai – 400011, Maharashtra, India. **Tel No:** 022- 4134 3255 / 4134 3256 **Email:** newissue@purvashare.com **Investor Grievance E-mail:** newissue@purvashare.com **Website:** www.purvashare.com **Contact Person:** Ms. Deepali Gaonkar **SEBI Registration Number:** INR000001112
PEER REVIEW AUDITOR & STATUTORY AUDITORS OF THE COMPANY	**LEGAL ADVISOR TO THE OFFER**
M/s. Abhishek Kumar & Associates., Chartered Accountants 401, Silicon Tower, Near Samartheshwar Mahadev Temple, Law Garden, Navrangpura, Ahmedabad-380009, India **Tel:** 9227404064 **Email:** abhisheksagrawal@yahoo.co.in **Contact Person:** CA Abhishek Agrawal **Firm Registration No.:** 130052W **Membership No:** 132305	**M/s. ShriVara law Offices** A-817, Spectrum Metro Mall, Phase-1, Plot No. C&D, Sector-75, Noida, Gautam Buddha Nagar-201318, Uttar Pradesh **Tel:** +91-9582160897/ 0120-4528594 **Website:** www.shrivaralaw.com **Email Id:**Partners@shrivaralaw.com **Contact Person:** Harshal Madan/Jhalak Sachdeva
BANKERS TO THE COMPANY	
ICICI Bank Limited Bhoomi Velocity, Infotech Park, Plot No-39, Road No.23, Wagle Industrial Estate, Thane-400604, Maharashtra, India **Telephone:** +91-9271851887 **Website:** www.icici.bank.in **Contact person:** Pankaj Chowla **Email:** Pankaj.chowla@icici.bank.in	**HDFC Bank Limited** Lotus Park, Ground Floor, Plot No.18/19, Wagle Estate, Thane-400604, Maharashtra, India **Telephone:** +91-9323176834 **Website:** www.hdfc.bank.in **Contact person:** Shilpa Chugh **Email:** Shilpa.chugh@hdfc.bank.in
MARKET MAKER TO THE OFFER	**BANKERS TO THE OFFER, REFUND BANKER AND SPONSOR BANK**
SPREAD X SECURITIES PRIVATE LIMITED **Address:** Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmadabad City Gujarat 380054 India. **Telephone:** +91 7969072018 **E mail:** info@spreadx.in **Website:** www.spreadx.in **Contact Person:** Mrs. Khushbu Shah	[●]
SHARE ESCROW AGENT	**SYNDICATE MEMBERS**
[●]	[●]

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

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

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

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

Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

In accordance with 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, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the UPI Bidders may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided in the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at 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, as updated from time to time.

BROKERS TO THE OFFER

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

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the Registrar to Offer and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19 for NSDL CDPs and at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18 for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Beeline Capital Advisors Private Limited is the sole Book Running Lead Manager to this Offer, and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter se allocation of responsibilities among Book Running Lead Managers is not required.

CREDIT RATING

As this is an Offer of Equity Shares, there is no credit rating for this Offer.

IPO GRADING

Since the offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

GREEN SHOE OPTION

No green shoe option is applicable for the Offer.

FILING OF DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus is being filed with BSE Limited, situated at Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001.

Pursuant to Regulation 247(1) of SEBI (ICDR) Regulations 2018, the Draft Red Herring Prospectus filed with BSE SME has been made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Red Herring Prospectus, by hosting it along with draft abridged prospectus on our Company's website, Stock Exchange's website and Book Running Lead Manager's website.

Pursuant to Regulation 247(2) of SEBI (ICDR) Regulations 2018, our Company shall, within two working days of filing the Draft Red Herring Prospectus with BSE SME, made a public announcement in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and all editions of a regional daily newspaper (where our Registered Office is located), disclosing the fact of filing of the Draft Red Herring Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME Exchange, our Company or the Book Running Lead Manager in respect of the disclosures made in the Draft Red Herring Prospectus.

Pursuant to Regulation 247(3) of SEBI (ICDR) Regulations 2018, the Book Running Lead Manager shall, after expiry of the period stipulated in sub-regulation (1), filed with the BSE SME, details of the comments received by them or the issuer from the public, on the Draft Red Herring Prospectus, during that period and the consequential changes, that are required to be made in the Draft Red Herring Prospectus.

The Draft Red Herring Prospectus will not be filed with SEBI nor will SEBI offer any observation on the draft offer document in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the RHP/Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of Draft Red Herring Prospectus and Draft Abridged Prospectus will be available on the website of the company www.acefurnaces.com, Book Running Lead Manager www.beelinemb.com and stock exchange www.bseindia.com and a copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 of the Companies Act, with the ROC situated at Office of Registrar of Companies, Mumbai II , 100, Everest, Marine Drive, Mumbai-400002, Maharashtra and through the electronic portal at http://www.mca.gov.in/mcafoportal.

EXPERT OPINION

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

Our Company has received the written consent dated September 29, 2026 from our Statutory Auditors, M/s. Abhishek Kumar & Associates, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 29, 2026 on the Restated Financial Information; and (ii) report dated September 29, 2026 on the statement of special tax benefits available to our Company, its shareholders under the direct and indirect tax laws in India, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received a written consent dated September 29, 2026 from the Practicing Company Secretary, namely, M/s. Aparna Paricharak & Associates, Company Secretaries having the membership number F7172, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practising company secretary to our Company, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated September 28, 2026 from M/s. Creative Services, to include their name in this Draft Red Herring Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of his certificate on the installed capacity and Plant & Machineries of the Company in connection with the Issue and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

CHANGES IN AUDITORS IN LAST THREE YEARS

Details of Previous Auditor	Date of Cessation	Details of New Auditor	Date of change	Reason for change
M/s. Ashwini Singh and Associates Chartered Accountants 904, Ashwood, Acme Ozone, Manpada, Thane (West)-400610, Maharashtra, India **Tel:** +91 9699110077 **Email:** ca.ashwinissingh@gmail.com **Contact Person:** CA Ashwini Santosh Singh **Firm Registration No.:** 155823W **Membership No:** 601925	June 15, 2026	**M/s. Abhishek Kumar & Associates** Chartered Accountants 401, Silicon Tower, Near Samartheshwar Mahadev Temple, Law Garden, Navrangpura, Ahmedabad-380009, India **Tel:** +91 9227404064 **Email:** abhisheksagrawal@yahoo.co.in **Contact Person:** CA Abhishek Agrawal **Firm Registration No.:** 130052W **Membership No:** 132305	June 30, 2026	Appointment as the Previous Statutory Auditor is not Peer Reviewed.

TRUSTEES

As this is an offer of Equity Shares, the appointment of Debenture Trustees is not required.

APPRAISAL AND MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Offer size is below Rs. 5000.00 Lakhs.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Red Herring Prospectus.

The object of the offer and deployment of funds are not appraised by any independent agency/bank/financial institution.

BOOK BUILDING PROCESS

Book Building, with reference to the offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and in regional newspaper where our registered office is situated at least two working days prior to the Bid/ offer Opening date. The Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Offer Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- Promoter Selling Shareholders
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer;
- The Escrow Collection Banks/ Bankers to the Offer and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Offer of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations

The Offer is being made through the Book Building Process wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the "Anchor Investor Portion"). Out of above 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds and life insurance companies and pension funds at or above the Anchor Investor Allocation Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders who applies for minimum application size, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.

All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Non-Institutional Investors with an application size of 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. 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.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer. In accordance with the SEBI ICDR Regulations, All Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid Bids being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for Individual Investor who applies for minimum application size Portion where allotment to each Individual Bidder who applies for minimum application size shall not be less than the minimum bid lot, subject to availability of Equity Shares in Individual Investors Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. 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.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled "*Offer Procedure*" beginning on page 301 of this Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled "Offer *Procedure*" on page 301 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "Offer *Procedure*" on page 301 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

Bid/ Offer Program:

Event	Indicative Dates
Bid/ Offer Opening Date	[●]*
Bid/ Offer Closing Date	[●]**
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

**Our Company in consultation with the Book Running Lead Manager 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 BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

****UPI Mandate Acceptance/ Confirmation shall be available upto 5:00 PM on the last day of bidding*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. 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 Exchange are taken within 3 Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for all Bidders. The time for applying for Individual Investor who applies for minimum application size applying in public Offer on Bid/ Offer Closing Date maybe extended in consultation with the BRLM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not 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 Bid Cum Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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 Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

WITHDRAWAL OF THE OFFER

Our Company in consultation with the BRLM, reserve the right not to proceed with the Offer at any time before the Bid/ Offer Opening Date without assigning any reason thereof.

If our Company withdraw the Offer any time after the Bid/ Offer Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Bid/ Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Offer after the Bid/ Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Prospectus with ROC.

UNDERWRITING AGREEMENT

The Company and the Book Running Lead Manager to the Offer hereby confirm that the Offer is 100% Underwritten by Beeline Capital Advisors Private Limited in the capacity of Underwriter to the Offer.

Pursuant to the terms of the Underwriting Agreement dated September 29, 2026 entered into by Company, Promoter Selling Shareholders and Underwriter – Beeline Capital Advisors Private Limited, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Offer Size Underwritten
BEELINE CAPITAL ADVISORS PRIVATE LIMITED **SEBI Registration Number:** INM000012917 **Address:** B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad- 380054, Gujarat, India. **Telephone Number:** +91 7949185784 **Email Id:** mb@beelinemb.com **Investors Grievance Id:** ig@beelinemb.com **Website:** www.beelinemb.com **Contact Person:** Mr. Nikhil Shah	Upto 27,20,000 Equity Shares of face value of ₹10 each	[●]	100%

**Includes [●] Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In accordance with Regulation 260(2) of the SEBI ICDR Regulations and amendments thereto, this Offer has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Book Running Lead Manager to the Offer have underwritten at least 15% of the total Offer Size. In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our company may, in consultation with the Book Running Lead Manager, shall allot at least 5.00% of the Issue to the Market Maker under the Market Maker Reservation Portion as per the Regulation 261(4) of the SEBI ICDR Regulations. Our Company has entered into a Market Making Agreement dated September 29, 2026 with the following Market Maker for fulfilling the Market Making obligations under this Offer:

Name	Spread X Securities Private Limited
Correspondence Address	Shilp Corporate Park, B Block, 13th Floor, B-1309, Near Rajpath Club, Rajpath Rangoli Road, S.G. Highway, Ahmadabad City Gujarat 380054 India
Telephone	+91 7969072018
E-mail	info@spreadx.in
Website	www.spreadx.in
Contact Person	Mrs. Khushbu Shah
SEBI Registration No.	INZ000310930

The Market Maker shall comply with the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the BSE and SEBI in this regard from time to time.

In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the Designated Stock Exchange and SEBI regarding this matter from time to time.

In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the book running lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the Designated Stock Exchange.

In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement:

1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited (BSE SME) and SEBI from time to time

3) The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME Platform of BSE from time to time).

5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Offer Size (Including the [●] Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2-way quotes.

6) The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE Limited (BSE SME) i.e. BSE Limited ("BSE") from time to time.

7) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.

8) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

9) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

10) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

11) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.

12) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13) The Market Maker(s) shall have the right to terminate said arrangement by giving a one months' notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

14) In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

15) Risk containment measures and monitoring for Market Makers: BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

16) The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time.

17) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:

i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform.

Sr.No.	Market Price Slab (In ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

The Book Running Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI ICDR Regulations.

The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of our Company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.

Risk containment measures and monitoring for Market Maker: The SME platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE may impose other margins as deemed necessary from time-to-time.

Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Offer size and as follows:

Offer Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)
Up to ₹ 20 Crore	25%	24%
₹ 20 Crore To ₹ 50 Crore	20%	19%
₹ 50 Crore To ₹ 80 Crore	15%	14%
Above ₹80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE from time to time.

All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on BSE SME.

In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME.

CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the offer and after giving effect to the offer, as on the date of filing of the Draft Red Herring Prospectus, is set forth below:

(₹ In Lakh except per share amount)

Sr. No.	Particulars		Aggregate Nominal value	Aggregate value at offer price [(1)]
1.	**AUTHORIZED SHARE CAPITAL [(2)]** 1,50,00,000 Equity Shares of face value of ₹10/- each		1,500.00	[●]
2.	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE OFFER** 80,00,000 Equity Shares of face value of ₹ 10/- each		800.00	[●]
3.	**PRESENT OFFER IN TERMS OF THE DRAFT RED HERRING PROSPECTUS [(3)(4)]**			
	Offer of up to 27,20,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹ [●] lakhs		[●]	[●]
	of which			
	Fresh Issue of up to 21,80,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹ [●] lakhs		[●]	[●]
	Offer for Sale of up to 5,40,000 Equity Shares of face value of ₹10/- each, aggregating up to ₹ [●] lakhs		[●]	[●]
	Which comprises			
	Reservation for Market Maker: [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion		[●]	[●]
	Net Offer to Public: [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share to the Public		[●]	[●]
	Net Offer to Public consists of			
	Allocation to Qualified Institutional Buyers:		[●]	[●]
	Anchor Investors	Not more than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Anchor Investors		
	Net QIB (assuming anchor investor portion is fully subscribed)	Not more than [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●] per Equity Share will be available for allocation to Qualified Institutional Buyers, five per cent of which shall be allocated to Mutual Funds	[●]	[●]
	Allocation to Non-Institutional Investors [(5)] *: At least [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors		[●]	[●]
	Allocation to Individual Investor who applies for minimum application size: At least [●] Equity Shares of ₹ 10/- each at an Offer Price of ₹ [●] per Equity Share will be available for allocation to Individual Investor who applies for minimum application size		[●]	[●]
4.	**ISSUED, SUBSCRIBED AND PAID-UP EQUITY CAPITAL AFTER THE OFFER [(6)]** [●] Equity Shares of ₹ 10/- each		[●]	-
5.	**SECURITIES PREMIUM ACCOUNT**	Before the Offer		Nil
		After the Offer		[●]

(1) To be updated upon finalisation of the Offer Price and subject to Basis of Allotment.

(2) For details in relation to the changes in the authorised share capital of our Company since incorporation till the date of this Draft Red Herring Prospectus, see "History and Corporate Structure – Amendments to our Memorandum of Association since incorporation" on page 198.

(3) The Offer has been authorised by our Board pursuant to its resolution dated September 18, 2026 and by our Shareholders' vide special resolution dated September 21, 2026.

(4) Our Board has taken on record the consent letter of the Promoter Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated September 29, 2026. The Promoter Selling Shareholders has confirmed that the Equity Shares being offered by him are eligible for being offered for sale pursuant to the Offer in accordance with Regulation 8 and Regulation 8A of the SEBI ICDR Regulations. For further details, please see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 56 and 269, respectively.

(5) of which (a) one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs and (b) two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size exceeding ₹ 10 lakhs provided under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion.

(6) Assuming full subscription of the Offer.

CLASS OF SHARES

The Company has only one class of shares i.e. Equity Shares of ₹10/- each only and all Equity Shares are ranked pari-passu in all respects. All Equity Shares issued are fully paid-up as on date of the Draft Red Herring Prospectus.

Our Company does not have any partly paid-up equity shares as on the date of the Draft Red Herring Prospectus.

The Company has not issued any convertible instruments like warrants, debentures, etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE:

1. Share Capital History of our Company:

(a) The following table sets forth details of the history of the Paid-up Equity Share capital of our Company:

Sr. No.	Date of allotment or Calls made	Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (In ₹)	Issue price per Equity Share [including premium] (In ₹)	Nature of consideration	Cumulative Number of Equity Shares	Cumulative Paid-up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
1.	February 28, 2014*	Subscription to Memorandum of Association (1)	1,000	100	100	Cash	1,000	1.00	-
2.	November 17, 2015	Right Issue of Equity Share in the ratio of 49:1 (2)	49,000	100	100	Cash	50,000	50.00	-
Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 01, 2026 and the Board Resolution dated May 06, 2026, each existing Equity Share having a face value of ₹100 each was sub-divided into 10 (Ten) Equity Shares having a face value of ₹10 each. Consequently, the issued, subscribed and paid-up Equity Share Capital of the Company comprising 50,000 Equity Shares of face value ₹100 each stood sub-divided into 5,00,000 Equity Shares of face value ₹10 each.									
3.	July 22, 2026#	Bonus Issue in the ratio of 15:1 (3)	75,00,000	10	10	NA	80,00,000	800.00	-

**Our Company was incorporated on February 24, 2014. The date of subscription to the Memorandum of Association is February 16, 2014 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on February 28, 2014.*

#Pursuant to resolution of our Shareholders dated July 18, 2026, and Board resolution dated July 10, 2026, our Company has issued and allotted 75,00,000 Equity Shares by way of bonus issue in the ratio of 15 Equity Shares for every 1 (one) Equity Share held by our Shareholders on the record date i.e., July 10, 2026.

(1) The details of allotment of 1,000 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Association are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per Equity share (in ₹)	Issue Price per Equity share including premium (in ₹)
1.	Mr. Prakash Dharamdas Mehta	360	100.00	100.00
2.	Mr. Salimuddin Gitay	295	100.00	100.00
3.	Mr. Sheikh Aslam	295	100.00	100.00
4.	Mr. Shirish Chandrakant Parayane	50	100.00	100.00
Total		**1,000**		

(2) The details of the Right Issue of 49,000 fully paid-up Equity Shares are as follows:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per Equity share (in ₹)	Issue Price per Equity share including premium (in ₹)
1.	Mr. Kailash Vishnu Nasta	15,190	100.00	100.00
2.	Mr. Amjad Ahmed Sheikh	14,455	100.00	100.00
3.	Mr. Salimuddin Mohammed Saeed Gitay	14,455	100.00	100.00
4.	Mr. Nitin Jagannath Phirake	2,450	100.00	100.00
5.	Mr. Prashant Dattatray Patil	2,450	100.00	100.00
Total		**49,000**		

(3) Bonus issue of 75,00,000 fully paid-up Equity Shares of ₹10 each in the ratio of 15:1 made to the existing shareholders of the Company pursuant to the resolution passed by the Board of Directors on July 22, 2026:

Sr. No.	Name of Allottees	No. of Equity Shares Allotted	Face Value per Equity share (in ₹)	Issue Price per Equity share including premium (in ₹)
1.	Mr. Kailash Vishnu Nasta	37,50,000	10.00	-
2.	Mrs. Rhea Kailash Nasta	30,00,000	10.00	-
3.	Mr. Nitin Jagannath Phirake	7,50,000	10.00	-
Total		**75,00,000**		

(b) Preference Share Capital

As on the date of this Draft Red Herring Prospectus, our Company does not have any Preference Share Capital.

2. Issue of Equity Shares for consideration other than cash

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reason for Allotment	Benefits Accrued to our Company	Name of Allottees	No. of Equity Shares Allotted
July 22, 2026	75,00,000	10	Nil	Bonus in the ratio of 15:1 i.e. 15 Equity Share for every 1 Equity Shares held	Capitalization of Reserves & Surplus*	Mr. Kailash Vishnu Nasta	37,50,000
						Mrs. Rhea Kailash Nasta	30,00,000
						Mr. Nitin Jagannath Phirake	7,50,000

*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

3. The issuer company is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of Draft Red Herring Prospectus.

4. Our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under Sections 230 to 234 of the Companies Act, 2013.

5. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. Except for the Bonus Issue made on July 22, 2026 for 75,00,000 Equity Shares of face value of ₹10/- each as mentioned in point no. 2 above, no Equity shares have been issued at price below the Issue price within last one year from the date of the date of the Draft Red Herring Prospectus.

7. Issue of Equity Shares under employee stock option scheme

Pursuant to the resolutions passed by our Board dated September 18, 2026, and Shareholders' dated September 21, 2026, respectively, our Company has approved the AFL ESOP 2026 for issue of options to the eligible employees which may result in issue of Equity Shares not exceeding 5% of the total paid up equity share capital of the company as on September 18, 2026. The AFL ESOP 2026 has been framed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended. The employee stock options in terms of the AFL ESOP 2026 shall only be, issued to the Eligible Employees (as defined below), in accordance with the prevailing laws.

The objectives of the AFL ESOP 2026 are to create a variable pay structure for the employees, incentivize them in line with our Company's performance, to retain and motivate senior and critical human resources and to promote long term commitment to our Company.

(i) ***Eligible Employees:*** The eligible employee includes an employee of our Company, whether working in, or outside, India; or a director of our Company, whether whole-time director or not. However, (a) an employee of the Company, who is a Promoter or belongs to the Promoter Group; (b) a director of our Company, who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Equity Shares of our Company; and (c) independent directors of the Company in terms of the Companies Act, are excluded from the definition of eligible employees for the purposes of the AFL ESOP 2026.

(ii) ***Grant of Options and Exercise Price:*** The Options to be granted under the AFL ESOP 2026 shall vest every year up to a maximum of two years from the date of grant. Grant of Options shall be evidenced by an agreement / letter which shall be deemed to incorporate all the terms of the AFL ESOP 2026. The exercise price, subject to applicable law, prior to listing shall be at a price equal to the per share price determined by an independent valuer for the Equity Shares of our Company or at fair value as may be decided by our Board or post listing, at a price as may be decided by the committee of our Board.

(iii) ***Vesting of Options:*** Options granted under the AFL ESOP 2026 for Eligible Employees shall vest every year up to a maximum of two years from the date of grant. The vesting of Options is subject to continued employment and fulfilment of performance parameters as may be determined by the Nomination and Remuneration Committee and as set out in the grant letter.

(iv) ***Exercise Period:*** The Exercise Period in respect of an Option shall be within 1 year from the date on which the Options have been vested. As of the date of this Draft Red Herring Prospectus, no options have been granted under the ESOP 2026.

(v) ***Lock In period:*** The Equity Shares arising out of Exercise of vested options shall be subject to lock-in period of two years from the date of allotment of such Equity shares under AFL ESOP 2026

8. Our Shareholding Pattern:

As on the date of the DRHP, the Shareholding Pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is as under:

Declaration

Sr. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non-Promoter – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in? *	No	No	No	No
6.	Whether any shares held by promoter are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No
8.	Whether the listed entity has any significant beneficial owner?	No	No	No	No

* All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on SME platform of BSE Limited.

(A). Table I - Summary Statement holding of Equity Shares

Sr. No. (I)	Category of shareholder (II)	Nos. 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 % of total no. of shares (calculated as per SCRR, 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)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								No of Voting (XIV) 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)	
								Class (eg: Equity Shares)	Class (eg: Others)	Total								
(A)	Promoter & Promoter Group	7	80,00,000	0	0	80,00,000	100	80,00,000	0	80,00,000	100	0	100	[●]	[●]	0	0	80,00,000
(B)	Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)	Non-Promoter-Non-Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total	**7**	**80,00,000**	0	0	**80,00,000**	**100**	**80,00,000**	0	**80,00,000**	**100**	0	**100**	[●]	[●]	0	0	**80,00,000**

**As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.*

^ We have only one class of Equity Shares of face value of Rs. 10/- each as on date of Draft Red Herring Prospectus.

9. The shareholding pattern of our Promoters (including Promoter Selling Shareholder) and Promoter's Group and public before and after the Offer:

Sr. No.	Name of shareholders	Pre-Offer		Post Offer	
		No. of equity shares	As a % of Pre-Offer Capital*	No. of equity shares	As a % of Post Offer Capital
Promoters					
1.	Mr. Kailash Vishnu Nasta	40,00,000	50.00	[●]	[●]
2.	Mrs. Rhea Kailash Nasta	31,99,960	39.99	[●]	[●]
3.	Mr. Nitin Jagannath Phirake	8,00,000	10.00	[●]	[●]
Total – A		**79,99,960**	**99.99**	[●]	[●]
Promoter's Group					
1.	Mr. Hriday Kailash Nasta	10	Negligible	[●]	[●]
2.	Ms. Meher Kailash Nasta	10	Negligible	[●]	[●]
3.	Mrs. Veena Vishnu Nasta	10	Negligible	[●]	[●]
4.	Mr. Vishnu Newandram Nasta	10	Negligible	[●]	[●]
Total – B		**40**	**0.01**	[●]	[●]
Public		**-**	-	[●]	[●]
Total (A+B+C)		**80,00,000**	**100.00**	[●]	[●]

**Rounded off*

10. Details of Major Shareholders:

(A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Pre-Offer paid up Capital*
1.	Mr. Kailash Vishnu Nasta	40,00,000	50.00
2.	Mrs. Rhea Kailash Nasta	31,99,960	39.99
3.	Mr. Nitin Jagannath Phirake	8,00,000	10.00
Total		**79,99,960**	**99.99**

**Rounded Off*
Based on the last available beneficiary position statement dated September 25, 2026.

(B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held	% of Pre-offer paid up Capital*
1.	Mr. Kailash Vishnu Nasta	40,00,000	50.00
2.	Mrs. Rhea Kailash Nasta	31,99,960	39.99
3.	Mr. Nitin Jagannath Phirake	8,00,000	10.00
Total		**79,99,960**	**99.99**

**Rounded Off*
Based on the last available beneficiary position statement dated September 11, 2026.

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company One year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held#	% of then existing paid - up capital*
1.	Mr. Kailash Vishnu Nasta	25,000	50.00
2.	Mrs. Rhea Kailash Nasta	20,000	40.00
3.	Mr. Nitin Jagannath Phirake	5,000	10.00
Total		**50,000**	**100.00**

**Details of shares held on September 30, 2025 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2025.*

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company Two years prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held#	% of then existing paid-up capital*
1.	Mr. Kailash Vishnu Nasta	25,000	50.00
2.	Mr. Amjad Ahmed Sheikh	20,000	40.00
3.	Mr. Nitin Jagannath Phirake	2,500	5.00
4.	Mr. Prashant Dattatray Patil	2,500	5.00
Total		**50,000**	**100.00**

**Details of shares held on September 30, 2024 and percentage held has been calculated based on the paid-up capital of our Company as on September 30, 2024.*

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company are listed on the Stock Exchange or all application moneys are refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc, as the case may be.

As on the date of filing the Draft Red Herring Prospectus, except for the Equity Shares to be allotted pursuant to the Issue, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. Further, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutions placement, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or for any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

12. Shareholding of the Promoters and promoter group of our Company:

As on the date of the Draft Red Herring Prospectus, our Promoters Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake hold 79,99,960 Equity Shares representing 99.99% of the Pre-Offer Paid-Up Equity Share Capital of the Company and Promoter Group Comprising of Mr. Hriday Kailash Nasta, Ms. Meher Kailash Nasta, Mrs. Veena Vishnu Nasta and Mr. Vishnu Newandram Nasta hold 40 Equity Shares of the company representing negligible percentage of the pre-offer paid up equity share capital of our Company.

The build-up of equity shareholding of Promoters of our Company is as follows:

MR. KAILASH VISHNU NASTA								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid (in ₹)**	**% of Pre-Offer Capital**	**% of post offer Capital**
August 19, 2014	Transfer of Shares from Mr. Prakash Dharamdas Mehta	310	310	100	100	31,000	0.04	[●]
November 17, 2015	Rights Issue of Equity Shares	15,190	15,500	100	100	15,19,000	1.90	[●]
August 26, 2016	Transfer of Shares from Mr. Salimuddin	9,500	25,000	100	100	9,50,000	1.19	[●]

MR. KAILASH VISHNU NASTA								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid (in ₹)**	**% of Pre-Offer Capital**	**% of post offer Capital**
	Mohammed Gitay							
Pursuant to our Shareholders' resolution dated June 01, 2026, the nominal value of the Equity Shares of the Company was sub-divided from ₹100/-per Equity Shares to ₹10/- per Equity Shares								
July 22 2026	Bonus Issue of Equity Shares (15:1)	37,50,000	40,00,000	10	-	-	46.87	[●]
Total		**40,00,000**				**25,00,000**	**50.00**	[●]

MRS. RHEA KAILASH NASTA								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid (in ₹)**	**% of Pre Offer Capital**	**% of post offer Capital**
April 02, 2025	Transfer of Shares from Mr. Amjad Ahmed Shaikh	20,000	20,000	100	1,000	2,00,00,000	2.50	[●]
Pursuant to our Shareholders' resolution dated June 01, 2026, the nominal value of the Equity Shares of the Company was sub-divided from ₹100/-per Equity Shares to ₹10/- per Equity Shares								
July 22, 2026	Bonus Issue of Equity Shares (15:1)	30,00,000	32,00,000	10	-	-	37.50	[●]
August 21, 2026	Transfer of shares to Mr. Hriday Kailash Nasta, by way of gift	(10)	31,99,990	10	-	-	Negligible	[●]
August 21, 2026	Transfer of shares to Ms. Meher Kailash Nasta, by way of gift	(10)	31,99,980	10	-	-	Negligible	[●]
August 21, 2026	Transfer of shares to Mrs. Veena Vishnu Nasta, by way of gift	(10)	31,99,970	10	-	-	Negligible	[●]
August 21, 2026	Transfer of shares to Mr. Vishnu Newandram Nasta, by way of gift	(10)	31,99,960	10	-	-	Negligible	[●]
Total		**31,99,960**					**39.99**	[●]

MR. NITIN JAGANNATH PHIRAKE								
Date of Allotment / Transfer	**Nature of Issue Allotment / Transfer**	**Number of Equity shares**	**Cumulative No. of Equity Shares**	**Face Value (in ₹) per share**	**Issue/ Transfer Price (in ₹) per share**	**Total Consideration Paid (in ₹)**	**% of Pre Offer Capital**	**% of post offer Capital**
August 19, 2014	Transfer of Shares from Mr. Prakash Dharamdas Mehta	50	50	100	100	5,000	0.00	[●]
November 17, 2015	Rights Issue of Equity Shares	2,450	2,500	100	100	2,45,000	0.31	[●]
April 02, 2025	Transfer of Shares from Mr. Prashant Dattatray Patil	2,500	5,000	100	1,000	25,00,000	0.31	[●]
Pursuant to our Shareholders' resolution dated June 01, 2026, the nominal value of the Equity Shares of the Company was sub-divided from ₹100/-per Equity Shares to ₹10/- per Equity Shares								
July 22, 2026	Bonus Issue of Equity Shares (15:1)	7,50,000	8,00,000	10	-	-	9.38	[●]
Total		**8,00,000**				**27,50,000**	**10.00**	**[●]**

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged as of the date of this Draft Red Herring Prospectus.

13. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average price of Equity Shares acquired till the date of this Certificate (in ₹)* #
1.	Mr. Kailash Vishnu Nasta	40,00,000	0.63
2.	Mrs. Rhea Kailash Nasta	31,99,960	6.25
3.	Mr. Nitin Jagannath Phirake	8,00,000	3.44
TOTAL		**79,99,960**	

** The average cost of acquisition by promoters has been arrived by considering only the cost of shares allotted to the promoters on account of allotment, i.e., cost paid by promoters for acquisition by way of subscription of shares and further issue divided by the total number of equity shares acquired by the above transactions. The selling price of the shares transferred by the respective promoters whether for consideration as cash or other than cash, to others is not netted off while calculating the weighted average cost of acquisition.*

Based on Certificate dated September 29, 202*6, from Statutory Auditors of the company Abhishek Kumar & Associates*

14. We have Seven (7) shareholders as on the date of filing of the Draft Red Herring Prospectus.

15. There were no shares purchased/sold by the Promoters and Promoter Group, directors of our Company and their relatives during last six months except as stated hereunder:

Date of Transaction	Category	Nature of Transaction	No. of Equity Shares	Face Value per Equity Share
Mr. Kailash Vishnu Nasta				
July 22, 2026	Chairman cum Managing Director	Bonus Issue	37,50,000	10.00
Mrs. Rhea Kailash Nasta				
July 22, 2026	Whole-time Director	Bonus Issue	30,00,000	10.00
August 21, 2026		Transfer of shares to Hriday Kailash Nasta, by way of gift	(10)	10.00

August 21, 2026		Transfer of shares to Meher Kailash Nasta, by way of gift	(10)	10.00
August 21, 2026		Transfer of shares to Veena Vishnu Nasta, by way of gift	(10)	10.00
August 21, 2026		Transfer of shares to Vishnu Newandram Nasta, by way of gift	(10)	10.00
Mr. Nitin Jagannath Phirake				
July 22, 2026	Whole-time Director	Bonus Issue	7,50,000	10.00

Our Promoters, the members of the Promoter's Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Draft Red Herring Prospectus.

16. Details of Promoter's Contribution locked in for three years:

Our Promoter has given its consent to include such number of Equity Shares held by it as may constitute 20.00% of the fully diluted post-offer equity share capital of our Company as Promoter's Contribution ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in. – Noted for Compliance.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: *The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.*

We further confirm that Minimum Promoter Contribution of 20.00% of the post offer Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter Contribution has been brought into to the extent of not less than the 20.00% of the Post offer Capital and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoter Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of Equity Shares held by our Promoters, which will be locked-in for a period of three years, from the date of Allotment as Promoters' Contribution are set forth below:

Name of Promoter	Date of Allotment / Transfer#	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity Shares locked-in**	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre Offer Capital	%of post offer Capital	Date up to which Equity Shares are subject to Lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.
Equity Shares were fully paid-up on the respective dates of allotment/acquisition, as the case may be.
** Subject to finalisation of Basis of Allotment

All the Equity Shares held by the Promoters / members of the Promoter's Group are already dematerialized as on date of this Draft Red Herring Prospectus.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoter's Contribution of 20.00% of the Post Offer Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for:
  - consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
  - resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoter's contribution;

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoter's Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In this connection, we confirm the following:

Regulation	Provisions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237(1) (a) (i)	Specified securities acquired during the preceding three years, if they are: Acquired for consideration other than cash and revaluation of assets or capitalisation of intangible assets is involved in such transaction; or	The Minimum Promoter Contribution consist of [●] Equity Shares issued vide Bonus Issue Shares out of free reserves. The Shares are eligible as they are not issued by revaluation of assets or capitalisation of intangible assets.
237(1)(a) (ii)	Resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum promoters' contribution;	The Minimum Promoter Contribution consist of [●] Equity Shares issued vide Bonus Issue Shares out of free reserves not revaluation reserve, hence shares are eligible.
237(b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent. of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s), during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer:	The Promoters of the Company, whose [●] equity shares are proposed to be locked in as part of the minimum promoter contribution (MPC), have been allotted Bonus Equity Shares pursuant to the Bonus Issue approved by the Company during the one-year period preceding the filing of this Draft Red Herring Prospectus. Further, the Company has undertaken sub-division of its Equity Shares prior to the Bonus Issue. As per the applicable regulatory provision, *"For the purpose of this sub-regulation, it is clarified that the price per share for determining securities ineligible for minimum promoters' contribution shall be determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer."* In this context, it is important to note that the sub-division of Equity Shares and the Bonus Issue are corporate actions and do not constitute acquisitions of Equity Shares. The Bonus Equity Shares were allotted without any additional consideration and were issued on the basis of the underlying Equity Shares that were acquired by the Promoters more than one year ago. Accordingly, the Bonus Equity Shares are
	Provided that nothing contained in this clause shall apply:	
237(b)(i)	if the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent. of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s), as applicable, pay to the issuer the difference between the price at which the specified securities are offered in the initial public offer and the price at which the specified securities had been acquired	
237(b)(ii)	if such specified securities are acquired in terms of the scheme under sections 230 to 234 of the Companies Act, 2013, as approved by a High Court or a tribunal, as applicable, by the promoters in lieu of business and invested capital that had been in existence for a period of more than one year prior to such approval	

237(b)(iii)	to an initial public offer by a government company, statutory authority or corporation or any special purpose vehicle set up by any of them, which is engaged in the infrastructure sector	deemed to have the same holding period as the underlying Equity Shares. Therefore, after giving effect to the adjustment for the sub-division of Equity Shares and the Bonus Issue in accordance with the aforesaid Explanation, no further price adjustment is necessary under this provision, as there has been no acquisition of Equity Shares (other than by way of Bonus Issue) by the Promoters during the preceding one year. Consequently, all [●] Equity Shares, including the Bonus Equity Shares, remain eligible for inclusion in the minimum promoter contribution and comply with the lock-in requirements prescribed under the applicable SEBI regulations.
237(b)(iv)	to equity shares arising from the conversion or exchange of fully paid-up compulsorily convertible securities, including depository receipts, that have been held by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent. of the post-issue capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s), as applicable, for a period of at least one year prior to the filing of the draft offer document and such fully paid-up compulsorily convertible securities are converted or exchanged into equity shares prior to the filing of the offer document (i.e., red herring prospectus in case of a book built issue and prospectus in case of a fixed price issue), provided that full disclosures of the terms of conversion or exchange are made in such draft offer document	
	Explanation - For the purpose of this sub-regulation, it is clarified that the price per share for determining securities ineligible for minimum promoters' contribution, shall be determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer;"	

17. Lock in of Equity Shares held by Promoters in excess of Minimum Promoter's contribution:

Promoters' holding in excess of minimum promoters' contribution shall be locked-in as follows as provided in clause b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018:

i. fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and

ii. remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

18. Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-offer capital held by the Persons other than the Promoter shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

19. Inscription or recording of non-transferability:

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

20. Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoter's Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.

- In case of Equity Shares held by Promoters in excess of Minimum Promoter's contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

21. Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter's Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter's Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

22. Lock-in of Equity Shares allotted to Anchor Investors

Fifty per cent of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of the allotment, the remaining fifty percent of the Equity Shares Allotted to the anchor investors shall be locked in for a period of 30 days from the date of allotment or as provided by the SEBI ICDR Regulations.

23. Our Company, our Promoters, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back or similar arrangements with any person for purchase of Equity Shares being offered through the Offer.

24. As on date of the Draft Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.

25. Neither the Book Running Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of the Draft Red Herring Prospectus.

26. Our Company has not made any public issue since its incorporation

27. There are no safety net arrangements for this public Offer.

28. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.

29. The BRLM is not an associate of our Company or the Promoter Selling Shareholder as per Regulation 21A of the SEBI Merchant Bankers Regulations. As per RBI regulations, OCBs are not allowed to participate in this Offer.

30. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

31. There are no Equity Shares against which depository receipts have been issued.

32. As on date of this Draft Red Herring Prospectus, other than the Equity Shares, there are no other class of securities issued by our Company and all Equity Shares are ranked pari-passu in all respect.

33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

34. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

35. Since present Offer is a Book Built Issue, the allocation in the net offer to the public category in terms of Regulation 253(1) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

(a) not less than thirty-five per cent to Individual Investor who applies for minimum application size;

(b) not less than fifteen per cent to Non-Institutional Investors;

(c) not more than fifty per cent to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category.

Provided further that in addition to five per cent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

36. An over-subscription to the extent of 10% of the Net Offer, can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post- Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.

37. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines. Under-subscription, if any, in the QIB Category will not be allowed to be met with spill over from any category or combination thereof.

38. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the Offer to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the Offer.

39. Our Promoters and the members of our Promoter's Group will not participate in this Offer and will not receive any proceeds from the Offer, except to the extent of participation of the Promoter Selling Shareholders in the Offer for Sale.

40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter's Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

41. Our Company shall comply with such disclosure and accounting norms as may be specified by the designated stock exchange, SEBI and other regulatory authorities from time to time

42. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Offer is being made for at least 25% of the post- Offer paid-up Equity Share capital of our Company. Further, this Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

43. Our Company is in compliance with the Companies Act, 2013, to the extent applicable with respect to the issuances of securities from the date of incorporation of our Company, as applicable, until the filing of this Draft Red herring Prospectus. For further details see *"Risk Factor - There have been certain discrepancies, procedural lapse and non-compliances in our corporate records and statutory filings, including filings with Registrar of Companies (RoC) which may expose us to regulatory actions, penalties or other adverse consequences and may adversely affect our business, reputation and financial condition" under chapter titled "Risk Factors" beginning on page 24 of this DRHP*

44. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

Sr. No.	Name	Designation	No. of Equity Shares held	% of Pre- Offer Equity Share Capital	% of Post Offer Equity Share Capital
1.	Mr. Kailash Vishnu Nasta	Chairman cum Managing Director	40,00,000	50.00	[●]
2.	Mrs. Rhea Kailash Nasta	Whole-time Director	31,99,960	39.99	[●]
3.	Mr. Nitin Jagannath Phirake	Whole-time Director	8,00,000	10.00	[●]

OBJECTS OF THE OFFER

This Offer includes a fresh Issue of up to 21,80,000 Equity Shares of face value of ₹10/ each and Offer for Sale of up to 5,40,000 equity shares of face value of ₹10/ each by the promoter selling shareholders of our company at an offer price of ₹ [●] per equity share. For details, see "The Offer" on page 56 of DRHP.

Offer for Sale

Our Company will not receive any proceeds of the Offer for Sale by the Promoter Selling Shareholders. The Promoter Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses and relevant taxes thereon. Other than the listing fees for the Offer, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and Promoter Selling Shareholders, respectively, in proportion to the proceeds received for the Fresh issue and their respective portion of Offered Shares, as may be applicable, upon the successful completion of the Offer.

Objects of the Fresh Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects (collectively, referred to as "Objects"):

1. Funding long-term working capital requirement of our Company; and
2. Re-payment or pre-payment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company.
3. General Corporate Purpose

In addition, we believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE Limited (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA).

NET PROCEEDS

After deducting the Offer related expenses from the Gross Proceeds of the Fresh Issue, we estimate the Net Proceeds to be ₹ [●] lakhs. The details of the Net Proceeds of the Offer are summarised in the table below:*(₹ in Lakhs)*

Particulars	Amount
Gross Proceeds of the Offer	[●] *
Less: Offer related expenses in relation to Fresh Issue*	[●]
Net Proceeds	[●]*

**To be finalized upon determination of the Offer Price and updated in the Prospectus Prior to filing with the RoC.*

REQUIREMENT OF FUNDS AND UTILIZATION OF NET PROCEEDS

The Net Proceeds will be utilized for following purpose:

(₹ in Lakhs)

Sr. No.	Particulars	Amount	% of Gross Proceeds
1.	Funding long-term working capital requirement of our Company	1200.00	[●]
2.	Re-payment or pre-payment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company.	400.00	[●]
3.	General Corporate Purposes^	[●]	[●]
Net Proceeds		[●]	[●]

^To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 15% of the aggregate of the gross proceeds of the Fresh Issue or ₹ 1,000 lakhs, whichever is less.

PROPOSED SCHEDULE OF IMPLEMENTATION:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In Lakhs)

S. No.	Particulars	Total Estimated Cost	% of Gross Proceeds of the fresh issue	Amount to be deployed and utilized in F.Y. 2026-27*	Amount to be deployed and utilized in F.Y. 2027-28*
1	Funding long-term working capital requirement of our Company	1200.00	[●]	600.00	600.00
2	Re-payment or pre-payment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company.	400.00	[●]	400.00	--
3	General Corporate Purpose	[●]	[●]	[●]	[●]
	Total	[●]	[●]	[●]	[●]

* To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Object. Due to general business exigencies, the use of offer proceeds may be interchangeable.

Since, the entire fund requirement is to be funded from the proceeds of the Fresh Issue and existing identifiable internal accruals, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance.

The above requirement of funds is based on our current business plan as approved by our Board of Directors pursuant to their resolution dated September 29, 2026, internal management estimates based on the prevailing market conditions. These funding requirements or deployments have not been appraised by any bank or financial institution. As we operate in a competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management. For further details, see "*Risk Factors-The Objects of the Issue have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which may be beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this Draft Red Herring Prospectus would be subject to compliance requirements, including prior shareholders' approval*." on page 24 Our historical expenditure may not be reflective of our future expenditure plans.

Moreover, if the estimated utilization of the Net Proceeds in a scheduled financial year is not completely met, due to reasons stated above, the same shall be utilised in the subsequent financial year, as may be determined by our Company, in accordance with applicable laws. Further, our Company may decide to accelerate the estimated deployment of Net Proceeds ahead of the schedule of implementation specified above. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular Object vis-à-vis the utilization of Net Proceeds. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Our management expects that such alternate means would be available to fund any such shortfall. Further, if the actual utilisation towards the Object is lower than the proposed deployment, such balance will be used for future growth opportunities and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 15% of the Gross Proceeds from the Offer or ₹ 1,000.00 lakhs, whichever is lower, in accordance with the SEBI ICDR Regulations.

In case of delays in raising funds from the Offer, our Company may deploy certain amounts towards any of the abovementioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Net Proceeds. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

DETAILS OF USE OF NET PROCEEDS

1. Funding long-term working capital requirement of our Company:

Our company is engaged in the business of designing, engineering, manufacturing, supplying, installing, commissioning, modernizing and maintaining industrial furnaces and thermal processing systems. The Company's projects are generally customised to meet the specific requirements of its customers and involve various stages of procurement, fabrication, machining, assembly, testing and other manufacturing and project execution activities prior to delivery and commissioning at the customer's site. We undertake activities across various stages of project execution, including understanding customer requirements, preparation of engineering designs, procurement of components and materials, fabrication and assembly, quality inspection, installation and commissioning. Our solutions are customised based on, among other factors, the type and dimensions of material to be processed, desired production capacity, operating temperature, heating medium, required furnace atmosphere, fuel efficiency and the configuration of the customer's manufacturing facility.

Accordingly, the Company's working capital requirements are primarily attributable to the following:

- Procurement of raw materials, bought-out components and other materials required for project execution;
- Maintenance of inventory and work-in-progress throughout the manufacturing and project execution cycle;
- Expenditure towards fabrication, machining, assembly and other manufacturing activities;
- Engineering, project management and other project execution costs;
- Payments to vendors, suppliers and job workers;
- Manufacturing and other project-related overheads; and
- The timing difference between the expenditure incurred by the Company towards procurement and execution of projects and the receipt of milestone-based or other payments from customers.

The Net Working capital requirements on the basis of Restated Financial Statement are ₹ 432.83 lakhs for Fiscal 2024, ₹ 600.34 lakhs for Fiscal 2025 and ₹ 1693.13 lakhs for Fiscal 2026. The significant increase in Fiscal 2026 was primarily attributable to the Company undertaking and executing larger orders for customised industrial furnaces and thermal processing systems. These projects generally involve longer manufacturing and execution cycles. The Company incurs expenditure on raw materials, bought-out components, fabrication, machining, assembly, engineering and other project activities before delivery and commissioning. As a result, larger orders increase the amount invested in inventory and work-in-progress during execution. Payments to suppliers, vendors and job workers may also fall due before the Company receives the corresponding milestone-based payments from customers, increasing its net working capital requirement.

The execution of larger orders also supported the Company's profitability. Its profit after tax margin increased from 3.74% in Fiscal 2024 to 5.75% in Fiscal 2025 and 8.51% in Fiscal 2026. The execution of larger orders and increased business from the export market, including the United States, contributed to this improvement by increasing revenue per project and enabling better absorption of engineering, manufacturing and other fixed overheads. Accordingly, the increase in working capital requirement in Fiscal 2026 occurred alongside an improvement in the Company's profit after tax margin.

Further the projected working capital requirements to be ₹ 3121.63 lakhs for Fiscal 2027 and ₹ 4250.73 lakhs for Fiscal 2028. For Fiscal 2026, we have funded such working capital requirement from internal accruals and borrowings, while we intend to utilize ₹600.00 lakhs from the Net Proceeds for Fiscal 2027 and ₹ 1200.00 lakhs (cumulative) for Fiscal 2028 to fund the incremental working capital requirement of our Company. The board of directors of our Company pursuant to their resolution dated September 29, 2026, have approved the business plan and financial projections for the Financial Years ending March 31, 2027 and March 31, 2028 and the estimated working capital requirements and funding pattern for the respective Financial Years

Justification for incremental working capital requirement:

The Company's net working capital requirement is projected to increase to ₹3,121.63 lakhs in Fiscal 2027 and ₹4,250.73 lakhs in Fiscal 2028. The projected increase is based on the Company's anticipated execution of larger and higher-value orders for customised industrial furnaces and thermal processing systems, including export orders. Such projects are expected to require greater investment in raw materials, bought-out components, inventory and work-in-progress throughout the manufacturing and execution cycle. The Company will also need to fund fabrication, engineering and project execution costs before receiving the corresponding milestone-based payments from customers. Accordingly, the projected increase reflects both the anticipated scale of operations and the timing difference between project expenditure and customer collections.

Milestone-based collections and extended working capital cycle:

The Company's working capital requirements are influenced by the milestone-based payment terms generally agreed with its customers. A portion of the consideration is typically received upon dispatch of the equipment, which generally takes approximately four to six months from commencement of the manufacturing process. The balance consideration is generally linked to the successful installation and trial run of the equipment at the customer's site, which typically requires an additional two to three months. Accordingly, the overall execution cycle for the Company's products generally ranges from approximately six to twelve months from commencement of manufacturing to completion of installation and trial run.

Under our contracts, invoices are generally raised upon achievement of specified project milestones and may be subject to measurement, certification, verification and approval by the customer or the designated authority, as applicable. The contractual credit period may commence upon submission or acceptance of the relevant invoice, depending on the terms of the respective contract. Accordingly, the time required to achieve project milestones, obtain the requisite certifications and approvals and thereafter realise the receivables within the agreed credit period may impact the collection cycle and, consequently, our trade receivable days.

A portion of the contract value is generally linked to installation, commissioning, trial runs or satisfaction of specified performance conditions. These activities depend in part on the readiness of the customer's site and associated facilities. Even if we complete manufacture on schedule, the customer may defer dispatch or commissioning if its site is not ready. This can delay the milestone at which the balance payment becomes due, while we have already incurred a substantial portion of the project cost. In some contracts, customers may also retain a portion of the contract value or require a performance bank guarantee before releasing the final payment. Such delays extend the period for which our funds remain tied up in the project.

Accordingly, there is a timing gap between the Company's incurrence of expenditure towards procurement, manufacturing and project execution and the receipt of corresponding customer payments.

Further the Company's business model involves the execution of multiple projects concurrently. As the Company's order book and scale of operations increase, its working capital requirements correspondingly increase, as a greater amount of funds is deployed towards inventories, work-in-progress and trade receivables during the manufacturing and project execution cycle. Consequently, growth in the Company's business operations results in a higher quantum of funds being tied up in the operating cycle until the realisation of customer payments.

Order book and project execution timelines:

As of August 31, 2026, our unexecuted order book stood at approximately ₹6,820.26 lakhs related to projects under execution, including projects for which erection and commissioning activities remained pending. The execution period for these orders generally ranges from six to twelve months, depending on their size, complexity and scope. During this period, we incur expenditure on materials, manufacturing and project execution before receiving the corresponding milestone-based payments from customers, resulting in a continuing need for working capital.

Higher inventory requirements for project execution:

Inventory is a critical component of the Company's manufacturing and project execution cycle. The timely availability of raw materials, critical components and bought-out items, including certain imported materials, is essential to manufacture, deliver and commission its customised industrial furnaces and thermal processing systems within the agreed timelines.

As the Company undertakes larger orders and receives demand for its products from export markets, it expects to procure and hold greater quantities of materials and components to support project execution. Certain items may also have longer procurement or import lead times. The Company may therefore need to procure them in advance to reduce the risk of delays in fabrication, assembly, dispatch and commissioning. The execution of multiple orders at different stages of completion is also expected to increase the value of inventory and work-in-progress held at any given time. Consequently, the anticipated increase in order size and demand, including from export markets, is expected to result in higher inventory holding and working capital requirements.

Further, larger orders generally have longer manufacturing and execution cycles. Accordingly, orders that remain under execution at the end of a financial year may be reflected as work-in-progress, increasing the Company's closing inventory balance. As the Company undertakes more high-value orders concurrently, a greater amount of expenditure may remain tied up in work-in-progress at year-end, contributing to its higher working capital requirement.

Steel is a significant material used in the fabrication of our customised industrial furnaces and is generally procured at the initial

stage of a project. After procurement, the furnace structure is fabricated, transported to the customer's site, erected and fitted with other components before commissioning. Fabrication alone may take approximately three months. While we may receive supplier credit of up to approximately three months for steel purchases, the corresponding payment from the customer may be received approximately six months after procurement, or later if the project is delayed. We therefore need working capital to fund steel and other materials during the period between procurement and recovery of the related customer payment.

Funds deployed as margins for bank guarantees:

Under certain customer contracts, our Company is required to provide a bank guarantee to secure its contractual performance obligations. Depending on the terms of our banking facilities, the issuance of these guarantees may require us to maintain cash margins or fixed deposits with the issuing bank. The amount maintained as margin remains committed for the period during which the relevant guarantee is outstanding and is therefore unavailable for procurement, manufacturing and other project execution expenses.

A bank guarantee may be required in connection with project execution or the release of a customer payment and may remain outstanding beyond delivery or commissioning, subject to the contract terms. As the number and value of projects under execution increase, the aggregate funds maintained against such guarantees may also increase. Adequate working capital is therefore required to meet these margin obligations while continuing to fund the execution of our projects.

Timely procurement and supplier payments:

Our Company to procure steel and other materials when required for project execution and, where commercially beneficial, make payments to suppliers earlier than the available credit period. Certain suppliers may offer more favourable pricing for advance or prompt payment. By using working capital to pay such suppliers earlier, our Company may be able to reduce its material procurement costs and improve project margins. However, early payment increases the amount of funds deployed at the beginning of a project, while the corresponding receipts from customers are generally linked to subsequent manufacturing, dispatch or commissioning milestones.

Our Company evaluates such procurement decisions with reference to the pricing benefit offered, the cost of funding, the material delivery schedule and the cash requirements of projects under execution. As we undertake larger orders requiring substantial quantities of steel and other materials, adequate working capital would provide greater flexibility to secure timely supplies and avail of favourable purchase terms, where available, without disrupting the execution of other orders.

Accordingly, our existing order book and the anticipated execution of larger projects are expected to require continued investment in raw materials, work-in-progress and project execution. Working capital is also required to support cash margins for bank guarantees and to bridge the timing gap between payments to suppliers and collections from customers, particularly where dispatch, erection or commissioning is delayed. The proposed working capital funding will enable us to undertake and execute multiple orders concurrently while meeting our procurement and delivery commitments.

The Company will meet the requirement to the extent of Rs. 1200.00 Lakhs from the Net Proceeds of the Offer and balance from internal accruals and borrowings at an appropriate time as per the requirement. The stated object has been placed before the Board of Directors of the Company at its meeting held on September 29, 2026.

Details of Estimation of Working Capital requirement are as follows:

(₹ In Lakhs)

S. No.	Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	Projected	Projected
		31-March-2024	31-March-2025	31-March-2026	31-March-2027	31-March-2028
I	**Current Assets**					
	Inventories	339.78	1096.46	508.81	850.00	1045.65
	Trade receivables	2139.39	1785.14	2687.47	3450.65	4261.35
	Loans and Advances	268.00	176.63	288.57	346.28	467.48
	Other current Assets	23.72	4.80	3.35	15.30	20.25
	Total Current Assets (A)	**2770.89**	**3063.03**	**3488.20**	**4662.23**	**5794.73**
II	**Current Liabilities**					
	Trade payables	1256.82	1435.12	1045.92	875.60	776.65
	Other Current Liabilities &	1081.24	1027.57	749.15	665.00	767.35

	Provisions					
	Total Current Liabilities (B)	**2338.06**	**2462.69**	**1795.07**	**1540.60**	**1544.00**
III	**Total Working Capital Gap (A-B)**	**432.83**	**600.34**	**1693.13**	**3121.63**	**4250.73**
IV	Funding Pattern					
	Short-term borrowing & Internal Accruals	**432.83**	**600.34**	**1693.13**	**2521.63**	**3050.73**
	IPO Proceeds				**600.00**	**1200.00***

** The amount of ₹1200 lakhs in Fiscal 2028 represents the cumulative proposed utilisation of ₹600.00 lakhs in Fiscal 2027 and ₹600.00 lakhs in Fiscal 2028*
Note: As certified by Statutory Auditors Abhishek Kumar & Associates by way of its certificate dated September 29, 2026.

Holding Levels and key assumptions for working capital requirements

The following table sets forth the details of the holding period levels (in days) considered [(1)]**:**

Particulars	**Holding level (in Days)**				
	(Actuals)	**(Actuals)**	**(Actuals)**	**Projected**	**Projected**
	31-Mar-24	**31-Mar-25**	**31-Mar-26**	**31-Mar-27**	**31-Mar-28**
Number of Days of Trade Receivables	96	74	97	97	97
Number of days of Inventories	19	60	25	32	32
Number of days of Trade Payable	71	79	51	33	23

(1) As certified by the Peer Review Auditors pursuant to their certificate dated September 29, 2026
(2) Holding period level (in days) of Trade Receivables is calculated by dividing Closing trade receivables by revenue from operations multiplied by number of days in the year/period
(3) Holding period level (in days) of Inventories is calculated by dividing Closing inventories by cost of goods sold and multiplied by numbers of days in the year/period.
(4) Holding period level (in days) of Trade Payables is calculated by dividing Closing trade payables by Cost of goods sold and multiplied by number of days in the year/period

Justification for "Holding Period" levels

The incremental working capital requirement of our company is primarily driven by increase in the trade receivables and Inventories guided by the increase in the revenue from operations. Further, with the fund infusion from the net proceeds, we will also be in position to provide timely payment to our suppliers resulting into reduction in trade payables.

The justifications for the holding levels mentioned in the table above are provided below:

Particulars	**Details**
Trade Receivables	The debtor holding period was 96 days in FY 2023-24, which decreased to 74 days in FY 2024-25 and increased to 97 days in FY 2025-26. Going forward, we expect the debtor holding period to remain at around 97 days in FY 2026-27 and FY 2027-28. Our business is generally characterised by a relatively concentrated customer base, with individual customers contributing significant contract values. The payment terms applicable to our contracts may vary depending on the nature and value of the project, agreed billing milestones, certification and approval requirements and contractual credit periods. Consequently, our trade receivable days have historically fluctuated from 96 days in Fiscal 2024 to 74 days in Fiscal 2025 and increased to 97 days in Fiscal 2026. We currently have an Order Book comprising projects across multiple locations, with customer payments generally linked to achievement of specified project milestones and completion of applicable processes. Considering the nature of our ongoing projects, existing customer mix and prevailing contractual payment terms, we have considered trade receivable days of 97 days for Fiscal 2027 and Fiscal 2028, broadly in line with the latest actual trade receivable days recorded in Fiscal 2026.
Inventories	Our inventory holding period for FY 2023-24 was 19 days, for FY 2024-25 was 60 days and for FY 2025-26 was 25 days, and we expect to maintain it at around 32 days for FY 2026-27 and FY 2027-28 on an average basis. The projected inventory days is primarily attributable to the Company's geographical expansion and the execution of multiple projects across different locations. Based on the Company's past experience, the

	manufacturing and project execution cycle requires the procurement of certain critical raw materials, components and bought-out items in advance, particularly where such materials have longer procurement and delivery lead times. Advance procurement is undertaken to ensure timely availability of materials and minimise the risk of delays in manufacturing, dispatch and project execution. Further, as the Company expands its operations geographically and executes a larger number of projects concurrently across multiple locations, it is expected to require adequate inventory levels to facilitate the timely availability and deployment of materials. Accordingly, the projected inventory days of 32 days for both Fiscal 2027 and Fiscal 2028, respectively, reflect the Company's anticipated inventory requirements in line with its Order Book, project execution schedule and geographical expansion.
Trade Payables	Our Creditors payment days for FY 2023-24 were 71 days, for FY 2024-25 were 79 days and for FY 2025-26 were 51 days, and we expect to maintain them at around 33 days and 23 days for FY 2026-27 and FY 2027-28, respectively. For Fiscal 2027 and Fiscal 2028, trade payable days are estimated at 33 days and 23 days of cost of goods sold, respectively. The projected reduction in payable days reflects the Company's anticipated approach of maintaining timely payments to suppliers as it scales up its operations. Timely settlement of vendor dues is important to maintain continuity and reliability of supply of critical materials, particularly where procurement lead times may be relatively longer, and to support the Company's ability to negotiate competitive commercial terms with its suppliers. Accordingly, the projected trade payable days represents an anticipated change in the Company's working capital management strategy in line with its growth plans and the increasing importance of timely procurement of critical materials. As a result, a lower proportion of the Company's operating expenditure is expected to be financed through supplier credit during the projected period, which is expected to increase the amount of funds required to be deployed towards working capital.

Apart from above there are other working capital requirements such as Loans and advances, Other Current assets, short term provisions and other current liabilities. Details of which are given below.

Loans and Advances	Loans and advances mainly include advances to employees and advance to supplier. Loans and advances are estimated based on previous year's outstanding amount and for expected business requirement of company. As our company is expanding its business it will require more money for advance to suppliers of goods
Other current Assets	Other Assets mainly includes balances with revenue authorities, advance to suppliers for expense, prepaid expenses etc. Other assets are estimated based on previous year's outstanding amount and for expected business requirement of company
Short-term provisions and Other Current Liabilities	Short-term provisions mainly include provision for employee payables and provision for tax. short-term provisions are estimated based on previous year's outstanding amount and for expected business requirement of company. Other current liability mainly includes statutory dues, aadvances from customers and expense payable. Other current liability is estimated based on previous year's outstanding amount and for expected Business requirement of company

2. <u>Repayment or pre-payment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company</u>

Our Company has 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 August 31, 2026, our Company's total outstanding borrowings amounted to ₹ 720.74 Lakhs. We intend to utilize an amount of ₹ 400 Lakhs from the Net Proceeds in order to repay/ prepay, in full or in part, certain or all of the borrowings availed by our Company. For details of our financing arrangements, see "**Statement of Financial Indebtedness**" on page 232 of this DRHP. The stated object has been placed before the Board of Directors of the Company at its meeting held on September 29, 2026

Given the nature of these borrowings and the terms of prepayment and/or repayment, the aggregate outstanding amounts under these borrowings may vary from time to time and we may, in accordance with the relevant repayment schedule, repay or refinance some of the borrowings set out below, prior to Allotment or avail of additional credit facilities. If at the time of Allotment, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities are availed by us, then our Company may utilise the Net Proceeds for prepayment and/or

repayment of any such refinanced facilities or any additional facilities / disbursements obtained by our Company. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by our Company. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid / pre-paid by our Company in the subsequent Fiscal. Our Company may choose to repay/ prepay certain borrowings availed by our Company, other than those identified in the table below, which may include additional borrowings availed after the filing of this Draft Red Herring Prospectus.

For the purposes of the Offer, our Company has obtained necessary consent from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Offer and for the deployment of the Net Proceeds towards the objects set out in this section, to the extent such consent was required. There have neither been any delays or defaults by us in relation to the below-mentioned borrowings intended to be repaid/prepaid using the Net Proceeds nor has there been any rescheduling/restructuring of such borrowings.

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. The amounts proposed to be prepaid and/or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and/or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and/or repayment. For further details, see "Statement of Financial Indebtedness" on page 232 Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals of the Company. Such pre-payment will help reduce the existing borrowings of our Company and assist us in maintaining a favourable debt-equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The following table sets forth details of certain borrowings availed by our Company, which are outstanding as on August 31, 2026, out of which our Company 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 original sanction	Nature of Borrowing & Date of Sanction	Rate of interest (% pa)	Amount Sanctioned as per Sanction Letter (Rs. in Lakhs)	Total Outstanding Principal Amount (Rs. in Lakhs) as on August 31, 2026	Total Outstanding Principal Amount (Rs. in Lakhs) as on March 31, 2026	Considered Repayment from IPO proceeds (Rs. in Lakhs)	Purpose of Loan
1	ICICI Bank	March 29, 2025	Overdraft March 20, 2026	9.00	650.00	439.31	500.84	400.00	Working Capital Requirement

**In accordance with Para 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, which requires a certificate to 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 availed, our Company, has obtained the requisite certificate from our Statutory Auditors Abhishek Kumar & Associates for the loans utilised during their audit period i.e. last three Fiscal.*

Terms & Conditions

ICICI Bank Limited

Terms and Conditions: The Overdraft facility has been availed for meeting the working capital requirements of the Company and includes sub-limits for PCFC, PSFC, Export Packing Credit and Financial Bank Guarantee. The facility carries interest at Repo Rate + 3.75% p.a. (9.00% p.a. as on the renewal date), subject to periodic reset, and is valid up to March 17, 2027.

Security & Guarantees: The facility is secured by an exclusive charge over the current assets of the Company as primary security and an exclusive charge over the immovable property situated at Office No. 130, First Floor, MIDC Wagle Estate, Road No. 22, Lodha Supremus 2, Thane, Maharashtra – 400604, together with an exclusive charge over fixed deposits as collateral security. The facility is further backed by personal guarantees of Rhea Kailash Nasta, Nitin Jagannath Phirake and Kailash Vishnu Nasta.

The above-mentioned loan was availed by the company for Working Capital Requirement, have been utilized for their intended purpose, and the proceeds from the issue will be allocated towards their repayment as per the proposed schedule.

3. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. [●] towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any Offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual Offer expenses turn to be lesser than the estimated Offer expenses of Rs. [●] lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 15% of the amount raised by our Company through this Offer or Rs. 10 crores whichever is lower.

4. Public Offer Expenses: -

The estimated Offer related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Offer are estimated to be approximately Rs. [●] Lakhs which is [●]% of the Offer Size. All the Offer related expenses shall be proportionately met out from proceeds of the Offer as per applicable laws. The break-up of the same is as follows:

Particulars	**Estimated expenses (Rs. In Lakhs) ***	**As a % of total estimated Offer related expenses***	**As a % of the total Offer size***
Fees and commissions payable to the BRLM (including any underwriting commission, brokerage and selling commission)^	[●]	[●]	[●]
Fees Payable to Registrar to the Offer	[●]	[●]	[●]
Fees payable to Legal Advisor	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable for Financial Due Diligence	[●]	[●]	[●]
Fees payable to Secretarial work	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees Payable to Market Maker (for Three Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
Others (Fees payable for marketing & distributing expenses, selling commission, brokerage, processing fees and miscellaneous expenses.)	[●]	[●]	[●]
Total Estimated Offer Expenses	[●]	[●]	[●]

** To be incorporated in the Prospectus after finalisation of the Offer Price.Offer expenses excluding applicable taxes, where applicable. Offer expenses are estimates and are subject to change.*
^ It includes fees of the BRLM in any form/name/purpose.

Notes:

1. *Up to [●], 2026, Our Company has deployed/incurred expense of ₹ [●] Lakhs towards Offer Expenses out of internal accruals duly certified by Statutory Auditor M/s. Abhishek Kumar & Associates., Chartered Accountants vide its certificate dated [●]*
2. *Any expenses incurred towards aforesaid offer related expenses till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the offer:*
3. *Selling commission payable to the SCSBs on the portion for Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:*

*Portion for Individual Bidders**	*0.10% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non- Institutional Bidders**	*0.10% 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 SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE.*

4. *No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:*

Portion for Individual Bidders	*₹10 per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non- Institutional Bidders	*₹10 per valid Bid cum Application Form (plus applicable taxes)*

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed Rs. 1 lakh (plus applicable taxes) and in case if the total processing fees exceeds Rs. 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

5. *The processing fees for applications made by Individual Bidders using the UPI Mechanism would be as follows:*

Members of the Syndicate/ RTAs/ CDPs (uploading charges)	*₹ 10 per valid application (plus applicable taxes)*
Sponsor Bank	*Nil upto 1,50,000 applications (free) and post that ₹ 5.50/-per valid Bid cum Application Form*(plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, 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.*

**For each valid application by respective Sponsor Bank*

Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees payable to Members of the Syndicate/ RTAs/ CDPs for applications made by Individual Bidders, Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism and in case if the total uploading charges/ processing fees exceeds Rs. 1 lakh (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis.

6. *Selling commission on the portion for Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs 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 the Syndicate (including their Sub-Syndicate Members) would be as follows:*

*Portion for Individual Bidders**	*0.10% of the Amount Allotted* (plus applicable taxes)*
*Portion for Non- Institutional Bidders**	*0.10% of the Amount Allotted* (plus applicable taxes)*

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

Uploading charges payable to Members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the applications made by Individual Bidders using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in- 1 accounts, would be as follows: Rs. 1 lakh plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

Bidding charges payable to the Registered Brokers, CRTAs/ CDPs on the portion for Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing would be as follows:

Portion for Individual Bidders	*₹10 per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non- Institutional Bidders	*₹10 per valid Bid cum Application Form (plus applicable taxes)*

** Based on valid applications*

Notwithstanding anything contained above the total uploading/ bidding charges payable under this clause will not exceed Rs. 1 lakh (plus applicable taxes) and in case if the total uploading/ bidding charges exceeds Rs. 1 lakh (plus applicable taxes) then uploading charges will be paid on pro-rata basis.

The Selling Commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the Bid cum 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 Bid cum 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. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs on the portion for Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: Rs. 1 lakh plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), CRTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of Stock Exchange.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and/or Escrow and Sponsor Bank Agreement. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance

with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

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 existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds.

Monitoring Utilization of Funds

The Audit Committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public offer. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Offer. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a half-yearly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the 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 statutory auditor of our Company will also provide report/ certificate on the utilization of the Gross Proceeds.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half-yearly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Offer from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our directors' report, after placing the same before the Audit Committee.

Interim Use of Proceeds

Pending utilization of the Offer proceeds of the Offer for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act and as per applicable laws. In accordance with Section 27 of the Companies Act, 2013 and as per applicable laws, our Company confirms that, pending utilization of the proceeds of the Offer as described above, it shall not use the funds from the Offer Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Means of finance

The fund requirements for the Objects above are proposed to be entirely funded from the Net Proceeds, internal accruals, and existing debt financing. Accordingly, our Company is in compliance with the requirements prescribed under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations which require firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be

raised from the Fresh Issue and internal accruals as required. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, 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 and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. 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, at such price, and in such manner, as may be prescribed by SEBI, in this regard. Pursuant to Regulation 281A of SEBI ICDR Regulations (as amended), the Promoters or shareholders in control shall provide an exit offer to dissenting shareholders as provided in Companies Act, 2013, in case of change in objects or variation in the terms of contract related to objects referred in this Prospectus as per the conditions and in manner provided in Schedule XX of SEBI ICDR Regulations, 2018.

Other confirmations

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Offer will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares Offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times of the face value of the Equity Shares, 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. Bidders should also see "*Risk Factors*", "*Business Overview*", "*Summary of Financial Statement*", "*Restated Financial Information*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 24, 160, 59, 230 and 233 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 computing the Offer Price are:

- Strong and Established Customer Relationships Resulting in Repeat Business
- Comprehensive and Customised Portfolio of Industrial Furnaces and Thermal Processing Solutions
- Established Track Record in Delivering Customised Industrial Furnaces and End-to-End Project Execution Capabilities
- Quality-Focused Manufacturing and Inspection Practices
- Strong Designing and Engineering Capabilities Supported by an Experienced Management Team

For details, see **"*Business Overview— Our Competitive Strengths*"** on page 160.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For details, see "*Restated Financial Information*" and "*Other Financial Information*" on pages 230 and 231, 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 Share (as adjusted for changes in capital)

Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weightage
Financial Year ended March 31, 2026	10.72	10.72	3
Financial Year ended March 31, 2025	6.30	6.30	2
Financial Year ended March 31, 2024	3.79	3.79	1
Weighted average for the above three Fiscals	**8.09**	**8.09**	

Notes:

i) The Face value of Equity Shares is ₹ 10 each.

ii) Pursuant to resolution of our Shareholders dated July 18, 2026, and Board resolution dated July 10, 2026, our Company has issued and allotted 75,00,000 Equity Shares by way of bonus issue in the ratio of 15 Equity Shares for every 1 (one) Equity Share held by our Shareholders on the record date i.e., July 10, 2026.

iii) Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 01, 2026 and the Board Resolution dated May 06, 2026, each existing Equity Share having a face value of ₹100 each was sub-divided into 10 (Ten) Equity Shares having a face value of ₹10 each. Consequently, the issued, subscribed and paid-up Equity Share Capital of the Company comprising 50,000 Equity Shares of face value ₹100 each stood sub-divided into 5,00,000 Equity Shares of face value ₹10 each.

iv) The ratios have been computed as below:

   a. Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equities shares outstanding during the year/ period, read with note 2&3 above

   b. Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equities shares outstanding during the year/ period, read with note 2&3 above

   c. 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

   d. Earnings per Share calculations are in accordance with the notified Accounting Standard 20 'Earnings per share'

   e. The figures disclosed above are based on the Restated Financial Information.

2. Price Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of face value of ₹10 each

Particulars	P/E ratio at Floor Price (number of times) *	P/E ratio at Cap Price (number of times) *
Basic and Diluted EPS of ₹ 10.72 as per the Restated Financial Information for the year ended March 31, 2026	[●]	[●]

** The details shall be provided post the fixing of price band by our Company at the stage of Red Herring Prospectus or the filing of price band advertisement.*

3. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section :

Particulars	Industry Peer P/E	Name of the company	Face value of the equity shares (₹)
Highest	377.36	John Cockerill India Limited	10
Lowest	19.73	Megatherm Induction Limited	10
Average	**198.55**		

Notes:

i) The industry high and low has been considered from the industry peer set provided later in this Draft Red Herring Certificate.

ii) Megatherm Induction Limited & John Cockerill India Limited P/E Ratio has been computed based on the closing market price of equity shares on September 29, 2026, on www.nseindia.com , divided by the Basic EPS as on March 31, 2026 & December 31,2025 as disclosed in audited standalone financials submitted by the respective entity with the stock exchange for the financial year.

iii) All the financial information for Megatherm Induction Limited mentioned above is sourced from the audited financial statements for the year ending March 2026, March 2025, March 2024 and financial information of John Cockerill India Limited mentioned above is sourced from the audited financial statements for the year ending Dec 2025, Dec 2024, Dec 2023 as available on the websites of the Stock Exchanges.

4. Return on Net Worth ("RoNW")

As derived from the Restated Financial Information of our Company:

Period	RoNW (%)	Weightage
Financial Year ended March 31, 2026	48.47%	3
Financial Year ended March 31, 2025	54.11%	2
Financial Year ended March 31, 2024	67.75%	1
Weighted average for the above three Fiscals	**53.56%**	

Notes:

1. Return on Net Worth (RoNW) (%) = Restated profit / (loss) for the year divided by the restated Net Worth of the company.
2. For the purposes of the above, "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 each as applicable for the Company on consolidated and restated basis.
3. The weighted average RoNW is a product of RoNW for the Fiscals 2026, 2025 and 2024 and the respective assigned weight, dividing the resultant by total aggregate weight.

5. Net Asset Value ("NAV") per Equity Share of face value of ₹10 each

As derived from the Restated Financial Information of our Company:

Net Asset Value per Equity Share	₹
As at March 31, 2026	22.12

As at March 31, 2025	11.65
As at March 31, 2024	5.60
After the Offer*	
- At Floor Price	[●]
- At Cap Price	[●]
At Offer Price	[●]

**Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
^To be computed after finalisation of the Price Band.

Notes:

1. *NAV is calculated closing net worth divided by total number of equity shares at the end of the year/period;*
2. *For the purposes of the above, "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 Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2 (1) (hh) of the SEBI ICDR Regulation. Capital Reserve being reserve created on account of business acquisition will be excluded from calculation of Net Worth.*
3. *Pursuant to resolution of our Shareholders dated July 18, 2026, and Board resolution dated July 10, 2026, our Company has issued and allotted 75,00,000 Equity Shares by way of bonus issue in the ratio of 15 Equity Shares for every 1 (one) Equity Share held by our Shareholders on the record date i.e., July 10, 2026.*
4. *Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 01, 2026 and the Board Resolution dated May 06, 2026, each existing Equity Share having a face value of ₹100 each was sub-divided into 10 (Ten) Equity Shares having a face value of ₹10 each. Consequently, the issued, subscribed and paid-up Equity Share Capital of the Company comprising 50,000 Equity Shares of face value ₹100 each stood sub-divided into 5,00,000 Equity Shares of face value ₹10 each*

Comparison of accounting ratios with listed industry peers

The following peer group has been determined based on the companies listed on the Stock Exchanges:

Name of the company	**Face Value (₹)**	**Current Market Price (₹)**	**Basic EPS (₹)**	**Diluted EPS**	**P/E Ratio**	**RoNW (%)**	**NAV per Equity Share (₹)**	**Revenue from operations (₹ in Lakhs)**
				(₹)	**(₹)#**			
Ace Furnaces Limited^	10	[●]	10.72	10.72	[●]	48.47%	22.12	10,080.00
Peer-Group[+]								
John Cockerill India Limited	10	7,883	20.89	20.89	377.36	4.91%	425.58	35,759.48
Megatherm Induction Limited	10	248.00	12.57	12.57	19.73	14.32%	87.75	34,622.71

^Financial information of the Company has been derived from the Restated Financial Information as at or for the financial year ended March 31, 2026.

+Source: All the financial information for Megatherm Induction Limited mentioned above is sourced from the audited financial statements for the year ending March 2026 and financial information of John Cockerill India Limited mentioned above is sourced from the audited financial statements for the year ending Dec 2025, as available on the websites of the Stock Exchanges.

#To be included in respect of our Company in the Prospectus based on the Offer Price.

Notes:

1. *Basic EPS and Diluted EPS is sourced from the restated financial statements of the respective company for the Fiscal ended March 31, 2026.*
2. *Megatherm Induction Limited & John Cockerill India Limited P/E Ratio has been computed based on the Markert Price which is closing market price of equity shares on September 29, 2026, on www.nseindia.com , divided by the Basic EPS as on March 31, 2026 & December 31,2025 as disclosed in audited standalone financials submitted by the respective entity with the stock exchange for the financial year.*

3. *Return on Net Worth (RONW) (%) = Restated profit / (loss) for the year divided by the restated Net Worth of the company.*
4. *For the purposes of the above, "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 each as applicable for the Company on restated basis.*
5. *Net Asset Value per share is computed as the Total Equity of the Company as on March 31,2026 divided by the outstanding number of Equity shares as on March 31, 2026 as adjusted for the effect of split and bonus*
6. *Revenue from Operations has been derived from the restated financial statements of the respective company for the Fiscal ended March 31, 2026.*

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze its business performance, which in result, help us in analyzing the growth of business in comparison to our peers. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated September 29, 2026 Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by M/s Abhishek Kumar & Associates. (FRN: **131052W**), pursuant to a certificate dated September 29, 2026.

Our Company shall continue to disclose the KPIs disclosed in this section, on a (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; or (b) complete utilisation of the proceeds of the Offer as disclosed in "*Objects of the Offer*" on page 92, or for such other duration as may be required under the SEBI ICDR Regulations.

Details of KPIs as for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024:

Particulars	31 March 2026	31 March 2025	31 March 2024
Financial KPIs			
Revenue from Operations (₹ in lakhs)	10,080.00	8,764.90	8,115.23
EBITDA (₹ in lakhs)	1,305.98	805.12	480.93
EBITDA Margin (%)	12.96%	9.19%	5.93%
Profit after tax (PAT) (₹ in lakhs)	857.80	504.35	303.32
PAT Margin (%)	8.51%	5.75%	3.74%
Return on Equity (ROE) (%)	63.49%	73.09%	86.31%
Return on Capital Employed (%)	50.30%	54.50%	47.01%
Debt-Equity Ratio (times)	0.39	0.49	1.14
Net fixed asset turnover ratio (times)	38.57	38.14	42.76
Current ratio(times)	1.63	1.35	1.20
Operating Cash Flows (₹ in Lakhs)	(378.30)	434.28	(190.84)
Operational KPIs			
Export Revenue (₹ in Lakhs)	966.02	546.17	510.34
Top 5 customer Contribution % to sales	42.60%	34.09%	44.00%
Average value per order (₹ in Lakhs)	70.31	70.69	37.90
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%
Number of repeat customers	25	26	18

Based on certificate by Statutory Auditor, M/s M/s Abhishek Kumar & Associates. (FRN: 131052W), pursuant to a certificate dated September 29, 2026.

Notes:

1. *Revenue from Operations means addition of revenue from customers.*
2. *EBITDA = Restated profit after tax for the year/ period before exceptional items + finance costs + total tax expense/(credit) +*

depreciation and amortization expense – Other non-operating Income.

3. *EBITDA Margin (%) = EBITDA / Revenue from Operations.*
4. *PAT means profit for the year / period provides information regarding the overall profitability of the business.*
5. *PAT Margin (%) = PAT / Revenue from Operations.*
6. *Return on Equity is calculated as restated profit after tax for the year divided by average total equity.*
7. *Return on Capital Employed (%) is calculated as earnings before interest and tax (EBIT) / Capital Employed. EBIT is calculated as "Profit before tax + Interest expenses" and Capital Employed is calculated as "Total Equity + Non-Current Borrowings + Current Borrowing+ deferred tax liabilities-intangible assets*
8. *Debt-Equity Ratio (times)= Total debt/ total shareholder's fund*
9. *Net fixed asset turnover ratio (times)= Net sales/ Average Net fixed asset*
10. *Current ratio(times)= Current assets/current liabilities*

All such KPIs have been defined consistently and precisely in "*Definitions and Abbreviations – Conventional and General Terms or Abbreviations*" on page 01 of this Draft Red Herring Prospectus**.**

Description on the historic use of the KPIs by our Company to analyze, 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 Summary Statements. Some of these KPIs are not defined under Accounting Standards (AS) and are not presented in accordance with Accounting Standards. 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 Accounting Standards 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 Accounting Standards.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see sections titled "*Business Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" starting on pages 160 and 233, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations – Technical and Industrial related terms*" on page 01. Bidders are encouraged to review the Accounting Standards and not to rely on any single financial or operational metric to evaluate our business.

Description of the KPIs

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

KPI	Remarks/ Definition/ Assumption
Revenue from Operations (₹ in lakhs)	Revenue from operations is used to track the revenue profile of the business and in turn helps assess the overall financial performance and size of business.
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after tax (PAT) (₹ in lakhs)	Profit for the year / period provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
Return on Equity (RoE) (%)	Return on equity provides how efficiently Company generates profits from shareholders' funds.
Return on Capital Employed (%)	Return on capital employed provides how efficiently Company generates earnings from the capital employed in the business.
Total Debt / Equity	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Net Fixed Asset Turnover ratio	Indicates how efficiently a company is using its fixed assets (Plant & Machinery, Building, Furniture, etc.) to generate revenue.

KPI	Remarks/ Definition/ Assumption
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Operating Cash Flows (₹)	Computed by adjusting PBT for non-cash items, non-operating items, changes in working capital, and taxes paid.
Operational KPIs	
Export Revenue (₹ in Lakhs)	This metric enables us to track the progress of our revenues in the export markets
Top 5 customer Contribution % to sales	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks
Average value per order (₹ in Lakhs)	This metric enables us to track the average value of orders received by us and assess the size and value of our customer orders.
Percentage of revenue contributed by repeat customers (%)	This metric enables us to assess the contribution of repeat customers to our revenue and evaluate the extent of recurring business generated from our existing customer base.
Number of repeat customers	This metric enables us to assess customer retention and the strength of our recurring customer relationships.

7. Comparison of KPIs with our peers listed in India

Set forth below is a comparison of our KPIs with our peer group companies listed in India and operating in the same industry as our Company, whose business profile is comparable to our business model.

Particulars	Ace Furnaces Limited			Megatherm Induction Limited			*John Cockerill India Limited		
	For the Financial Year ended/ Period on			For the Financial Year ended/ Period on			For the Financial Year ended/ Period on		
	Mar-26	Mar-25	Mar-24	Mar-26	Mar-25	Mar-24	Dec-25	Dec-24	Dec-23
Financial KPI's									
Revenue from Operations (₹ in lakhs)	10,080.00	8,764.90	8,115.23	34,622.71	32,050.84	30,625.46	35,759.48	38,872.60	66,662.71
EBITDA (₹ in lakhs)	1,305.98	805.12	480.93	3,905.58	3,891.85	3,716.23	2,053.79	108.91	3,225.17
EBITDA Margin (%)	12.96%	9.19%	5.93%	11.28%	12.14%	12.13%	5.74%	0.28%	4.84%
Profit after tax (PAT) (₹ in lakhs)	857.80	504.35	303.32	2,368.07	2,130.55	2,072.39	1,031.39	-538.21	2,163.92
PAT Margin (%)	8.51%	5.75%	3.74%	6.84%	6.65%	6.77%	2.88%	-1.38%	3.25%
Return on Equity (RoE) (%)	63.49%	73.09%	86.31%	15.43%	16.26%	24.24%	5.02%	-2.61%	10.74%
Return on Capital Employed (%)	50.30%	54.50%	47.01%	17.71	21.13	27.03	7.00%	-2.37%	14.10%
Debt-Equity Ratio (times)	0.39	0.49	1.14	0.30	0.23	0.30	0.00	0.00	0.00
Net fixed asset turnover ratio (times)	38.57	38.14	42.76	4.31	4.61	5.08	7.30	8.07	13.91
Current ratio(times)	1.63	1.35	1.20	1.41	1.34	1.39	1.32	1.25	1.13
Operating Cash Flows (₹ in Lakhs)	(378.30)	434.28	(190.84)	516.52	1,611.28	2,904.04	15,853.62	-6,607.98	1,705.65
Operational KPI's									
Export Revenue (₹ in Lakhs)	966.02	546.17	510.34	3,381.16	3,239.10	6,484.85	3,886.26	1,213.84	2,395.01
Top 5 customer Contribution % to sales**	42.60%	34.09%	44.00%	NA	NA	NA	NA	NA	NA
Average value per order (₹ in Lakhs)**	70.31	70.69	37.90	NA	NA	NA	NA	NA	NA
Percentage of revenue contributed by repeat customers**(%)	22.00%	18.37%	13.14%	NA	NA	NA	NA	NA	NA
Number of repeat customers**	25	26	18	NA	NA	NA	NA	NA	NA

** As the financial information of the John Cockerill India Limited for the period ended March 31, 2026, March 31, 2025 & March 31, 2024 is not publicly available, the latest available financial information for the year ended December 31, 2025, December 31, 2024 & December 31, 2023 has been considered for the purpose of the analysis presented above.*

***Except for Export Revenue, comparable information for the above operational KPIs of the listed peers is not available in their publicly available disclosures and has accordingly been stated as "NA".*

Notes:

1. *Revenue from Operations means addition of revenue from customers.*
2. *EBITDA = Restated profit after tax for the year/ period before exceptional items + finance costs + total tax expense/(credit) + depreciation and amortization expense – Other non-operating Income.*
3. *EBITDA Margin (%) = EBITDA / Revenue from Operations.*
4. *PAT means profit for the year / period provides information regarding the overall profitability of the business.*
5. *PAT Margin (%) = PAT / Revenue from Operations.*
6. *Return on Equity is calculated as restated profit after tax for the year divided by average total equity.*
7. *Return on Capital Employed (%) is calculated as earnings before interest and tax (EBIT) / Capital Employed. EBIT is calculated as "Profit before tax + Interest expenses" and Capital Employed is calculated as "Total Equity + Non-Current Borrowings + Current Borrowing+ deferred tax liabilities-intangible assets*
8. *Debt-Equity Ratio (times)= Total debt/ total shareholder's fund*
9. *Net fixed asset turnover ratio (times)= Net sales/ Average Net fixed asset*
10. *Current ratio(times)= Current assets/current liabilities*
11. *All the financial information for the Company mentioned above is based on the Restated Financial information for the relevant period/year.*
12. *All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the audited/unaudited standalone financial results for the respective companies for the relevant period/year available on the website of BSE Limited & NSE Limited.*
13. *Ace Furnaces Limited is engaged in the business of designing, engineering, manufacturing and supplying industrial furnaces and related equipment and solutions. The industry in which the Company operates comprises players with varied product offerings, technologies, end-user industries and operational scale.*

Based on a review of listed companies in India and considering similarities in business activities, product offerings and industry presence, Megatherm Induction Limited and John Cockerill India Limited have been identified as suitable listed peers of the Company. Accordingly, these companies have been considered as listed peers for the purpose of benchmarking of the identified Key Performance Indicators ("KPIs") and peer comparison in the Draft Red Herring Prospectus.

8. Weighted average cost of acquisition ("WACA"), floor price and cap price

a) The price per share of the company based on the primary/ new issue of shares (equity/ convertible securities excluding Equity Shares issued pursuant to a bonus issue)

During the 18 months preceding the date of this Draft Red Herring Prospectus, the Company has undertaken a sub-division of its existing Equity Shares and has issued Bonus Equity Shares. The sub-division of Equity Shares did not involve any fresh issuance of share capital or consideration, and the issuance of Bonus Equity Shares is excluded for the purpose of determining Primary Issuances.

Accordingly, there has been no issuance of Equity Shares or convertible securities for consideration during the 18 months preceding the date of this Draft Red Herring Prospectus which qualifies as a "Primary Issuance" for the purpose of this disclosure.

b) Price per Share of the Company based on Secondary Transactions involving Promoters and Promoter Group during the 18 Months preceding the filing of the DRHP

During the 18 months preceding the date of filing of this Draft Red Herring Prospectus, certain Secondary Transactions involving the Promoters/Promoter Group/Shareholders having the right to nominate director(s) on the Board of Directors of the Company were undertaken. Details of such Secondary Transactions, where the acquisition or sale was equal to or more than 5% of the fully diluted paid-up share capital of the Company, are set forth below:

Date of Transfer	Nature of Specified	Name of Transferor	Name of Transferee	No of Shares	Issue price per Specified	Price per Equity share	Nature of Consider	Total Consideration

	Security				Security (₹)		ation	
April 02, 2025	Equity Shares	Amjad Ahmed Sheikh	Rhea Kailash Nasta	20,000	100.00	1000.00	Cash	2,00,00,000
April 02, 2025	Equity Shares	Prashant Dattatray Patil	Nitin Jagannath Phirake	2,500	100.00	1000.00	Cash	25,00,000
August 21, 2026	Equity Shares	Rhea Kailash Nasta	Mr. Hriday Kailash Nasta	10	10.00	Nil	Gift	Nil
August 21, 2026	Equity Shares	Rhea Kailash Nasta	Ms. Meher Kailash Nasta	10	10.00	Nil	Gift	Nil
August 21, 2026	Equity Shares	Rhea Kailash Nasta	Mrs. Veena Vishnu Nasta	10	10.00	Nil	Gift	Nil
August 21, 2026	Equity Shares	Rhea Kailash Nasta	Mr. Vishnu Newandra m Nasta	10	10.00	Nil	Gift	Nil
Pursuant to resolution of our Shareholders dated July 18, 2026, and Board resolution dated July 10, 2026, our Company has issued and allotted 75,00,000 Equity Shares by way of bonus issue in the ratio of 15 Equity Shares for every 1 (one) Equity Share held by our Shareholders on the record date i.e., July 10, 2026.								
Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 01, 2026 and the Board Resolution dated May 06, 2026, each existing Equity Share having a face value of ₹100 each was sub-divided into 10 (Ten) Equity Shares having a face value of ₹10 each. Consequently, the issued, subscribed and paid-up Equity Share Capital of the Company comprising 50,000 Equity Shares of face value ₹100 each stood sub-divided into 5,00,000 Equity Shares of face value ₹10 each.								
Total Consideration (₹ in lakhs)								225.00
Weighted Average cost of Acquisition based on Primary transactions (in ₹)*								**6.25**

** Weighted average cost of acquisition per Equity Share has been adjusted for sub-division of equity shares from face value of ₹100 each to face value of ₹10 each and bonus issue of Equity Shares in the ratio of 15 Equity Shares for one Equity Share acquired held post-split.*

c) Price per share based on the last five primary or secondary transactions;

Since there are transactions to report to under (b) as above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions is not required to disclosed.

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

Based on the transaction described in (a), (b) and (c) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)*	Floor price (i.e., ₹ [●])*	Cap price (i.e., ₹ [●])*
Weighted average cost of acquisition per share of The company based on primary/ new issue of Equity Shares or convertible securities(excluding Equity Shares issued under employee stock option plans 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	Not Applicable	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)*	Floor price (i.e., ₹ [●])*	Cap price (i.e., ₹ [●])*
5% of the fully diluted paid up share capital of The company (calculated based on the pre-issue capital before such transactions and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Primary Issuances")			
Weighted average cost of acquisition per share of The company based on secondary sale / acquisition of Equity Shares or convertible securities, where The Our Promoters, members of our Promoter Group, or Shareholder(s) having the right to nominate director(s) to the Board of The company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of The company (calculated based on the pre-issue capital before such transactions and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")	₹6.25	[●]	[●]
Since there are transactions to report to under (b) as above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions is not required to disclosed.			

**To be included on finalisation of Price Band*

Based on certificate by Statutory Auditor Abhishek Kumar & Associates (FRN: 131052W), Chartered Accountants vide its certificate dated September 29, 2026.

9. Justification for Basis of 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 offered 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 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 offered 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*

10. 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 Manager, 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", "Business Overview", "Summary of Financial Statements"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning* on pages 24, 160, 59 and 233, 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 24 and you may lose all or part of your investments

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors

Ace Furnaces Limited

(Formally Known as Ace Furnaces Private Limited)

Office No.130, 1st Floor,Lodha Supremus II,

Road No. 22, Wagle Industrial Estate,

Thane - 400604, (Maharashtra - India)

Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (Equity Shares) by Ace Furnaces Limited (the "Company") through a fresh issue of equity shares and an offer for sale of the equity shares by selling shareholders (the "Offer").

Dear Sir/ Madam,

1. We, **Abhishek Kumar & Associates, Chartered Accountants**, **Statutory Auditor** of the Company, have been informed by the Company that it proposes to make the Offer and in that connection to file a Draft Red Herring Prospectus ("**DRHP"**), Red Herring Prospectus ("**RHP"**) and a Prospectus ("**Prospectus")** (DRHP, RHP and Prospectus collectively, the "**Offer Documents"**) as applicable with BSE Limited ("**BSE"**) referred to as the "**Stock Exchange"**) and with the Registrar of Companies, Mumbai, Maharashtra ("**RoC"**) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "**SEBI ICDR Regulations"**) and the Companies Act, 2013, as amended (the "**Companies Act**").

2. We have audited, in accordance with the requirements of the Companies Act, 2013 and the Companies Accounting Standards Rules, 2021 ("**AS**"), Generally Accepted Accounting Principles in India ("**Indian GAAP**"), Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, the standalone financial statements of the Company for the year ended March 31, 2026("**Audited Standalone Financial Statements**").

3. Subsequently, we have restated the Audited Financial Statements for the for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 in accordance with the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (SEBI ICDR Regulations) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) ("**Restated Financial Information**").

4. We have received a request from the Company to verify and certify the statement of possible special tax benefits available to the Company which is defined under **Annexure A** and its shareholders,

5. We hereby confirm that the enclosed statement in **Annexure A**, prepared by the Company and initialed by us and the Company for identification purposes (the Statement"), sets out the possible special tax benefits available to the Company and its Shareholders under the direct and indirect tax laws presently in force in India, including the Income-tax Act, 2025 (the "2025 Act"), read with the rules, circulars and notifications issued thereunder, as applicable for the tax Year 2026-27, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, the respective State Goods and Services Tax Acts, 2017 (collectively, the "GST Acts"), read with the rules, circulars and notifications issued thereunder, the Customs Act, 1962, the Customs Tariff Act, 1975 and the

Foreign Trade Policy, as amended from time to time, presently in force in India (collectively, the "Taxation Laws"), as applicable for the Financial Year 2025-26.

6. Several of these benefits are dependent on the Company and its Shareholders, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future, the Company and its Shareholders may or may not choose to fulfil.

7. 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, it is assumed that with respect to special tax benefits available to the Company and its Shareholders the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

   Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

   The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to them.

8. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

9. The benefits stated in **Annexure A** of this certificate, for possible special tax benefits available to the Company and its Shareholders are not exhaustive and the preparation of the contents stated is the responsibility of the Company. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

10. We do not express any opinion or provide any assurance as to whether:

    a. The Company and its Shareholders, will continue to obtain these benefits in the future;

b. The conditions prescribed for availing of the benefits have been/would be met with; and

c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

11. We hereby consent to the extracts of this certificate being used in the draft red herring prospectus to be filed with, the Stock Exchange, and the Red Herring Prospectus and the Prospectus to be filed with the RoC and submitted to the Stock Exchange in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchange.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by ICAI which requires that we comply with ethical requirements of the Code of Ethics issued by ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We hereby confirm that while providing this certificate, we have complied with the Ethics Code, the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the Offer Documents which may be filed by the Company with Stock Exchange, RoC and/or any other regulatory or statutory authority.

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 the RoC, Stock Exchange and/or any other regulatory /statutory authority, and/or for the records to be maintained by the BRLM in connection with the Offer and in accordance with applicable laws. We hereby consent to this certificate being disclosed by the BRLM, if required (i) by reason of any law, regulation, order or request

of a court or by any governmental or competent regulatory authorities or on the request of the Stock Exchange; or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the equity shares of the Company; or (iii) for the records to be maintained by the BRLM and in accordance with applicable laws.

We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchange. In the absence of any such communication from us, the Company, the BRLM and the Legal Counsels appointed with respect to Offer can assume that there is no change to the the above information forming part of this certificate and accordingly, such information should be considered to be true and correct until the Equity Shares commence trading on the Stock Exchange.

This certificate may be relied on by the BRLM, its affiliates and the Legal Counsels in relation to the Offer and to assist the BRLM in the context of due diligence procedures that the BRLM has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,
For, Abhishek Kumar & Associates
Chartered Accountants
Firm Reg. No. – 130052W

CA ABHISHEK AGRAWAL
Proprietor
Membership No. – 132305

UDIN: 26132305SBIVTN6921

Date: September 29, 2026
Place: Ahmedabad

ANNEXURE A

STATEMENT OF TAX BENEFITS

Statement Of Possible Special Tax Benefits Available to The Company, The Shareholders And Material Subsidiary Of The Company Under The Applicable Direct And Indirect Tax Laws In India

The information provided below sets out the possible special tax benefits available to the Company the Shareholders and the Material Subsidiary of the Company under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the 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.

You Should Consult Your Own Tax Advisors Concerning The Indian Tax Implications and Consequences Of Purchasing, Owning And Disposing Of Equity Shares In Your Particular Situation

A. Special Tax Benefits To The Company

Direct Tax Laws

1) **Lower corporate tax rate under section 200 of the 2025 Act** (corresponding to section 115BAA of the Income tax Act, 1961)

The Income tax Act, 2025 continues the optional concessional tax regime for domestic companies through Section 200 of the 2025 Act, which corresponds to erstwhile section 115BAA of the Income tax Act, 1961("1961 Act"). Section 200 of the 2025 Act provides an option to domestic companies to be taxed at a concessional rate of 22% (plus applicable surcharge and health and education cess), subject to fulfilment of prescribed condition

The option was originally introduced by the Taxation Laws (Amendment) Act, 2019 that introduced section 115BAA to the 1961 Act, wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate was available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020- 21 and the option once exercised shall apply to subsequent AYs. The concessional rate is subject to certain conditions while computing the total income. The total income should be computed without availing any of the following prescribed deductions under the provisions of the 2025 Act:

- Section 33(8): Additional Depreciation;
- Section 45(2) or 45(3)(a) or (b) or (c): Expenditure on Scientific research;
- Section 46: Deduction for capital expenditure incurred on specified businesses;
- Section 47(1)(a): Expenditure on agricultural development projects;
- Section 47(1)(b): Expenditure on Skill development projects;
- Section 48: Tea coffee rubber development expenses;
- Section 49: Site restoration expenses;
- Section 144: Tax holiday available to units in a Special Economic Zone;
- Chapter VIII other than provisions of section 146 and section 148;

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge @10% and health and education cess @4%) is required to be computed without set-off of any carried forward loss or depreciation from any earlier tax year, if such loss or depreciation is attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 263 of the 2025 Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 206 of the 2025 Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for

opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

The Company has opted to apply the above concessional tax

Indirect Tax Laws

There are no special tax benefits available to the Company under Goods and Services Tax law, State Value Added Tax/ Central Sales Tax law.

B. Special Tax Benefits to the Shareholder

The Shareholders of the Company are not entitled to any special tax benefits under the Direct and Indirect Tax Laws.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction

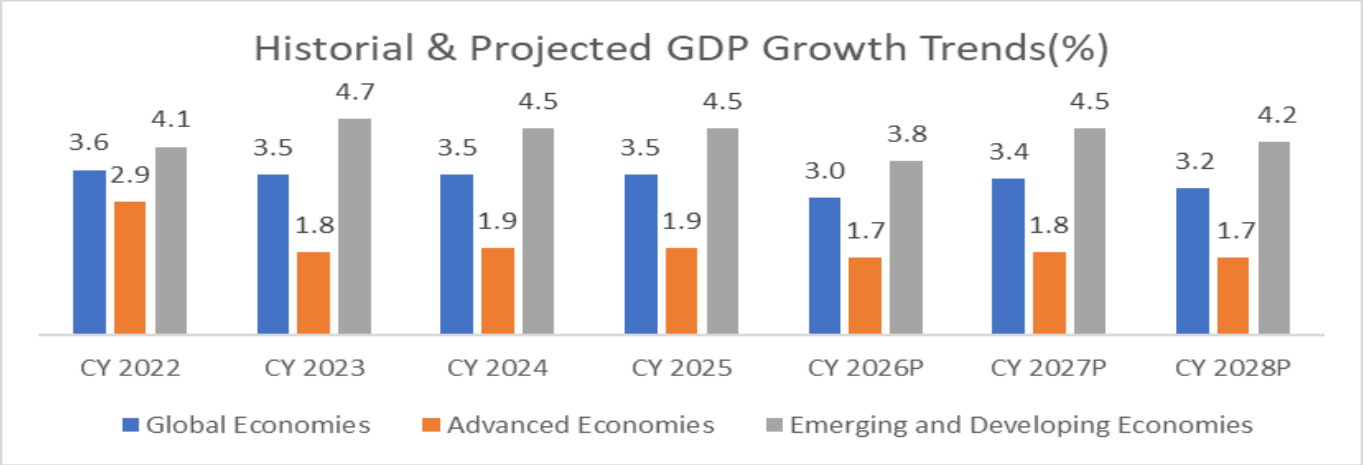
SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Global Economic Overview

The global economy continues to demonstrate resilience despite ongoing geopolitical uncertainties, supply chain disruptions and evolving monetary policy conditions across major economies. According to the International Monetary Fund ("IMF"), global economic growth grew at 3.5% in CY2025. The global economy is navigating a period characterized by the interplay of geopolitical uncertainty and accelerating technological transformation. While ongoing geopolitical tensions continue to create challenges for global trade, energy markets, and supply chains, rapid advancements in artificial intelligence (AI), automation, cloud computing, advanced manufacturing, and digital infrastructure are supporting productivity gains and investment activity across major economies.

Despite the economic disruptions arising from regional conflicts, the impact on global growth has thus far been more contained than initially anticipated. Inflation expectations, financial conditions, and commodity markets have remained relatively resilient, allowing economic activity to continue expanding. Looking ahead, technological innovation, digitalization, and evolving supply-chain strategies are expected to remain key structural drivers shaping medium-term global growth prospects.



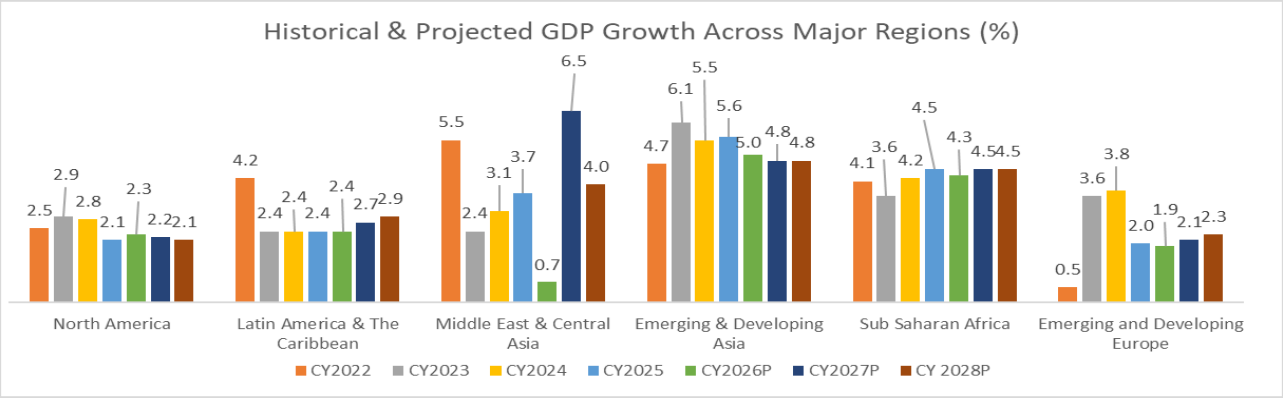
Source – IMF Global GDP Forecast Release, July 2026[1]

Note: Data till CY2027 are sourced from the IMF's July 2026 World Economic Outlook (WEO) Update. The CY2028 data are sourced from the IMF World Economic Outlook Database.[2]

Regional GDP Growth

The chart highlights significant divergence in economic growth trajectories across major regions during CY2022-CY2028P. While Emerging & Developing Asia continues to lead global growth, regions such as the Middle East & Central Asia exhibit higher volatility due to geopolitical and commodity-related factors. Meanwhile, North America, Latin America, and Sub-Saharan Africa are expected to display relatively stable growth patterns over the forecast period

1 https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf
2 https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD



Source – IMF Global GDP Forecast Release, July 2026[3]
Note: Data till CY2027 are sourced from the IMF's July 2026 World Economic Outlook (WEO) Update. The CY2028 data are sourced from the IMF World Economic Outlook Database.[4]

North America- Stable and Mature Growth Profile: North America is expected to maintain a steady growth trajectory, with GDP growth moderating from 2.5% in CY2022 to around 2.1-2.3% during CY2024-CY2028 P. The region benefits from resilient consumer spending, strong labor markets, and ongoing investments in technology and digital infrastructure. Although growth is lower than emerging markets, the consistency reflects the maturity and resilience of its economic structure.

Latin America & Caribbean- Gradual Stabilization: Growth in Latin America & the Caribbean is projected to normalize after a strong 4.2% expansion in CY2022, settling between 2.4% and 2.9% through CY2028P. The moderation reflects tighter monetary conditions and slower global demand; however, improving domestic consumption, easing inflationary pressures, and commodity sector support are expected to sustain moderate economic expansion across the region.

Middle East & Central Asia- Sharp Volatility Followed by Recovery: The Middle East & Central Asia region displays the most pronounced fluctuations among all regions. Growth rises from 2.4% in CY2023 to 3.7% in CY2025, before plunging to 0.7% in CY2026F, reflecting geopolitical disruptions, energy market uncertainty, and trade route constraints. A strong rebound is expected thereafter, with growth surging to 6.5% in CY2027 before normalizing to 4.0% in CY2028P, supported by recovery in energy production, infrastructure investments, and normalization of regional trade.

Emerging & Developing Asia- Global Growth Engine: Emerging & Developing Asia continues to outperform all major regions, maintaining growth above 4.5% throughout the period. After peaking at 6.1% in CY2023, growth is projected to stabilize between 4.8% and 5.6% during CY2024-CY2028P. Strong domestic demand, expanding manufacturing capabilities, infrastructure investments, digital transformation initiatives, and favorable demographics continue to position the region as the primary contributor to global economic growth. India and Southeast Asian economies are expected to remain key growth drivers.

Sub-Saharan Africa-Consistent Growth Momentum: Sub-Saharan Africa demonstrates a relatively stable growth outlook, improving from 3.6% in CY2023 to around 4.3-4.5% during CY2026-CY2028P. Economic activity is supported by urbanization, demographic growth, infrastructure development, and recovery in commodity-related sectors. Despite external risks and fiscal challenges in certain economies, the region is expected to maintain steady medium-term growth momentum.

Emerging & Developing Europe- Recovery After Sharp Slowdown: Emerging & Developing Europe experienced a significant slowdown from 3.8% in CY2023 to just 0.5% in CY2022, reflecting the lingering impact of geopolitical tensions and energy market disruptions. Growth subsequently recovered to 3.6% in CY2023, before moderating and stabilizing around 2.0-2.3% during CY2025-CY2028P. Continued geopolitical uncertainty and energy dependency are expected to constrain growth, although improved trade activity and fiscal support measures provide some stabilization.

Trade and Commodity Market Trends

Commodity markets continue to operate in a high-price environment. Energy prices remain significantly above pre-conflict levels, with the IMF projecting average crude oil prices of approximately US 89 per barrel in CY2026, representing a year-on-year increase of around 32%, while natural gas prices are forecast to rise by roughly 22%. Elevated energy costs are also expected to push fertilizer prices up by approximately 26% and food prices by about 8%, reflecting higher transportation and production costs.

3 https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf
4 https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD

Global trade activity is expected to moderate in the near term, with world trade volume growth projected to decline from 5.0% in CY2025 to 3.5% in CY2026, before recovering to 4.3% in CY2027 as supply-chain conditions improve and demand stabilizes.

Global Economic Outlook[5]

According to the IMF, global GDP growth is projected at 3.0% in CY2026 and 3.4% in CY2027, compared with an average growth rate of approximately 3.5% during CY2024-CY2025. Growth in advanced economies is projected at 1.7% in 2026 and 1.8% in 2027, with the overall impact of the Middle East conflict remaining relatively contained compared with emerging market and developing economies. Net energy exporters are partly cushioned by favorable terms-of-trade effects, while net energy importers face greater pressure from higher energy prices. In the United States, growth is projected at 2.3% in 2026 and 2.2% in 2027, supported by fiscal policy, accommodative financial conditions, continued technology-related investment and productivity strength. The impact of the Middle East conflict is expected to remain limited given the United States' position as a net energy exporter. In the euro area, growth is projected at 0.9% in 2026 and 1.2% in 2027, with higher energy prices, weak consumer confidence and soft underlying momentum weighing on activity.

In emerging market and developing economies, growth is projected to slow to 3.8% in 2026 before recovering to 4.5% in 2027. The outlook varies across economies, reflecting differences in commodity dependence, geographic exposure, remittances and tourism receipts, sensitivity to financial conditions, and positioning within the global technology value chain. China's growth is projected at 4.6% in 2026, as higher global oil prices, prolonged uncertainty and structural headwinds are expected to weigh on activity. India remains among the fastest-growing major economies, with growth projected at 6.4% in 2026, supported by strong momentum in private consumption and services activity. Malaysia's economy is projected to grow by 4.7% in 2026, benefiting from data center activity and an upturn in the global technology cycle. Thailand's growth forecast has been revised upward by 0.4 percentage point to 1.9%, supported by emergency fiscal measures, robust technology-related exports and investment. Vietnam's 2026 growth projection has also been revised upward by 0.4 percentage point to 7.5%, driven by stronger-than-expected technology exports and robust domestic demand. By contrast, small island developing states are expected to experience slower growth due to higher energy costs, weaker tourism and lower remittance inflows.

In the Middle East and Central Asia, growth is projected to drop sharply to 0.7% in 2026 before rebounding to 6.5% in 2027, representing a downward revision of 1.2 percentage points for 2026 and an upward revision of 1.9 percentage points for 2027. The outlook reflects a longer closure of the Strait of Hormuz than previously assumed and the resulting larger rebound. Iraq, Kuwait and Qatar, among the commodity producers most affected by disruptions to energy output and transportation, are projected to experience sharp economic contractions in 2026, followed by double-digit expansions in 2027. Saudi Arabia is expected to be relatively less affected due to its more diversified export routes, with growth projected at 1.7% in 2026 and 5.5% in 2027. Iran's 2026 growth forecast has been revised upward by 0.7 percentage point to –5.4%, reflecting stronger-than-expected oil exports and some relaxation of export restrictions, while its 2027 forecast has been revised downward by 0.3 percentage point. Commodity importers in the Middle East and North Africa are expected to remain relatively resilient despite higher energy and food prices, while economies in the Caucasus and Central Asia continue to benefit from favorable economic conditions and growth prospects.

In Emerging and Developing Europe, growth is expected to remain restrained at around 2.0%, reflecting subdued economic activity and continued geopolitical and energy-related pressures. Russia's growth is projected at 1.1%, with stronger export revenues, partly driven by higher commodity prices, providing some support to the economy. However, the outlook remains challenging for energy-intensive economies and countries dependent on fossil fuel imports, as higher energy prices continue to weigh on economic activity. These pressures are partly offset by the positive impact of increased defense spending, which is supporting economic activity across parts of the region.

Key factors impacting Global Macroeconomic landscape

Geopolitical tensions remain one of the most significant sources of macroeconomic uncertainty. Ongoing conflicts continue to influence commodity prices, transportation networks, and trade flows, contributing to elevated energy costs and inflationary pressures. While baseline projections assume a gradual normalization of global energy and logistics conditions, further disruptions remain a key downside risk.

Trade fragmentation and supply-chain diversification are becoming increasingly important. Higher tariffs, geopolitical tensions and policy uncertainty are encouraging companies to diversify sourcing, regionalize production networks and strengthen supply-chain resilience. The resulting shift toward nearshoring, friend-shoring and multi-sourcing is increasing the strategic importance of supply-chain redundancy, even where this involves higher operating costs.

5 https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf

In Global Trade and Commodity Markets, Commodity prices remain elevated, with energy prices around 25% above pre-war levels. The IMF projects the average petroleum spot price index at USD 89 per barrel in 2026 and natural gas prices at USD 15, corresponding to increases of 32% for crude oil and 22% for natural gas compared with 2025. Fertilizer prices are projected to rise by 26%, while food prices are expected to increase by 8%, reflecting higher energy, fertilizer and transportation costs. World trade volume growth is projected to slow from 5.0% in 2025 to 3.5% in 2026, before recovering to 4.3% in 2027.

Technology adoption and sustainability are becoming core strategic priorities. Rapid advances in artificial intelligence, cloud computing, automation, data centres and digital infrastructure are supporting technology-related investment and productivity growth. At the same time, rising electricity demand from digital infrastructure is increasing the importance of energy efficiency, advanced cooling systems, grid reliability and renewable-energy integration. The IMF identifies continued technology-related business investment and productivity strength as an important support to US growth, while the IEA highlights the growing role of rare-earth-dependent technologies such as AI data centres, electric vehicles, wind turbines and advanced industrial equipment.

Critical-mineral supply concentration is becoming a strategic economic risk. Rare-earth supply chains remain highly concentrated, particularly for magnet rare earths used in electric vehicles, wind turbines, industrial motors, AI data centres and defence applications. According to the IEA's latest 2026 assessment, China continues to dominate the global rare earth supply chain, accounting for around 60% of global mined production of magnet rare earths, more than 90% of refined output, and almost 95% of permanent magnet production[6].

India Macroeconomic Analysis

Against the backdrop of a moderating global growth environment, India continues to be one of the fastest-growing major economies globally. Supported by strong domestic demand, increasing investments, rising consumption expenditure and sustained policy reforms, the Indian economy has demonstrated robust growth momentum relative to most large economies. According to the IMF, India's GDP is projected to grow at 6.4% in CY2026 and 6.7% in CY2027, significantly higher than several advanced and emerging economies.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028P
India7	–5.8%	9.7%	7.6%	9.2%	7.1%	7.7%	6.4%	6.7%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.6%	4.1%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.3%	2.2%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.1%	0.6%	0.7%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.0%	1.4%	1.0%	1.3%	1.6%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.9%	1.0%	1.1%	1.1%	1.0%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.7%	1.0%	1.2%

Source: World Economic Outlook, July 2026[8]

Note: The data presented till CY 2027P are taken from the IMF's July 2026 World Economic Outlook (WEO) and the CY2028 data are sourced from the IMF World Economic Outlook Database.[9]

Growth across major economies is expected to remain mixed. The United States is projected to grow by 2.3% in CY 2026 and 2.2% in CY 2027, while China is expected to expand by 4.6% in CY 2026 and 4.1% in CY 2027. Among other major economies, Germany is projected to grow by 0.7% in CY 2026 and 1.0% in CY 2027, while Japan is expected to expand by 0.6% and 0.7%, respectively. The United Kingdom is projected to grow by 1.0% in CY 2026 and 1.3% in CY 2027, while Russia is forecast to grow by 1.1% in both years. Against this backdrop, India continues to stand out as one of the fastest-growing major economies globally. The IMF projects India's growth at 7.7% in CY 2025, 6.4% in CY 2026, 6.7% in CY 2027 and 6.5% in CY 2028.

India's growth trajectory is underpinned by a broad-based expansion across key sectors of the economy. The country's large domestic market, favourable demographics, increasing urbanization, growing middle-income population and expanding industrial

6 https://www.iea.org/news/new-projects-partnerships-and-policies-are-needed-to-address-supply-chain-risks-for-rare-earth-elements

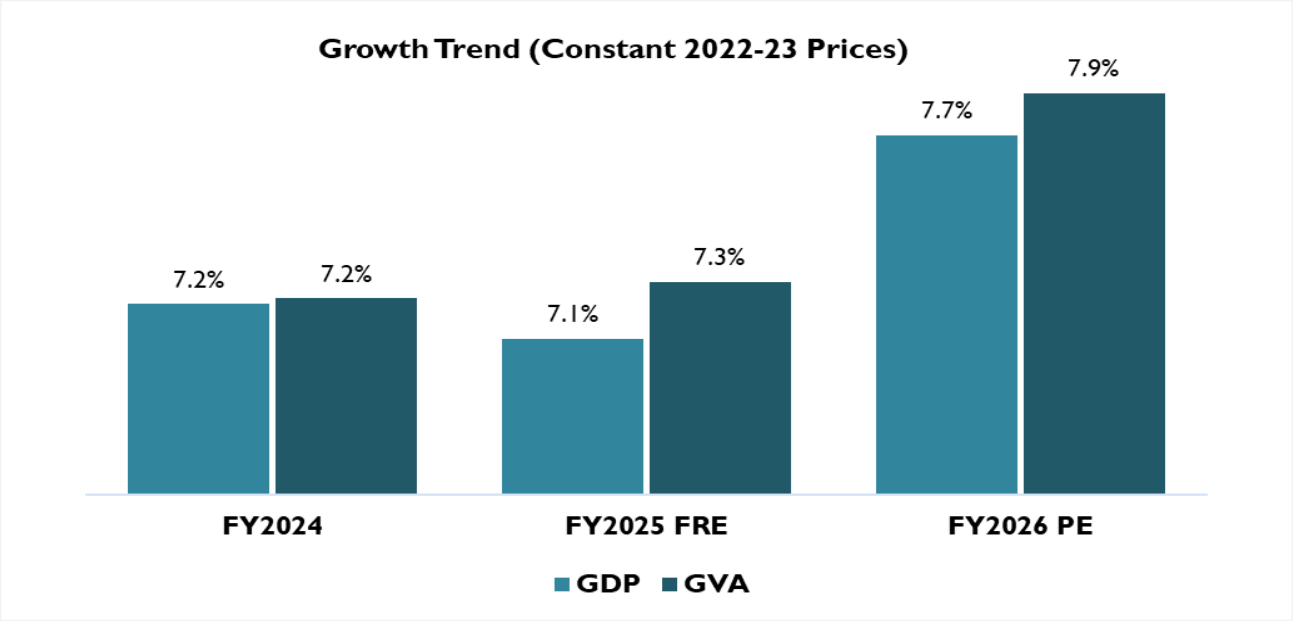
8 https://www.imf.org/-/media/files/publications/weo/2026/update/july/english/text.pdf
9 https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/OEMDC/ADVEC/WEOWORLD

base continue to support economic activity. In addition, structural reforms, infrastructure development initiatives and efforts to strengthen domestic manufacturing capabilities have contributed to enhancing India's long-term growth potential.

Historical GDP and GVA Growth Trend

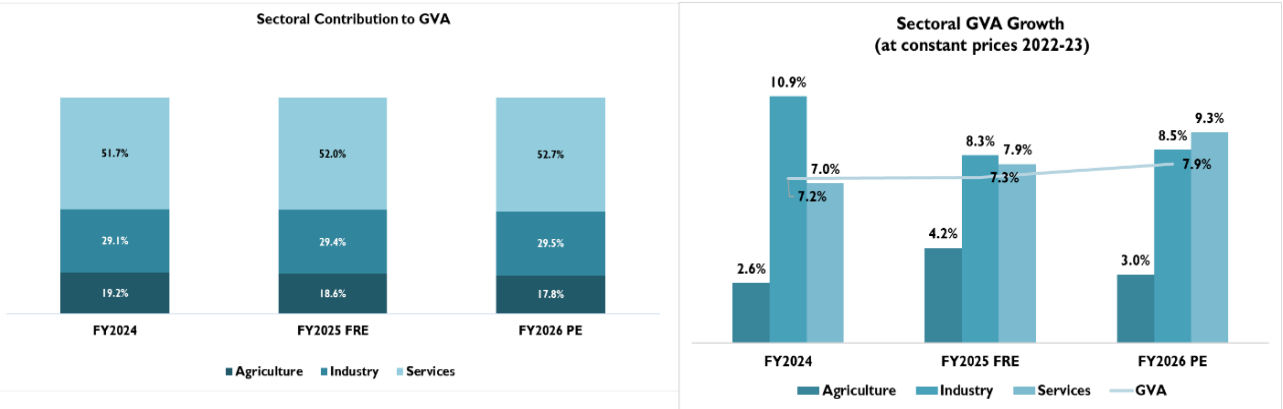
As per MOSPI's Provisional Estimates, India Real GDP (GDP at constant prices) for FY 2026 is estimated to reach INR 323.12 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2025. This represents a growth rate of 7.7% in 2026, higher than the 7.1% growth recorded in 2025.

Similarly, Real GVA for FY 2026 is estimated to reach INR 294.91 lakh crore, up from INR 273.36 lakh crore in FY 2025. This indicates a growth rate of 7.9%, compared with the 7.3% growth achieved in the previous year.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025,
FRE is First Revised Estimate; PE is Provisional Estimates

Sectoral Contribution to GVA and Annual Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

FRE is First Revised Estimate; PE is Provisional Estimates

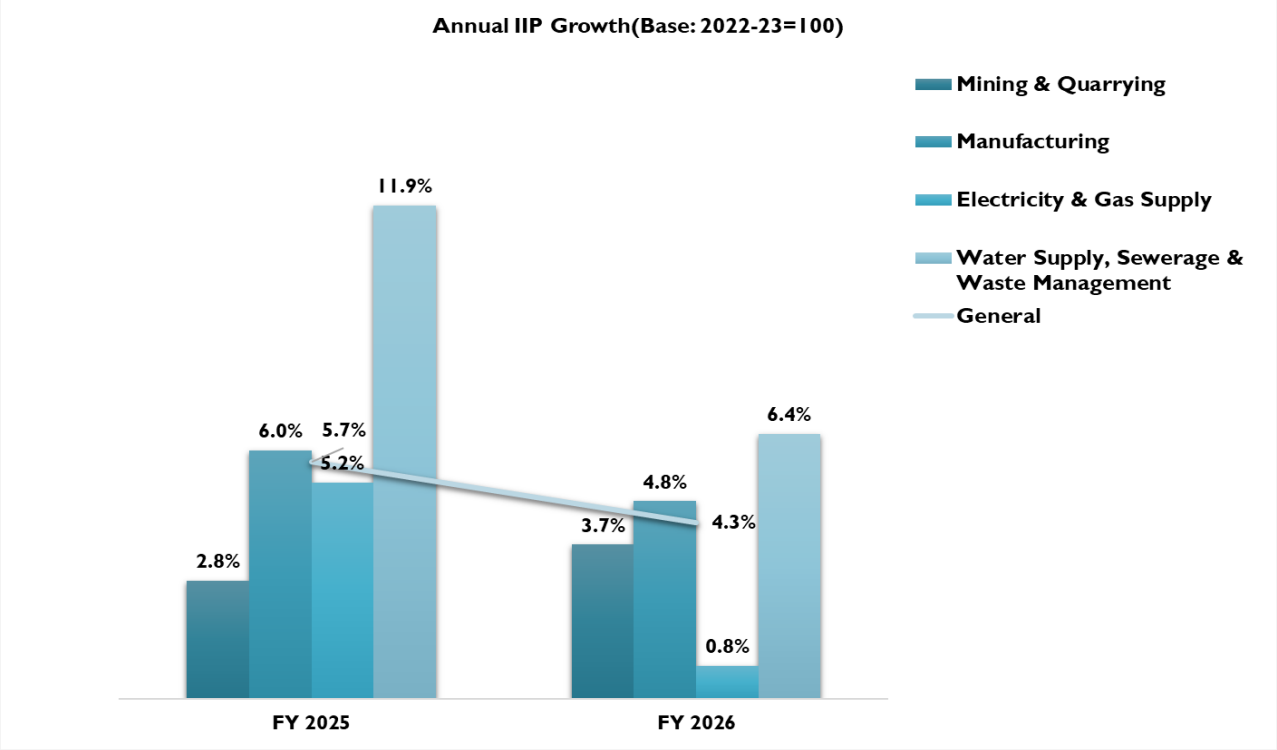
Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.9% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sectors with mining, and construction activities growing by 5.15%, and 7.36%, respectively in FY 2026, compared to 11.69%, and 7.30%

in FY 2025. Growth in the utilities sector too moderated to 1.74% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.5% in FY 2026.
The services sector continued to be the main driver of economic growth. It expanded by 9.3% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52.0% in FY 2025, with a further increase to 52.7% in FY 2026.

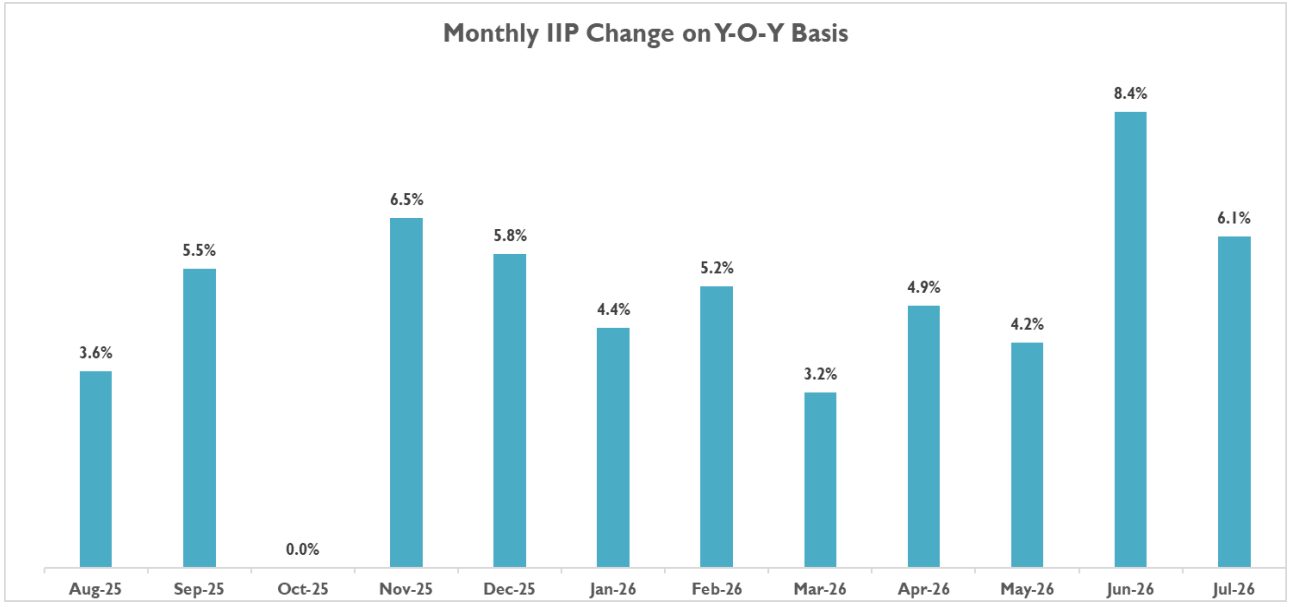
The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 3.0% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.8% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.9% in FY 2026 from 7.3% in FY 2025.

Annual & Monthly IIP Growth

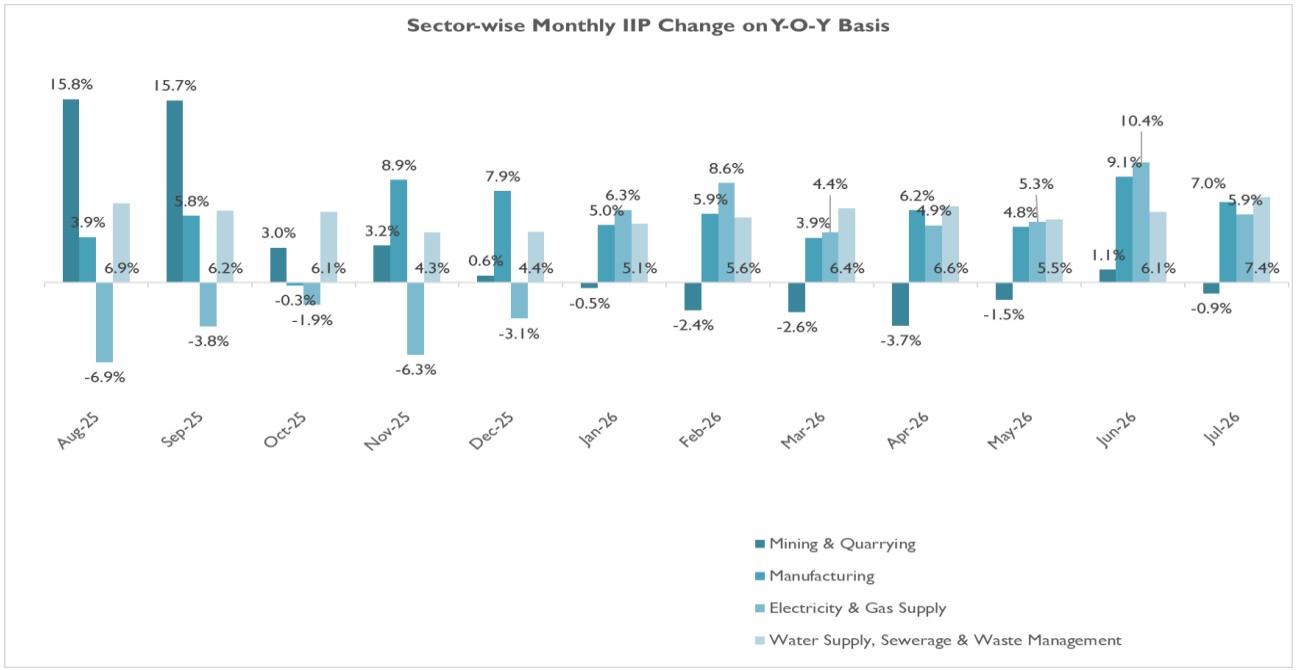
Industrial sector performance, as measured by the IIP, moderated in FY 2026, recording 4.3% y-o-y growth compared with 5.2% in FY 2025. The manufacturing sector grew by 4.8% in FY 2026, compared with 6.0% in FY 2025. The Electricity & Gas Supply sector recorded growth of 0.8%, compared with 5.7% in the previous year. Water Supply, Sewerage & Waste Management grew by 6.4% in FY 2026, compared with 11.9% in FY 2025. In contrast, Mining & Quarrying growth improved to 3.7% in FY 2026 from 2.8% in FY 2025.



Source: Ministry of Statistics & Programme Implementation (MOSPI)



Source: Ministry of Statistics & Programme Implementation (MOSPI)

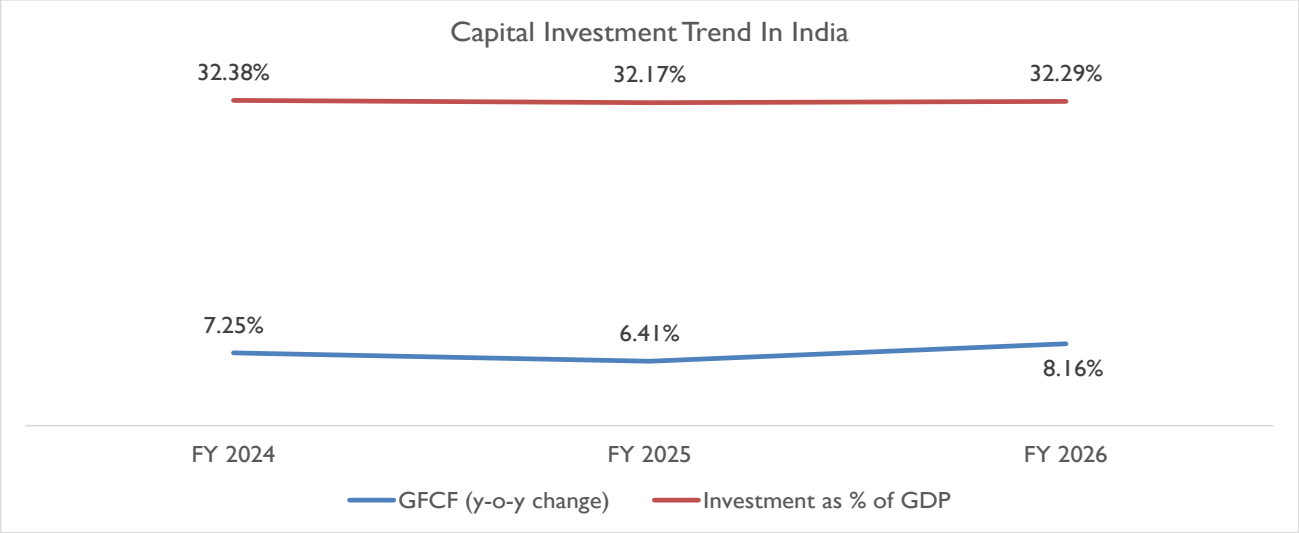


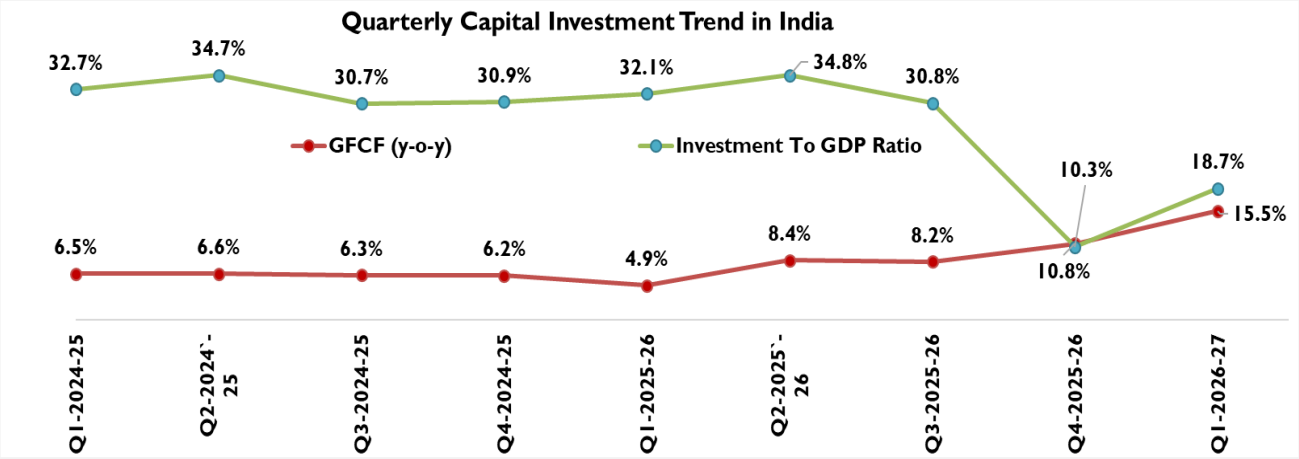
Source: Ministry of Statistics & Programme Implementation (MOSPI)

In the latest month shown, July 2026, IIP growth stood at 6.1% y-o-y, compared with 4.2% in May and 8.4% in June 2026. Sector-wise, Mining & Quarrying declined by 0.9%, while Manufacturing grew by 7.0%, Electricity & Gas Supply by 5.9%, and Water Supply, Sewerage & Waste Management by 7.4% in July 2026.

Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 8.16% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.29%.



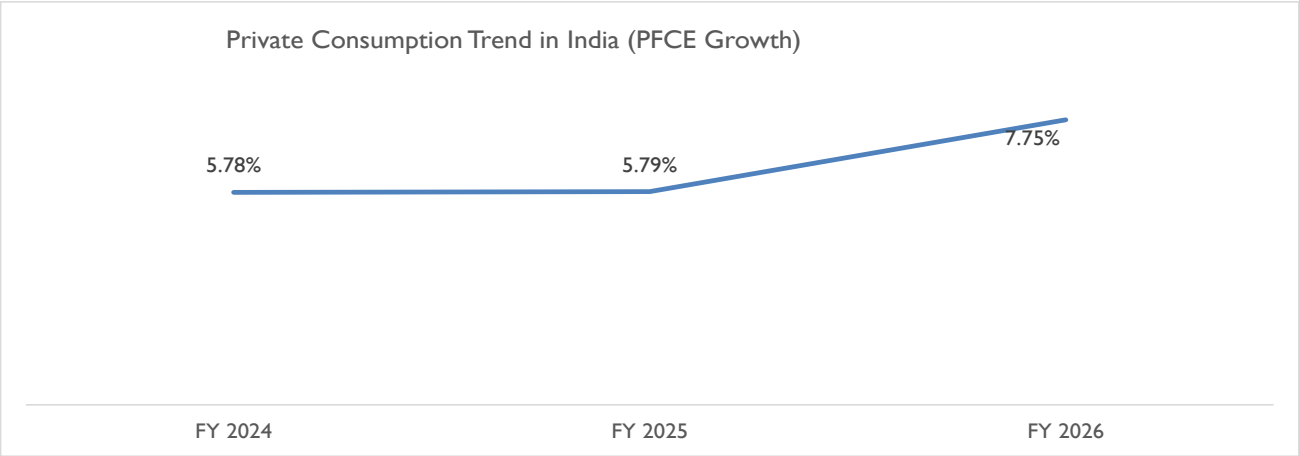


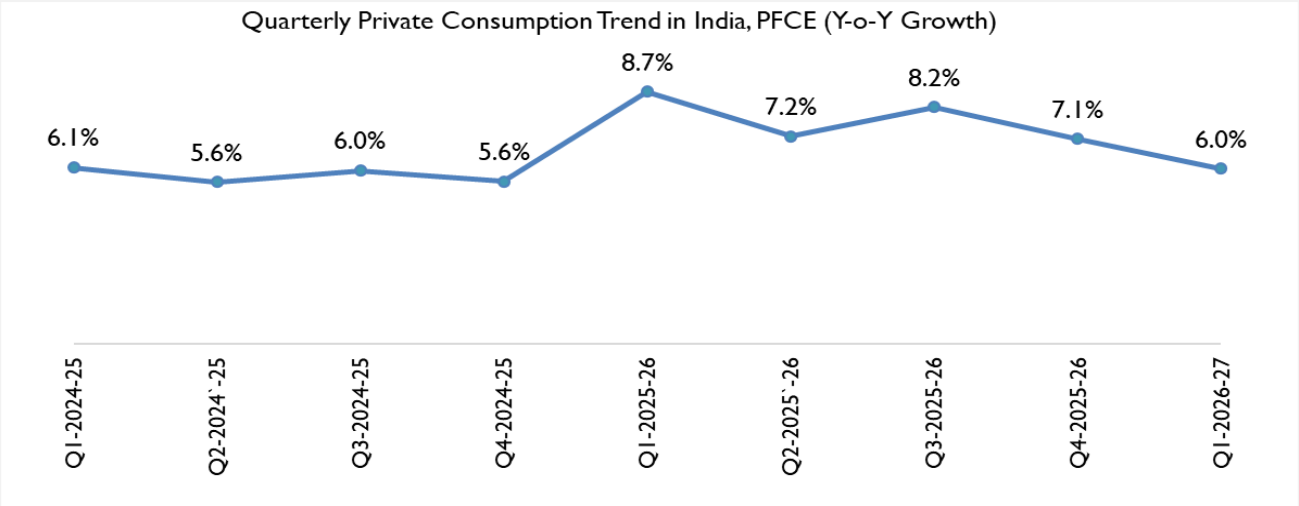
Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India's capital investment indicators reflect a mixed but resilient investment environment, with the Investment-to-GDP ratio remaining relatively strong through most of the period, while GFCF growth showed significant fluctuations. The Investment-to-GDP ratio increased from 32.7% in Q1 FY 2024-25 to 34.7% in Q2, before moderating to 30.7% in Q3 and 30.9% in Q4. In FY 2025-26, the ratio improved to 32.1% in Q1 and further strengthened to 34.8% in Q2, the highest level recorded during the period. It subsequently moderated to 30.8% in Q3 and 10.3% in Q4, before declining further to 8.7% in Q4 FY 2026-27. This indicates a notable moderation in investment intensity in the latest quarters following relatively strong levels during FY 2025-26.

GFCF (y-o-y) growth remained broadly stable during FY 2024-25, ranging between 6.2% and 6.6%, before declining to 4.9% in Q1 FY 2025-26. Growth then accelerated significantly to 8.4% in Q2 and 8.2% in Q3, reaching 10.8% in Q4 FY 2025-26. However, the momentum moderated sharply thereafter, with GFCF growth declining to 5.5% in Q4 FY 2026-27. Overall, while the earlier period reflects strengthening fixed capital formation and improved investment momentum, the latest data suggests a moderation in capital investment activity, warranting closer monitoring of the sustainability of investment growth and capital formation.

Private Consumption Scenario





Sources: MOSPI, CMIE Economics Outlook

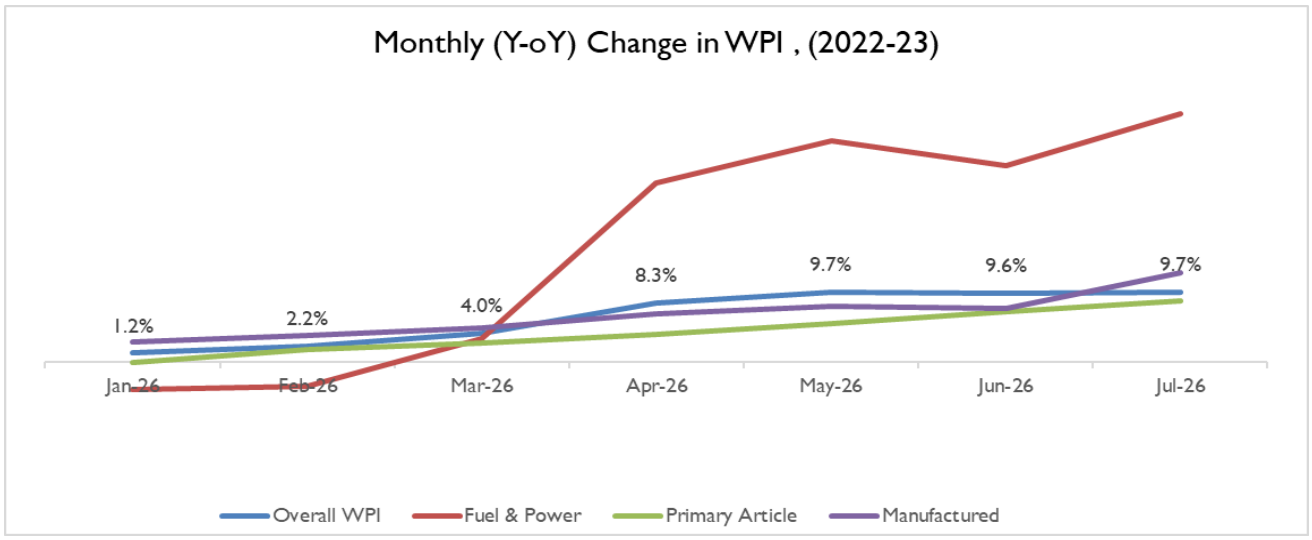
Private Final Consumption Expenditure (PFCE), a key indicator of household consumption and domestic demand, maintained healthy year-on-year growth throughout the period, although momentum moderated in the latest quarter. PFCE growth stood at 6.1% in Q1 FY 2024-25, before moderating slightly to 5.6% in Q2, rising to 6.0% in Q3 and easing again to 5.6% in Q4. In FY 2025-26, consumption growth strengthened significantly to 8.7% in Q1, before moderating to 7.2% in Q2 and recovering to 8.2% in Q3. Growth then eased to 7.1% in Q4 FY 2025-26 and further moderated to 6.0% in Q1 FY 2026-27.

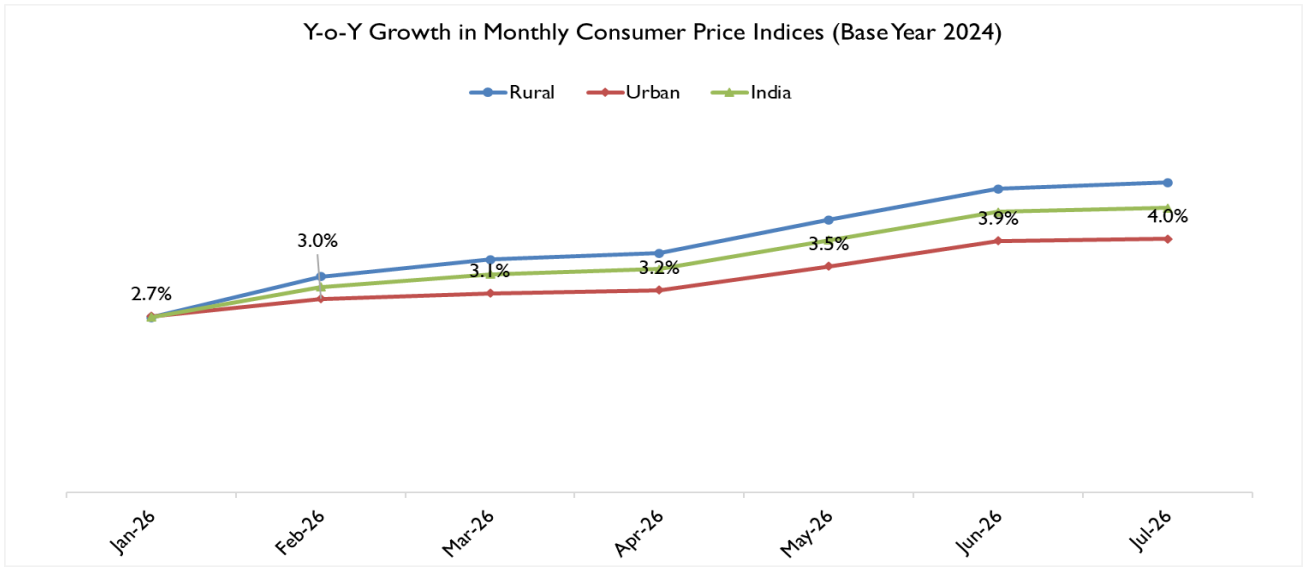
Overall, the data indicates that private consumption remained a key driver of domestic economic activity, with PFCE growth consistently above 5% and recording particularly strong momentum during FY 2025-26. However, the moderation to 6.0% in Q1 FY 2026-27 suggests some easing in household consumption momentum compared with the stronger growth recorded during the preceding quarters.

Inflation Scenario

All India Wholesale Price Index (WPI) inflation for July 2026 is 9.7 per cent on a year-on-year (YoY) basis, compared to 9.6 per cent in June 2026. The index for All Commodities for July 2026 stands at 109.7, whereas it was 109.6 in June 2026. Across Groups, 'Mineral Oils (containing Petroleum Products)', 'Crude Petroleum and Natural Gas', 'Manufacture of Chemicals and Chemical Products', and 'Manufacture of Basic Metals' continued to be major drivers of WPI inflation in June and July 2026.

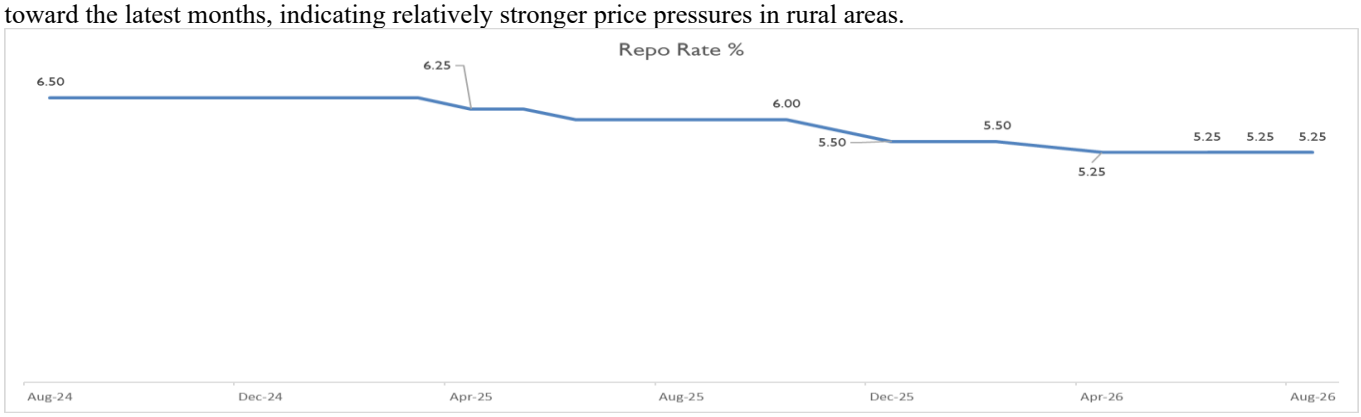
Across the regions, YoY inflation for Rural, Urban, and India stood at 1.03 per cent, 0.71 per cent, and 0.94 per cent, respectively, in July 2026, compared with 7.24 per cent, 6.69 per cent, and 7.00 per cent, respectively, in June 2026. The indices for Rural, Urban, and India were 108.34, 107.45, and 107.94, respectively, in July 2026, compared with 107.24, 106.69, and 107.00, respectively, in June 2026.





Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised Consumer Price Index (CPI) series with base year 2024=100, incorporating revised item weights based on the Household Consumption Expenditure Survey (HCES) 2023-24. Under the revised series, All India CPI inflation increased gradually from 2.7% in January 2026 to 4.0% in July 2026. Inflation rose from 3.0% in February to 3.1% in March and 3.2% in April, before accelerating to 3.5% in May, 3.9% in June and 4.0% in July. The trend indicates a steady pick-up in retail inflation during the first half of 2026, following relatively subdued price pressures at the beginning of the year. Rural inflation remained higher than urban inflation during the period, with the gap widening toward the latest months, indicating relatively stronger price pressures in rural areas.



Sources: CMIE Economic Outlook

On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was maintained through January 2025 to anchor inflationary expectations. With inflationary pressures moderating and the need to support economic activity, the RBI's Monetary Policy Committee (MPC) initiated an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 basis points each in February and April 2025, 50 basis points in June 2025, and 25 basis points in December 2025. The MPC subsequently maintained the repo rate at 5.25% through August 2026, reflecting a balanced approach between supporting growth and maintaining price stability. The policy repo rate currently stands at 5.25% as of August 2026.

Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The INR 12.2 lakh crore public capital expenditure outlay is aimed at strengthening infrastructure, connectivity and economic competitiveness. The Budget proposes seven high-speed rail corridors, a new Dedicated Freight Corridor connecting Dankuni to Surat, and the operationalisation of 20 new National Waterways over the next five years. Employment and economic activity are also expected to be supported through infrastructure development, with a focus on Tier-2 and Tier-3 cities through the proposed City Economic Regions.

Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capital expenditure is channelled into growth connectors such as the seven proposed high-speed rail corridors and improved infrastructure in Tier-2 and Tier-3 cities, supporting construction, logistics and related economic activity. In smaller towns and villages, employment generation is expected to be supported through initiatives covering textiles, khadi, handloom and handicrafts, as well as tourism-linked skilling. The Budget also proposes Samarth 2.0 to strengthen the textile skilling ecosystem and build employment-oriented capabilities.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated Rare Earth Corridors in Odisha, Kerala, Andhra Pradesh and Tamil Nadu; customs-duty exemptions for capital goods required for processing critical minerals and manufacturing lithium-ion cells for batteries; and India Semiconductor Mission 2.0 aim to deepen domestic capabilities in critical minerals, advanced materials, semiconductor equipment and electronics. The Government has also increased the proposed outlay for the Electronics Components Manufacturing Scheme to INR 40,000 crore. These measures are intended to strengthen domestic manufacturing capabilities, develop strategic industrial ecosystems and reduce import dependence in critical supply chains.[10]

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiations in January 2026 marks a major strategic milestone, providing preferential access across 97% of EU tariff lines covering 99.5% of trade value. Around 90.7% of India's exports are covered by immediate duty elimination, particularly benefiting labour-intensive sectors such as textiles, leather and footwear, tea, coffee, spices, sports goods, toys, gems and jewellery and selected marine products. The agreement remains subject to the necessary subsequent processes before implementation and is therefore not yet an operational FTA.[11]
In a similar vein, the India–Oman Comprehensive Economic Partnership Agreement (CEPA) has moved from negotiation to implementation, having entered into force on 1 June 2026. Bilateral trade between India and Oman reached USD 11.18 billion in FY 2025–26, compared with USD 10.61 billion in FY 2024–25. Under the CEPA, Oman provides duty-free access covering 98.08% of its tariff lines and 99.38% of India's exports by value, strengthening market access for Indian products across engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, gems and jewellery and other sectors.[12]

At the same time, India has adopted a calibrated liberalisation approach by offering tariff liberalisation on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining exclusions and safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services subsectors and improving provisions for professional mobility. The ceiling for Intra-Corporate Transferees has been increased from 20% to 50%, supporting greater deployment of managerial and specialist personnel by Indian companies.[13]

However, these gains remain exposed to external geopolitical risks. The escalation of the West Asia crisis represents an external shock for India, transmitted primarily through energy markets, logistics and trade-linked business exposure. Heightened security concerns around the Strait of Hormuz have resulted in vessel diversions, longer sailing routes, congestion at transshipment hubs

10 https://www.pib.gov.in/PressReleasePage.aspx
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and higher freight, insurance and war-risk costs, creating operational uncertainty for export consignments moving to or through the region.

The early trade response following implementation has also been positive. The number of tariff lines exported to Oman increased from 2,879 in May 2026 to 3,371 in June 2026, while exports across these tariff lines increased to USD 622.8 million in June 2026 from USD 402.7 million in May 2026. These developments indicate an initial expansion in export diversification and utilisation of the preferential market-access framework, although the longer-term impact of the CEPA will depend on sustained exporter participation and trade flows.[14]

At the same time, perishable agricultural exporters and other import- and export-dependent businesses remain exposed to shipping delays and logistics disruptions. Diversions and longer sailing routes can increase transit times and logistics costs, while disruptions to maritime trade can create working-capital and delivery pressures for exporters. For import-dependent industries, delays in critical inputs can increase the risk of production disruptions, while sustained increases in freight, insurance and energy-related costs can place pressure on manufacturing and services margins. The Government's response, including RELIEF and measures to facilitate alternate routing and cargo movement, is intended to mitigate these extraordinary logistics and insurance pressures.

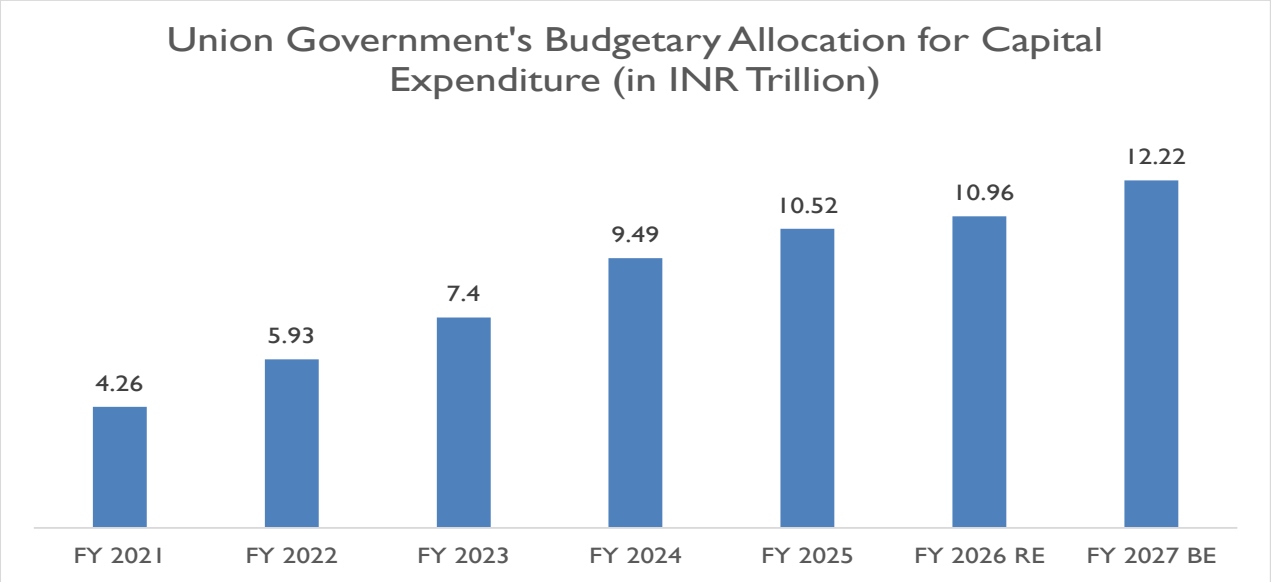
Key Growth/Demographic Drivers for Economic Growth

Government focus on infrastructure development

The infrastructure sector has received a strong boost in Budget FY'27, marked by a record INR 12.2 trn[15] public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC, which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047[16] will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5mn – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT[17] structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.

14 https://www.pib.gov.in/PressReleasePage.aspx
15https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521&reg=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.
16 https://www.indiabudget.gov.in/doc/budget_speech.pdf
17https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817&reg=3&lang=1



Union Budget, Government of India

Note: BE (Budget Estimates) and RE (Revised Estimates)

Development of Domestic Manufacturing Capability

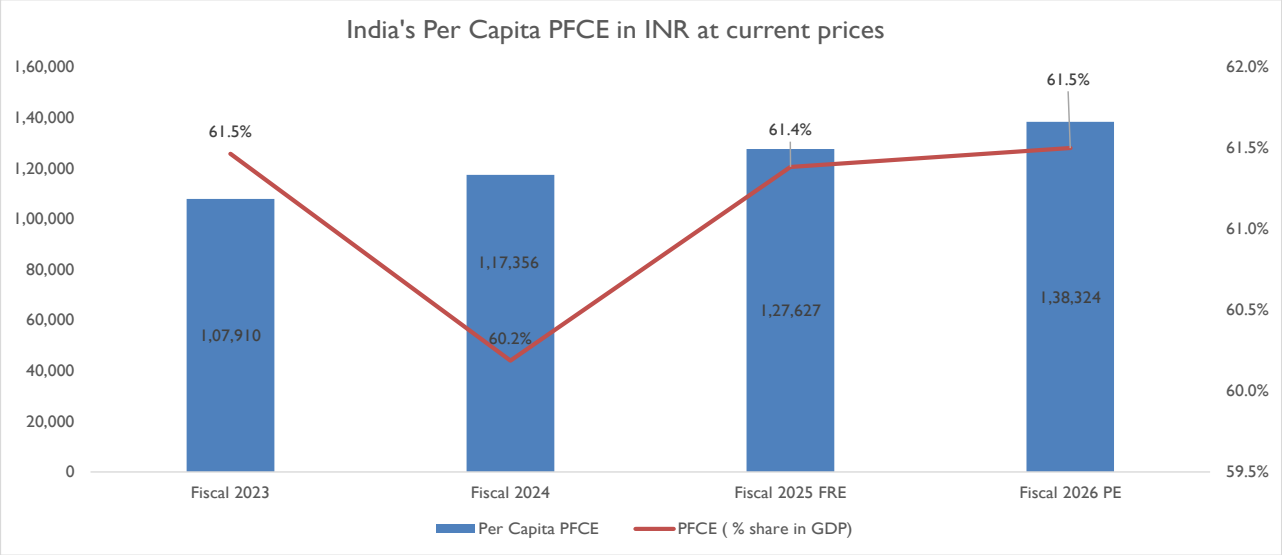
The Government launched the Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthening domestic production capabilities. The overall incentive outlay earmarked for the PLI scheme is estimated to be INR 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by the Covid-19, domestic demand is recovering. Consumer Confidence surveys by the Reserve Bank and other institutions point to an improvement in the Consumer Confidence Index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is reflecting in the private final consumption expenditure (PFCE) metric.

India's per capita Private Final Consumption Expenditure (PFCE) at current prices has shown a consistent upward trend, indicating steady improvement in household consumption levels over the years. Per capita PFCE increased from INR 1,07,910 in Fiscal 2023 to INR 1,17,356 in Fiscal 2024, and further rose to INR 1,27,627 in Fiscal 2025 FRE. It is estimated to increase further to INR 1,38,324 in Fiscal 2026 FE, reflecting continued growth in consumer spending and improving consumption capacity.

PFCE as a share of GDP also remained healthy during the period, broadly staying above 60%. The share stood at 61.5% in Fiscal 2023, moderated to 60.2% in Fiscal 2024, before recovering to 61.4% in Fiscal 2025 FRE and further improving to 61.5% in Fiscal 2026 FE. This indicates that private consumption continues to remain a key driver of India's economic growth. Overall, the steady increase in per capita PFCE, along with a stable PFCE share in GDP, reflects resilient household demand and sustained consumption momentum in the economy.

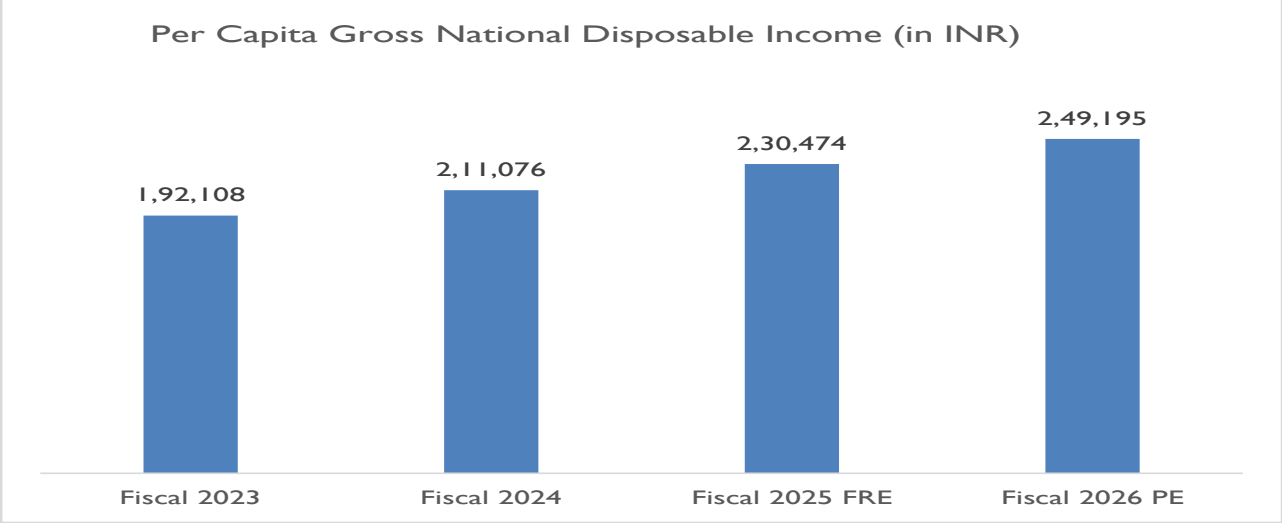


Source: Ministry of Statistics & Programme Implementation (MOSPI)
FRE is First Revised Estimate; PE is Provisional Estimates

There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 20470F0F0F0F[18]. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.

Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita Gross National Disposable Income (GNDI) has shown a steady upward trend, reflecting improvement in overall income levels and disposable income capacity. Per capita GNDI increased from INR 1,92,108 in Fiscal 2023 to INR 2,11,076 in Fiscal 2024 and further rose to INR 2,30,474 in Fiscal 2025 FRE. It is estimated to increase further to INR 2,49,195 in Fiscal 2026 PE, indicating continued growth in income levels across the economy. The consistent rise in per capita GNDI highlights strengthening purchasing power and improving household income conditions, which can support consumption demand going forward. Overall, the trend reflects a positive income environment, with rising disposable income expected to contribute to sustained private consumption and broader economic growth.



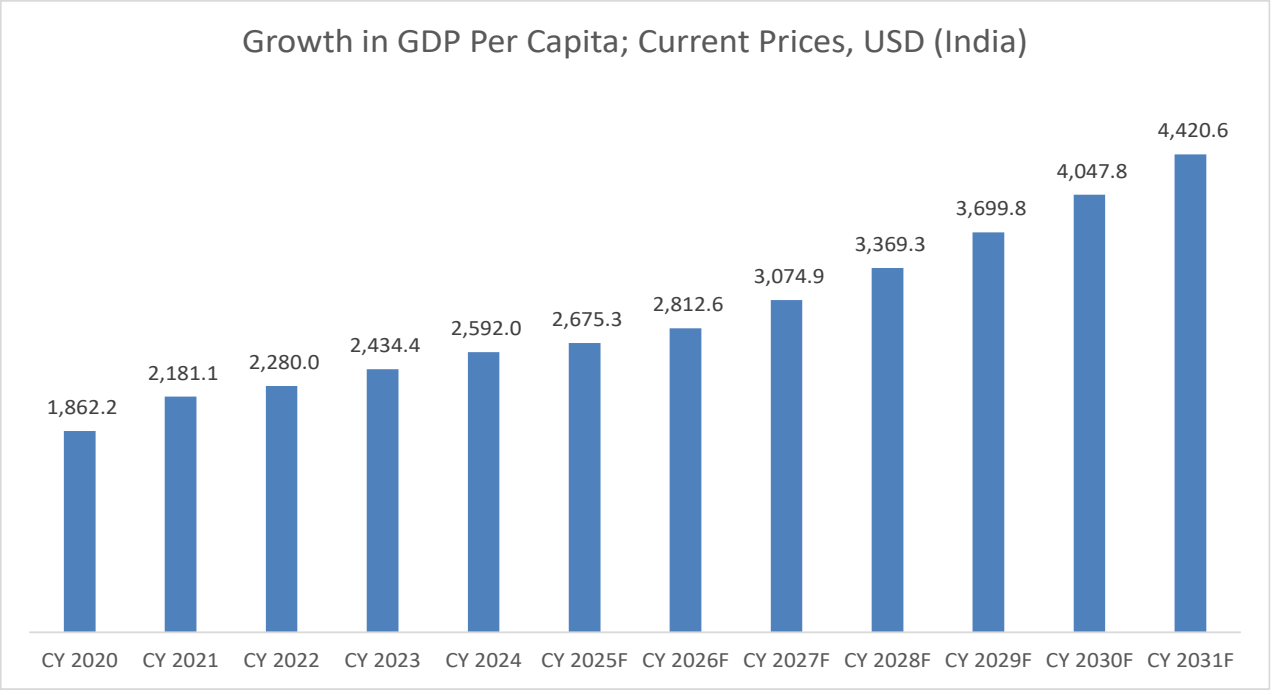
Source: Ministry of Statistics & Programme Implementation (MOSPI)
FRE is First Revised Estimate; PE is Provisional Estimates

18 As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakhs are considered as middle-class households.

India's Per Capita GDP Trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.

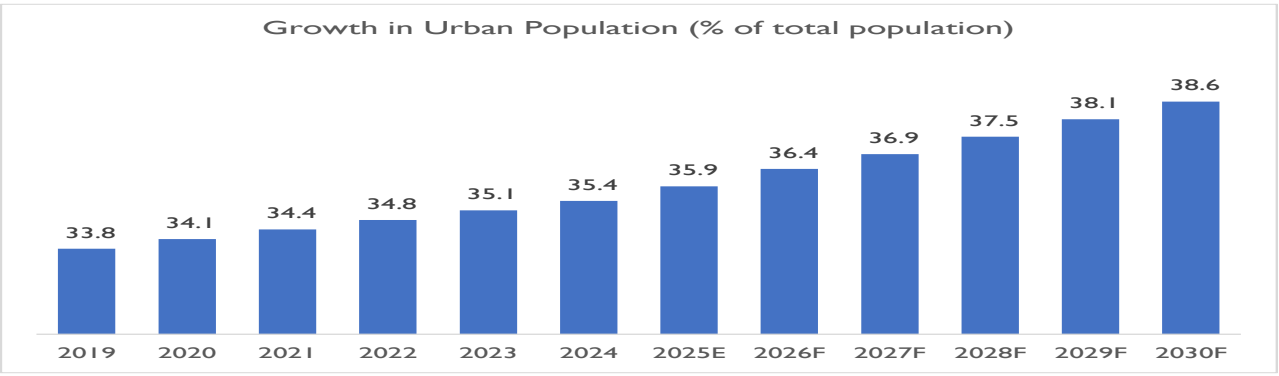


Source: IMF

From CY 2024 to CY 2031, India's per capita GDP is projected to grow at a compound annual growth rate of 7.9%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Increasing Urbanization

As per the Handbook of Urban Statistics 2022, India's urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.



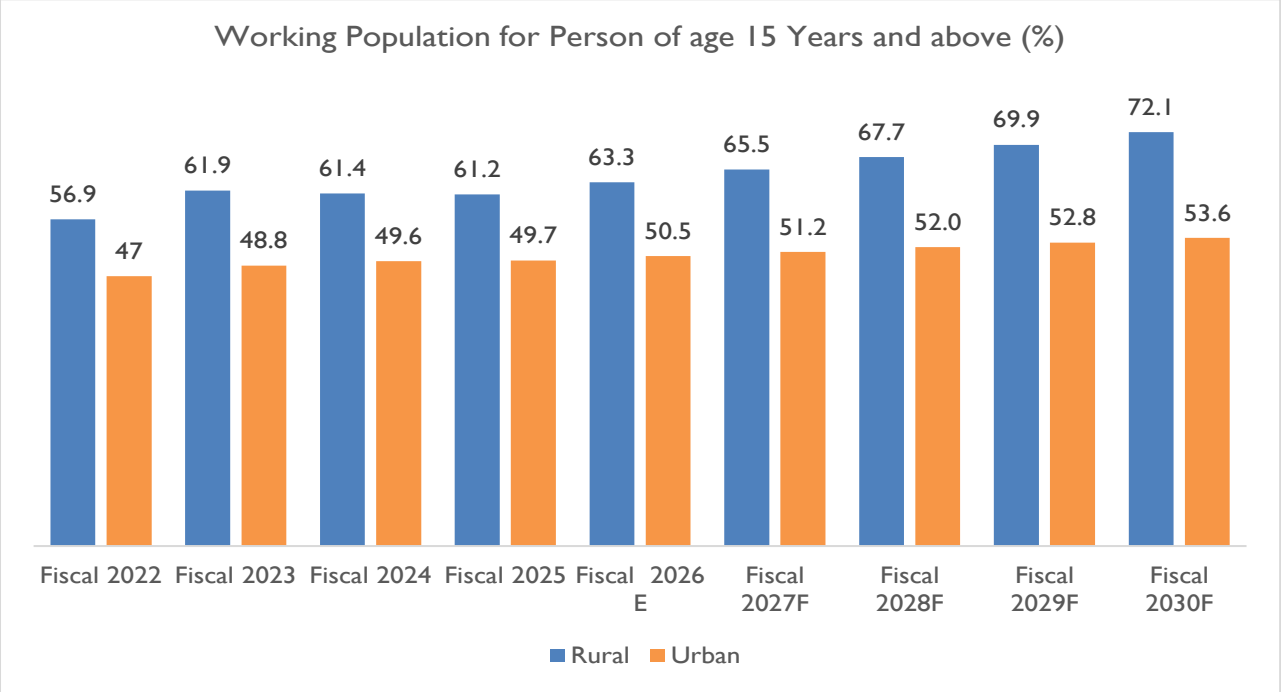
Source: World Bank,1F1F[19] Dun & Bradstreet Research and Estimates

The share of urban population in total population has been rising steadily. In 2019, 33.81% of the total population was urban. By 2025, it had reached 35.9%, showing an increase over a span of five years of about 2.10%. The share of urban population is further forecasted to cross 38.6% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

Rural vs. Urban Working Population by Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from a share of 47% in FY22 to 49.7% in FY25, whereas in rural areas, it grew from 56.9% in FY22 to 61.2% in FY25.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.



Source: Periodic Labour Force Survey (PLFS) Annual Report, Dun & Bradstreet Research and Estimates

Note: 2025 refers to the period January 2025 – December 2025 and likewise for 2024, 2023 and 2022

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these

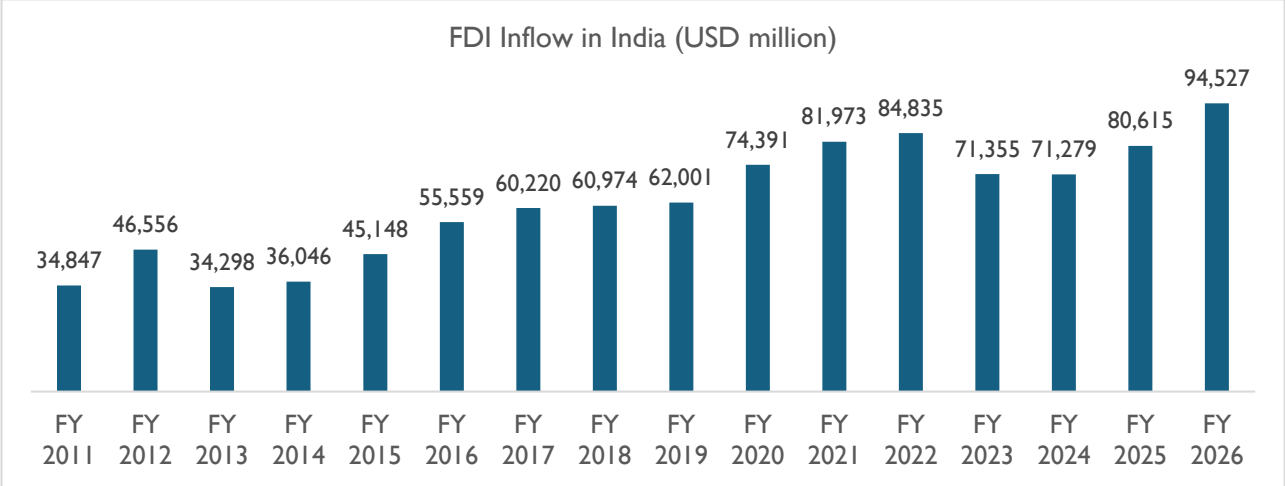
19https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart

regions.

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

Foreign Direct Investment Trend in India

FDI inflows in India observed a steady increase from FY 2013 to FY 2022 while it witnessed a decline of 15% in FY 2023 and a decline of 0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to March 2026. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified and the Income Tax Act, 1961, was amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.



Sources: Department for Promotion of Industry and Internal Trade

Industry Scenario: Industrial Furnaces in India

Overview

As of 2026, India's industrial-furnace industry is a steadily evolving engineering segment supported by the expansion and modernisation of steel, automotive, foundry, aluminium, engineering, construction and other metal-processing industries. Demand has gradually moved beyond conventional melting and heating equipment towards application-specific systems for annealing, hardening, tempering, normalising, reheating and other controlled thermal processes. Customers increasingly evaluate furnaces not only by purchase cost and production capacity, but also by temperature uniformity, product consistency, energy consumption, operating reliability and the ability to integrate with existing production lines. Consequently, the industry has become more technically sophisticated and solution-oriented, with furnace manufacturers expected to provide customised designs, automation, process controls, commissioning and long-term technical support rather than merely supplying standalone equipment.

Over the years, the most visible change has been the transition from relatively basic, manually operated and fuel-intensive furnaces towards automated, energy-efficient and environmentally responsible thermal-processing systems. Manufacturers and industrial users are increasingly adopting PLC-based controls, real-time monitoring, waste-heat recovery, improved insulation, advanced combustion systems and tighter control over furnace atmosphere and temperature. Electrically heated, induction-based and cleaner fuel-fired furnaces are gaining attention, although conventional fuel-based equipment remains important because of power costs, infrastructure limitations and the large installed base of older plants. Sustainability pressures, energy-price volatility, stricter quality expectations and industrial decarbonisation are now accelerating furnace upgrades and retrofits; however, adoption remains uneven, particularly among smaller manufacturers facing capital and technical constraints.

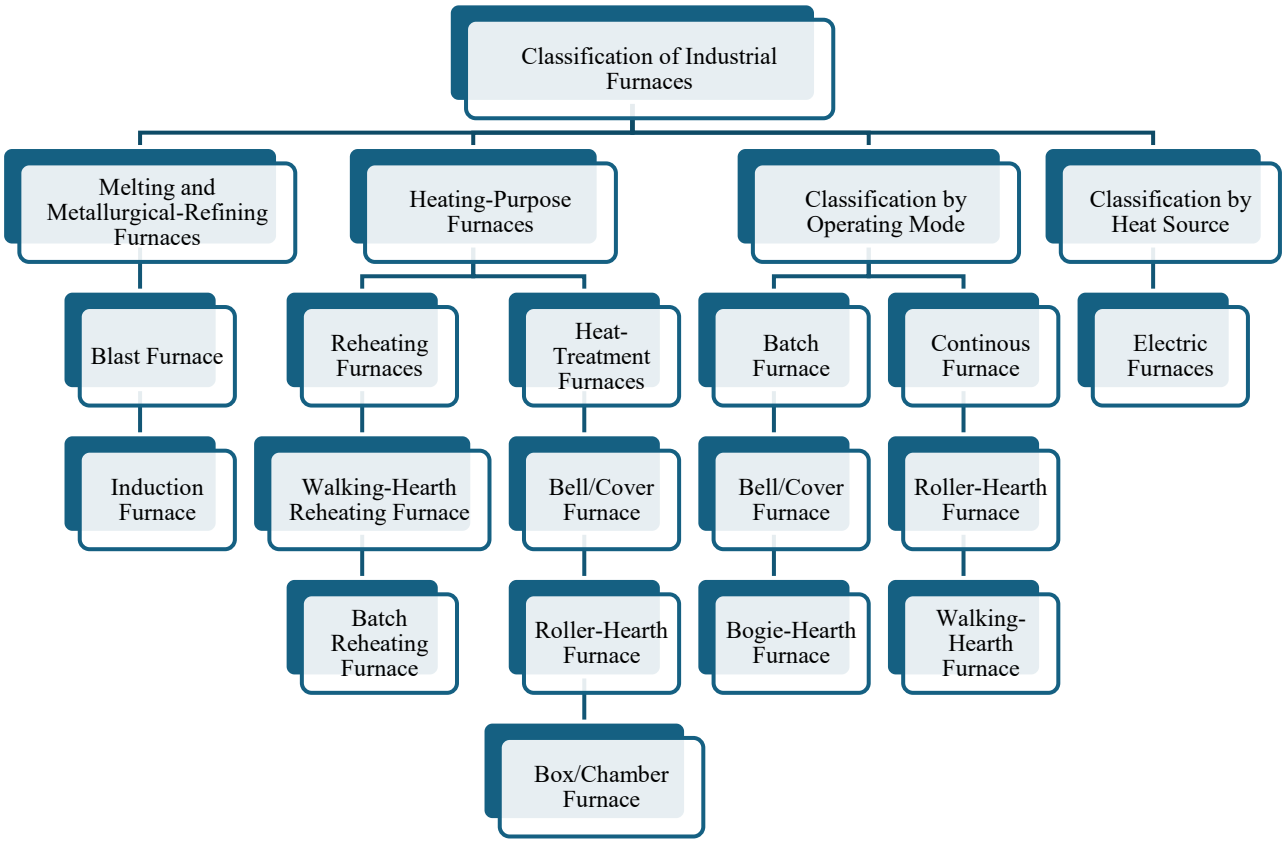
Overall, the Indian furnaces industry in 2026 is shifting from supplying heavy heating equipment to delivering intelligent, efficient and process-integrated thermal solutions, with competitiveness increasingly determined by lifecycle cost, energy performance,

automation and emissions reduction.

Key Attributes & features: Furnace Classification and Product Taxonomy

The product taxonomy classifies industrial furnaces according to four principal dimensions: application, heating purpose, operating mode, and heat source. Under the application-based classification, melting and metallurgical-refining furnaces include blast furnaces and induction furnaces. Heating-purpose furnaces are further categorised into reheating furnaces and heat-treatment furnaces. Reheating furnaces comprise walking-hearth and batch-reheating furnaces, while heat-treatment furnaces include bell/cover, roller-hearth, and box/chamber furnaces.

Based on operating mode, industrial furnaces are classified as either batch furnaces or continuous furnaces. Batch furnaces include bell/cover and bogie-hearth furnaces, whereas continuous furnaces include roller-hearth and walking-hearth furnaces. Separately, classification by heat source covers electric-resistance and electric-arc furnaces. This multidimensional taxonomy reflects the fact that a furnace may fall under more than one category depending on its intended application, operating configuration, material-handling method, and source of heat.



A. Melting and Metallurgical-Refining Furnaces

1. Blast Furnace

Classification: Melting/reduction furnace; continuous operation.

Primary application: Production of molten iron or hot metal from iron ore, coke and fluxes in integrated steel plants.

Advantages:
Suitable for uninterrupted, very-large-scale iron production.
Provides a continuous hot-metal supply to a BOF (Basic Oxygen Furnace)
Offers high output where an integrated raw-material and steelmaking system already exists.

Disadvantages:
Requires extremely high capital investment.
Depends heavily on coke and consistent raw-material quality.
Has high energy use and emissions intensity.
Cannot be started and stopped as flexibly as an electric furnace.

Selection logic: A blast furnace is selected over an induction furnace or Electric Arc Furnace (EAF) when the plant must produce primary hot metal continuously from iron ore at integrated-plant scale. It is not normally suitable for foundries or smaller steel plants.

2. Induction Furnace

Classification: Electric melting furnace.

Primary application: Melting steel, cast iron, stainless steel and non-ferrous metals.

Advantages:
Rapid and comparatively clean melting.
Accurate temperature control.
No direct contact between combustion gases and molten metal.
Flexible batch operation.
Good temperature uniformity through electromagnetic stirring.

Disadvantages:
Depends on reliable and competitively priced electricity.
Has more limited metallurgical-refining capability than EAF or BOF.
Undesirable elements in poor-quality scrap can be difficult to remove.
Requires carefully selected and prepared charge materials.

Selection logic: Induction is selected over cupola melting when cleanliness, batch flexibility and temperature control are priorities. Electric Arc Furnace (EAF) is preferred when substantial refining and chemical correction are required.

B. Heating-Purpose Furnaces

B1. Reheating Furnaces

A reheating furnace does not normally melt the material or deliberately alter its final metallurgical properties. Its primary purpose is to raise previously solidified metal to a suitable temperature for subsequent mechanical working, such as rolling, forging, extrusion or forming.

Classification: Heating-purpose furnace; may be batch or continuous; may be fuel-fired or electric.

Primary applications:

Heating billets and blooms before rolling.
Heating slabs before plate or strip rolling.
Heating metal stock before forging.
Bringing components to a workable temperature before forming.

Advantages:
Improves material plasticity and reduces the force required for rolling or forging.
Supports continuous production in rolling mills.
Can be divided into preheating, heating and soaking zones for controlled temperature development.

Can use waste-heat recovery and combustion-air preheating.

Disadvantages:
Prolonged or excessive heating can cause scale formation, oxidation and material loss.
Temperature non-uniformity can create rolling defects or dimensional inconsistency.
Fuel-fired systems can suffer significant flue-gas, wall and opening losses.
Under-loaded operation increases specific energy consumption.

Selection logic: A reheating furnace is used instead of a heat-treatment furnace when the immediate objective is to prepare material for mechanical deformation—not to create the final hardness, strength or grain structure.

Common configurations: Pusher, walking-beam, walking-hearth, rotary-hearth and batch furnaces.

Government technical basis: BEE separately refers to reheating and heat-treatment applications and illustrates pusher-type and walking-beam reheating furnaces. It identifies capacity utilisation, excess air and final heating temperature as important influences on furnace performance.[20]

Typical Reheating-Furnace Selection

Pusher furnace: Preferred when economical, high-throughput billet reheating is required and sliding contact is acceptable.
Walking-beam furnace: Preferred when improved temperature uniformity and reduced skid or surface damage justify higher capital cost.

Walking-hearth furnace: Preferred for controlled movement of heavy or regularly shaped workpieces.

Rotary-hearth furnace: Preferred for repetitive processing where compact circular product flow is beneficial.

Batch reheating furnace: Preferred for irregular workloads, large individual pieces or varied heating cycles.

B2. Heat-Treatment Furnaces

A heat-treatment furnace is designed to change or control the metallurgical properties of a material through a prescribed sequence of heating, soaking and cooling. Typical processes include annealing, normalising, hardening, tempering, stress relieving, solution treatment and ageing.

Classification: Heating-purpose furnace; available in both batch and continuous designs.

Primary applications:
Annealing to improve ductility or machinability.
Normalising to refine structure.
Hardening to increase strength and wear resistance.
Tempering to reduce brittleness after hardening.
Stress relieving after casting, welding, forging or machining.
Solution treatment and ageing of suitable alloys.

Advantages:
Enables controlled modification of mechanical and metallurgical properties.
Improves consistency, durability and service performance.
Can use programmable temperature and atmosphere-control systems.
Can be closely matched to component geometry and production volume.

Disadvantages:
Incorrect heating, holding or cooling can cause distortion, cracking or undesirable microstructures.
Batch systems may have lower throughput and repeated heating losses.
Continuous systems require stable product flow and consistent processing requirements.
Controlled-atmosphere operations require additional gas-management and safety systems.

20 https://beeindia.gov.in/sites/default/files/4Ch2.pdf

Selection logic: A heat-treatment furnace is used over a reheating furnace when the intended outcome is a controlled change in final material properties rather than merely preparing metal for rolling or forging.

Common configurations: Bell, box, bogie-hearth, pit, muffle, roller-hearth and conveyor furnaces.

Government technical basis: BEE identifies annealing as a heat-treatment example, while GeM technical specifications describe continuous roller-hearth furnaces used for normalising, tempering and other tube heat-treatment operations.21

C. Classification by Operating Mode

C1. Batch Heat-Treatment Furnaces

1. Bell Furnace

Also called: Bell-type furnace or cover furnace.

Classification: Batch heat-treatment furnace.

Primary applications:
Annealing steel coils and strip.
Heat treatment of wire coils.
Bright annealing under a protective atmosphere.
Stress relieving and controlled cooling.

Construction and operation: The material remains on a stationary base. An inner cover may contain the controlled atmosphere, while a bell-shaped heating hood is placed over the load. After heating, the heating bell can be moved and replaced with a cooling hood.

Advantages:
Suitable for large, tightly packed coil loads.
Offers effective protective-atmosphere control.
Limits oxidation and scaling when correctly operated.
Heating and cooling hoods can be moved between multiple bases, improving equipment utilisation.
Provides flexibility for different batch recipes.

Disadvantages:
Has longer heating and cooling cycles than continuous furnaces.
Temperature uniformity through densely packed coils can be challenging.
Handling the bell or hood requires lifting and transfer equipment.
Atmosphere leakage can affect surface quality and safety.
It is less suitable for uninterrupted high-speed strip production.
Selection logic: Bell furnaces are preferred over roller-hearth or continuous annealing furnaces where batch flexibility, coil processing and atmosphere control are more important than maximum line speed. Continuous furnaces are preferable for uniform products produced in very large, uninterrupted volumes.

2. Bogie-Hearth Furnace

Classification: Batch heat-treatment or reheating furnace.
Primary applications: Large castings, forgings, welded structures and heavy engineering components.

Advantages:
Movable hearth simplifies loading of very large or heavy components.
Suitable for irregularly shaped jobs.
Provides flexibility across different load dimensions.

Disadvantages:

21 [bidplus.gem.gov.in]

Door and hearth seals can permit heat leakage.
Requires significant floor space and loading infrastructure.
Heating large empty spaces or partial loads reduces energy efficiency.
Selection logic: Preferred over a fixed box furnace where loads are too heavy or large for direct chamber loading.

C2. Continuous Heat-Treatment Furnaces

1. Roller-Hearth Furnace

Classification: Continuous or semi-continuous heat-treatment furnace.
Primary applications:
Normalising and tempering tubes.
Annealing bars, plates and components.
Stress relieving.
Heat treatment of bearings, forgings and engineering components.
Construction and operation: Components, trays or workpieces travel through multiple heating and soaking zones on externally driven rollers.

Advantages:
Provides smooth, controlled and continuous material movement.
Suitable for long products, tubes and relatively heavy loads.
Eliminates the cumulative pushing force associated with pusher furnaces.
Residence time can be controlled through roller speed.
Supports automated loading, temperature control and discharge.
May be operated with electric heating or fuel-fired radiant tubes.

Disadvantages:
Rollers are exposed to high temperatures and require heat-resistant materials.
Roller bending, wear or misalignment can interrupt production.
Scale accumulation can damage rollers and affect product movement.
Round components may move or rotate unless appropriately supported.
It is less flexible than a batch furnace for highly irregular production schedules.

Selection logic: A roller-hearth furnace is selected over a pusher furnace when smooth transport, reduced product-to-product pressure and controlled residence time are important. A bell or box furnace is preferred where batches vary substantially in shape, volume or heat-treatment cycle.

Government example: A GeM/BHEL technical specification describes continuous-discharge roller-hearth furnaces for normalising and tempering tubes at temperatures up to 1,000°C, as well as heat treatment up to 1,150°C. The documented systems use multiple heating and soaking zones, driven rollers, PLC control and gas-fired radiant tubes.

2. Walking-Hearth Furnace

Primary application: Heating heavy or regularly shaped workpieces.

Advantages:
Reduces continuous sliding of material.
Provides controlled stepwise movement.
Improves separation between workpieces.

Disadvantages:
Mechanically more complicated than pusher systems.
Requires greater maintenance and capital investment.
Selection logic: Preferred over pusher furnaces where reduced surface damage and improved product spacing justify the additional complexity.

Electric Furnaces

Electric furnaces are an umbrella category covering furnaces that convert electrical energy into heat through resistance heating,

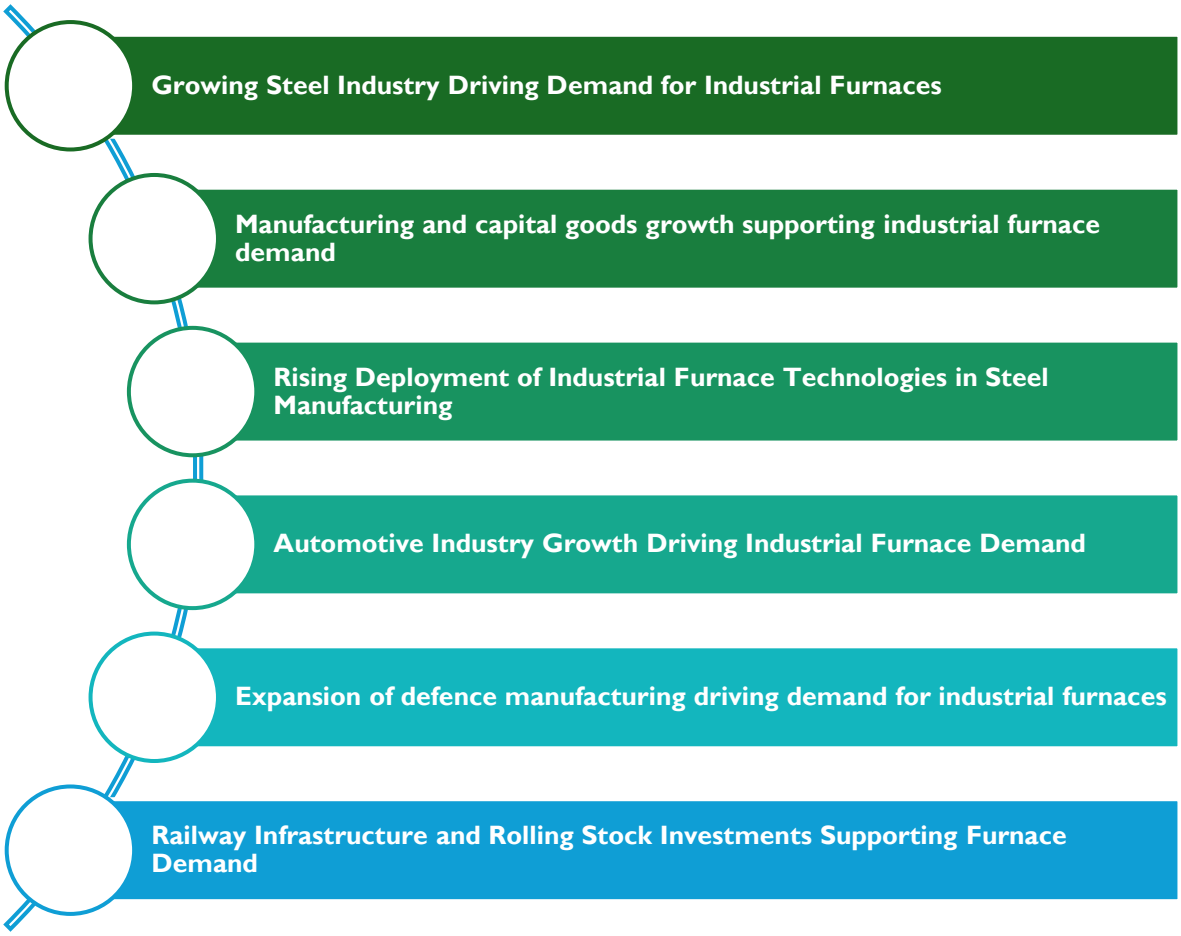
electromagnetic induction or an electric arc. For example, equipment may be described as an electric-resistance, batch-type bell annealing furnace or an electric-induction melting furnace.

Factors Affecting Furnace Performance

The important factors, which affect the efficiency, are listed below for critical analysis.[22]

- Under loading due to poor hearth loading and improper production scheduling Improper Design Use of inefficient burner
- Insufficient draft/chimney
- Absence of Waste heat recovery
- Absence of Instruments/Controls
- Improper operation/Maintenance
- High stack loss
- Improper insulation /Refractories
- Demand Drivers

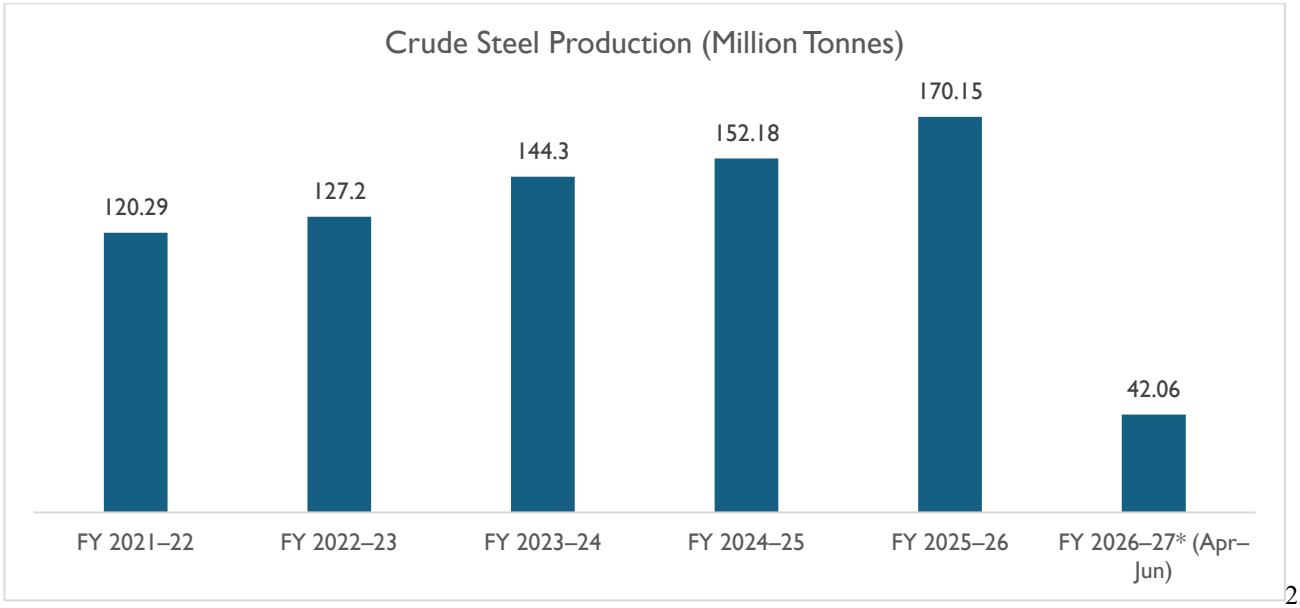
The India industrial furnace industry is witnessing steady growth, supported by expanding manufacturing activities and rising investments across key end-user industries such as steel, automotive, defence, railways, cement, foundries, and capital goods. Increasing industrial production, capacity expansion, infrastructure development, and the growing adoption of advanced manufacturing technologies are driving demand for high-performance thermal processing equipment across the country. In addition, the Government's continued focus on energy efficiency, industrial modernization, and low-carbon manufacturing is accelerating the replacement of conventional furnace systems with technologically advanced and energy-efficient solutions. These factors, coupled with sustained investments in domestic manufacturing and industrial infrastructure, are expected to strengthen long-term demand for industrial furnace systems across India's manufacturing ecosystem.



22 https://www.beeindia.gov.in/sites/default/files/4Ch2.pdf#:~:text=Furnace%20is,and%20walking

Growing Steel Industry Driving Demand for Industrial Furnaces

India's steel industry continues to expand at a robust pace, reinforcing its position as the largest end-user of industrial furnace systems used for melting, reheating, heat treatment, and other thermal processing applications. According to the Ministry of Steel, India's crude steel production reached 170.15 million tonnes in FY 2025–26, reflecting sustained growth in domestic steel manufacturing. Crude steel production increased steadily from 120.29 million tonnes in FY 2021–22 to 127.20 million tonnes in FY 2022–23, 144.30 million tonnes in FY 2023–24, 152.18 million tonnes in FY 2024–25, and 170.15 million tonnes in FY 2025–26. During April–June FY 2026–27, India produced 42.06 million tonnes of crude steel, indicating that production momentum has continued into the current financial year. In parallel, India's crude steel production capacity expanded from 154.06 million tonnes in FY 2021–22 to 200.33 million tonnes in FY 2024–25, highlighting sustained investments in domestic steel manufacturing infrastructure.



23

Source: Ministry of Steel

The long-term demand outlook remains equally strong, supported by the National Steel Policy (NSP), 2017, which targets an increase in crude steel production capacity to 300 million tonnes (MT) and crude steel production to 255 MT by FY 2030–3124, while raising per capita finished steel consumption to 158 kg from the current 97.7 kg. In the longer term, the Government also envisions expanding India's installed steel production capacity to 500 MT by 204725. Achieving these ambitious targets will require substantial greenfield and brownfield investments, expansion of downstream steel processing facilities, and modernization of existing manufacturing infrastructure. This is expected to accelerate investments in new reheating, induction, electric arc, annealing, and heat-treatment furnace systems, while also driving the replacement of ageing thermal processing equipment with more energy-efficient and technologically advanced solutions.

The structural demand for steel is further reinforced by its broad consumption across India's rapidly expanding end-use industries. In FY 2025, housing and construction accounted for 43% of total domestic steel consumption, followed by infrastructure development (25%), engineering and packaging (22%), automobiles (9%), and defence (1%)26. Continued investments in urban infrastructure, transportation networks, industrial manufacturing, automotive production, and defence manufacturing are expected to sustain steel demand over the long term. As these industries expand, steel manufacturers will continue investing in production capacity, downstream processing, and modernization projects, thereby creating sustained demand for industrial furnaces used across melting, reheating, heat treatment, annealing, and other thermal processing applications. Consequently, the continued expansion of India's steel industry is expected to remain one of the most significant long-term demand drivers for the India industrial furnace industry, supporting new furnace installations, technology upgradation, and replacement demand across the manufacturing ecosystem.

23 https://steel.gov.in/overview-steel-sector
24 https://steel.gov.in/node/84
25 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2258028&reg=48&lang=2
26https://steel.gov.in/sites/default/files/2026-04/Final%20Annual%20Report%202025-26%20%28English%20Version%29.pdf

Manufacturing and Capital Goods Growth Supporting Industrial Furnace Demand

India's expanding manufacturing and capital goods sectors continue to strengthen demand for the India industrial furnace industry, as industrial furnaces are essential production equipment across steel, foundries, automotive, engineering, electrical equipment, machinery, cement, glass, and non-ferrous metal manufacturing. According to the Ministry of Statistics and Programme Implementation (MoSPI), the Index of Industrial Production (IIP) increased by 7.3% year-on-year in June 2026, supported by 7.8% growth in the manufacturing sector27. Manufacturing growth remained broad-based, with 19 of the 23 manufacturing industry groups recording positive growth. Notably, electrical equipment output grew by 34.0%, motor vehicles, trailers and semi-trailers by 17.5%, while machinery and equipment manufacturing increased by 8.7%. Furthermore, capital goods production registered a robust 14.2% year-on-year growth, reflecting sustained investments in industrial machinery and manufacturing infrastructure.

The continued expansion of manufacturing activity is expected to translate into higher demand for industrial furnace systems, as new production facilities and capacity expansion projects require melting, reheating, heat treatment, annealing, and other thermal processing equipment. The demand outlook is further supported by rising investments in India's manufacturing sector. Manufacturing FDI increased by 18% to USD 19.04 billion in FY 2024–25, compared with USD 16.12 billion28 in FY 2023–24, while total FDI equity inflows reached USD 50.36 billion during the first half of FY 2025–26, registering a 16% year-on-year increase29. These investments are expected to accelerate the establishment of new manufacturing facilities and expansion of existing production units, creating additional demand for industrial furnace systems during the project implementation stage. Consequently, sustained growth in manufacturing output, capital expenditure, and foreign investments is expected to support both greenfield installations and replacement demand for technologically advanced industrial furnace systems across India's manufacturing ecosystem.

Rising Deployment of Industrial Furnace Technologies in Steel Manufacturing[30]

The evolving process mix of India's steel industry is creating significant growth opportunities for the India industrial furnace industry. According to the Ministry of Steel, the share of induction furnace (IF)-based crude steel production increased from 28.1% in FY 2020–21 to 38.2% in FY 2024–25, while the contribution of Basic Oxygen Furnaces (BOF) declined from 43.5% to 41.1%, and Electric Arc Furnaces (EAF) reduced from 28.4% to 20.8% during the same period. The trend has remained consistent in the current financial year, with induction furnaces accounting for 37.7% of India's crude steel production during April–December FY 2025–26. This shift highlights the increasing deployment of furnace-based steelmaking technologies across India's secondary steel sector, which continues to expand in line with rising domestic steel demand.

Process Route	FY 2020–21 (%)	FY 2024–25 (%)	FY 2025–26 (Apr–Dec) (%) *
Basic Oxygen Furnace (BOF)	43.5	41.1	42.5
Electric Arc Furnace (EAF)	28.4	20.8	19.7
Induction Furnace (IF)	28.1	38.2	37.7
Total	100	100	100

Source: Ministry of Steel

The growing share of induction furnace-based production is expected to support long-term demand for the India industrial furnace industry through higher investments in new furnace installations, capacity expansion, modernization of existing steel plants, and replacement of ageing furnace systems. As steel manufacturers increasingly adopt advanced furnace technologies to improve productivity, energy efficiency, and process control, demand is also expected to rise for automated furnace systems, digital monitoring solutions, waste heat recovery technologies, and high-performance thermal processing equipment. Consequently, the structural shift towards induction furnace-based steel production is expected to remain a key demand driver for the India industrial furnace industry, supporting both equipment sales and aftermarket opportunities across the steel manufacturing value chain.

Automotive Industry Growth Driving Industrial Furnace Demand

The continued expansion of India's automotive and auto components industry is emerging as a significant demand driver for the India industrial furnace industry, as industrial furnaces are extensively used in the manufacturing of automotive castings, forgings, gears, shafts, engine blocks, transmission components, bearings, brake systems, and aluminium components through melting, heat

27 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2290419&reg=48&lang=2
28 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2131716&reg=48&lang=2
29 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2131716&reg=48&lang=2
30https://steel.gov.in/sites/default/files/2026-04/Final%20Annual%20Report%202025-26%20%28English%20Version%29.pdf

treatment, annealing, carburizing, tempering, brazing, and other thermal processing operations. India's automobile production reached 34.71 million units in FY 2025–26, comprising 5.58 million passenger vehicles, 1.28 million commercial vehicles, 0.92 million three-wheelers, and 26.94 million two-wheelers31. The sustained growth in vehicle production is driving higher demand for precision-engineered and heat-treated automotive components, thereby increasing the deployment of advanced industrial furnace systems across the automotive manufacturing value chain.

The long-term demand outlook is further reinforced by the robust growth prospects of the domestic auto components industry, which is projected to reach USD 200 billion by 203032. The increasing localization of component manufacturing, rising adoption of lightweight materials, growth in electric vehicle (EV) production, and continuous investments in advanced manufacturing technologies are expected to accelerate capacity expansion across foundries, forging units, and precision engineering facilities. As these manufacturing processes rely extensively on industrial furnaces for melting, forging, heat treatment, stress relieving, and other thermal processing applications, the expansion of the automotive and auto components ecosystem is expected to drive sustained demand for technologically advanced, energy-efficient industrial furnace systems. Consequently, the automotive sector is expected to remain one of the key long-term demand drivers for the India industrial furnace industry.

Expansion of Defence Manufacturing, Driving Demand for Industrial Furnaces

The rapid expansion of India's defence manufacturing sector is emerging as a significant demand driver for the India industrial furnace industry, as industrial furnaces are indispensable for manufacturing high-performance metals, armour-grade steel, aerospace alloys, forged components, missile systems, naval equipment, ammunition, and precision-engineered defence components. These products undergo multiple thermal processing operations, including melting, forging, heat treatment, annealing, carburizing, tempering, brazing, and stress relieving, all of which require advanced industrial furnace systems. Driven by the Government's focus on Aatmanirbhar Bharat, import substitution, and the development of indigenous defence manufacturing capabilities, India's defence production reached an all-time high of INR 178,000 crore in FY 2025–2633, compared with INR 154,000 crore34 in FY 2024–25, reflecting sustained growth in domestic defence manufacturing and increasing demand for advanced production technologies.

The long-term growth outlook for the India industrial furnace industry is further strengthened by the Government's target of increasing annual defence production to INR 300,000 crore35 by FY 2028–29, which will require substantial expansion of manufacturing capacity across defence public sector undertakings (DPSUs), private defence manufacturers, aerospace companies, shipyards, and defence component suppliers. Supporting this objective, the Union Budget 2026–27 allocated INR 785,000 crore to the Ministry of Defence36, providing continued impetus for defence modernization, indigenous procurement, research and development, and manufacturing infrastructure. As defence manufacturers expand production facilities and increasingly adopt advanced metallurgy, precision engineering, and high-performance material processing technologies, investments in modern melting, forging, vacuum heat-treatment, brazing, and specialized thermal processing furnaces are expected to accelerate. Consequently, the continued growth of India's defence manufacturing ecosystem is expected to generate sustained demand for technologically advanced industrial furnace systems, supporting new equipment installations, capacity expansion, technology upgradation, and replacement demand across the India industrial furnace industry.

Railway Infrastructure and Rolling Stock Investments Supporting Furnace Demand

The continued expansion of India's railway infrastructure and rolling stock manufacturing is emerging as a significant demand driver for the India industrial furnace industry, as industrial furnaces are extensively used in the production of railway rails, wheels, axles, bogies, castings, forgings, propulsion system components, and other heavy engineering products through melting, forging, heat treatment, annealing, stress relieving, and other thermal processing operations. Under the Union Budget 2026–27, the Government allocated a record capital expenditure of INR 293,030 crore37 to Indian Railways, the highest-ever allocation for the sector. The budget also announced seven new high-speed rail corridors spanning nearly 4,000 km38, expected to attract investments of approximately INR 160,000 crore, along with the development of a 2,052 km Dedicated Freight Corridor between Dankuni and Surat to strengthen freight connectivity. Additionally, nearly INR 120,000 crore39 has been earmarked for railway

31 https://www.siam.in/pressrelease-details.aspx?mpgid=53&pgidtrail=50&pid=605&utm
32 https://www.acma.in/pdf/acma-report-sep-25.pdf
33 https://newsonair.gov.in/defence-minister-rajnath-singh-announces-record-defence-production-of-%E2%82%B91-78-lakh-crore-in-fy-2025-26/
34 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2191937&lang=2&reg=3
35 https://newsonair.gov.in/government-sets-target-of-3-lakh-crore-rupees-defence-production-by-2029/
36 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222601&reg=48&lang=2
37 https://indianrailways.gov.in/HindiMagazine/2026/IRFeb2026.pdf
38 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221838&reg=48&lang=2

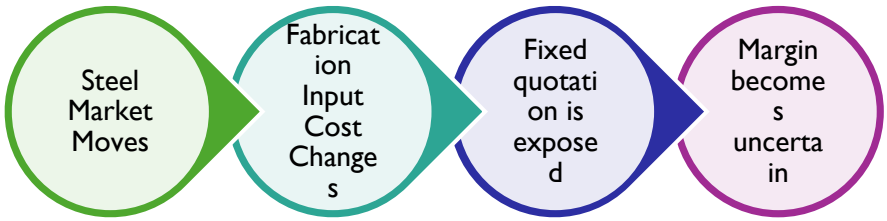
safety, modernization, and infrastructure upgrades. These initiatives are expected to significantly expand railway infrastructure and strengthen domestic rolling stock and railway equipment manufacturing.

The demand outlook is further reinforced by the rapid expansion of India's rolling stock and urban transit ecosystem. Indian Railways has introduced more than 160 Vande Bharat train services, reflecting continued investments in indigenous, high-speed train manufacturing. Simultaneously, India's metro rail network has expanded to 27 cities, with approximately 831 km of operational metro network across 20 cities, while several additional metro projects are under various stages of construction and expansion. The growing production of Vande Bharat trains, metro coaches, locomotives, freight wagons, and railway components is expected to increase demand for high-quality castings, forgings, fabricated structures, wheels, axles, and precision-engineered components, all of which require advanced melting, forging, heat-treatment, annealing, and stress-relieving furnace systems. Consequently, sustained investments in railway infrastructure, rolling stock manufacturing, and metro rail expansion are expected to drive long-term demand for technologically advanced industrial furnace systems, supporting new equipment installations, capacity expansion, modernization, and replacement demand across the India industrial furnace industry.

Threats & Challenges

Steel And Alloy Cost Volatility

The cost of building a furnace can change quickly because steel prices and trade flows are moving at the same time.



11.2% HR coil YoY, Jun 2026	11.4% CR coil YoY, Jun 2026	15.8% GP sheet YoY, Jun 2026

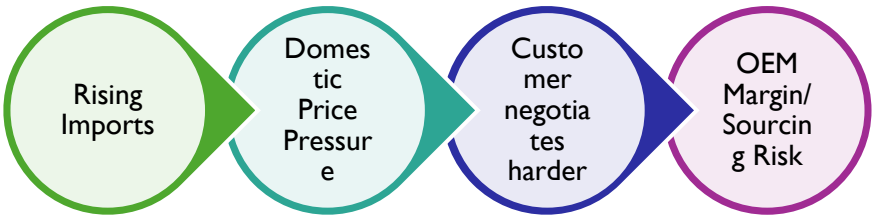
The Ministry of Steel reported June 2026 year-on-year price increases of 11.2% for HR coil, 11.4% for CR coil and 15.8% for GP sheet. At the same time, alloy-steel consumption in April-May 2026 rose 24.7% from the comparable period, showing strong demand for higher-specification materials.[40]

Implication	Furnace-sector implication: Furnace shells, structural frames, ducts and fabricated assemblies are exposed to steel-price movement. Alloy-steel demand also matters for high-temperature and wear-resistant parts. Long quotation validity or weak escalation clauses can therefore turn order growth into margin compression.

Import Competition & Supply-Chain Exposure

Imports can affect both sides of the business: the OEM may depend on imported inputs while its customer can compare the offer with imported equipment or steel.

40 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2277931&reg=48&lang=1



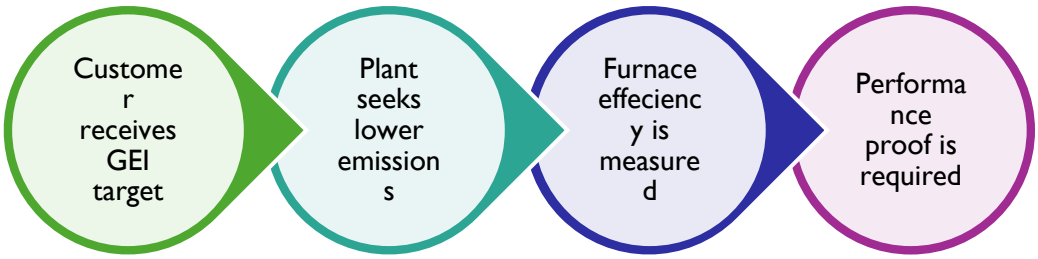
45.0% finished-steel import growth, Apr-May	62.5% finished-steel imports YoY, May	5.62 MT imports Apr-Feb FY26

India is a net importer of finished steel as per 2026; import volume have rose 45.0% year on year for the two-month period (Apr-May) and 62.5% in May alone. China, Korea and Japan were the three largest origins in April-May. As on March 2026, recorded 5.62 MT of finished-steel imports valued at ₹52,627 crore in April-February 2025-26 and listed anti-dumping measures on multiple steel categories. [41] [42]

Implication	Furnace-sector implication: Higher imports can create volatile domestic material pricing and stronger bargaining by buyers. For OEMs using imported controls, sensors, drives or specialty materials, global supply disruption remains a separate exposure. The government's trade-remedy and quality-control actions may also change sourcing economics or documentation requirements during a project.

Carbon Compliance Becomes a Commercial Requirement

Energy efficiency and emissions performance are moving from "good to have" to measurable customer requirements.



~490 obligated entities notified	7 energy-intensive sectors	9 notified methodologies

The Indian Carbon Market portal was launched in March 2026. Government stated that greenhouse-gas emission-intensity targets had been notified for nearly 490 obligated entities across seven energy-intensive sectors, while nine methodologies and more than 40 registered entities were in place. CERC also notified regulations for purchase and sale of carbon credit certificates in April 2026. [43] [44]

41 https://steel.gov.in/sites/default/files/2026-04/lu%202802.pdf
42 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2277931&reg=48&lang=1
43 https://cercind.gov.in/Current_reg.html

44 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2243377&reg=3&lang=1

Implication	Furnace-sector implication: Even where a furnace OEM is not directly an obligated entity, its customer may be. Customers will therefore require credible energy baselines, fuel and electricity measurement, emissions-related data, efficiency guarantees and auditable operating records. Performance disputes may become more consequential because the equipment affects the customer's compliance position and carbon cost.

Trade Scenario: HSN 8417 and 8514

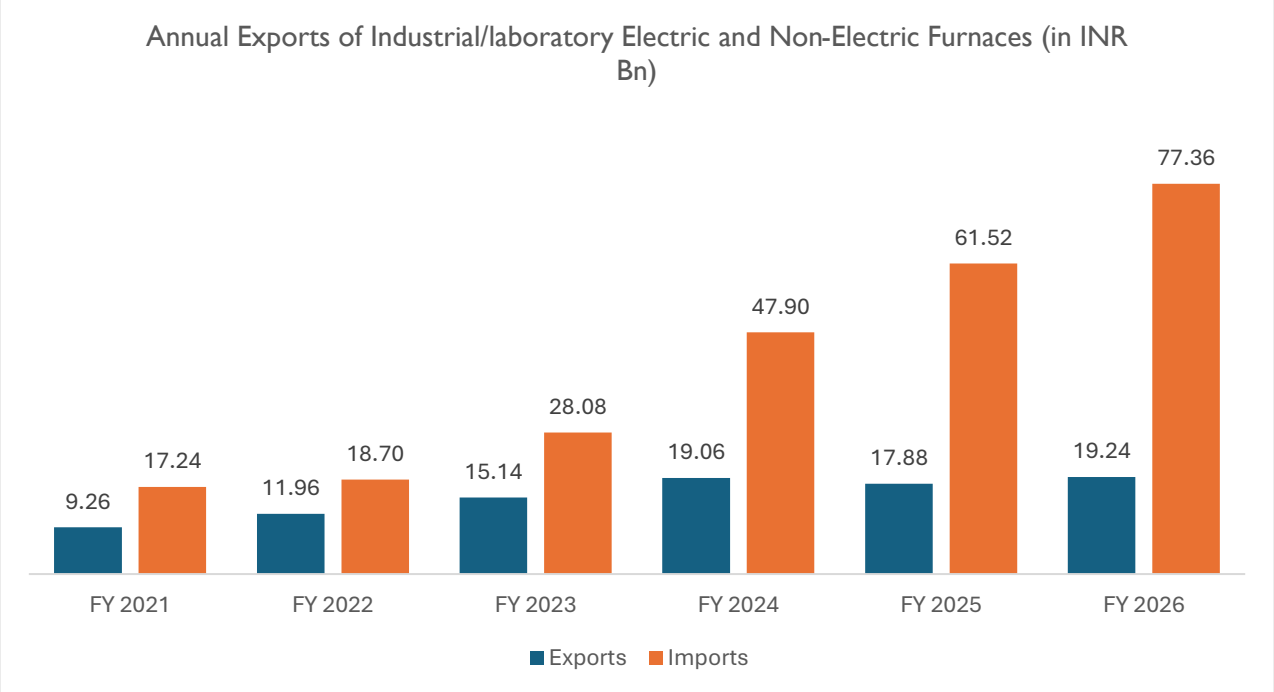
Overview

India is a structurally entrenched net importer in the industrial furnace and oven product universe, with imports growing materially faster than exports and the bilateral trade deficit widening through every quarter of FY 2025-26. Industrial or laboratory furnaces and ovens are classified under HS heading 8417 for non-electric systems and HS heading 8514 for electric systems, with eight-digit sub-classifications providing granularity across applications and subsystem types.

Historical trend in exports and imports

During the six-year period, exports increased from INR 9.26 billion in FY 2021 to INR 19.24 billion in FY 2026, representing overall growth of approximately 108%. Export growth remained broadly consistent through FY 2024, when the value reached INR 19.06 billion. A moderate decline followed in FY 2025, with exports falling to INR 17.88 billion, before recovering to their highest level of INR 19.24 billion in FY 2026.

Imports, however, expanded at a much stronger rate. Import value rose from INR 17.24 billion in FY 2021 to INR 77.36 billion in FY 2026, reflecting an increase of nearly 349%. The rise was particularly significant after FY 2022. Imports increased from INR 18.70 billion in FY 2022 to INR 28.08 billion in FY 2023, before accelerating further to INR 47.90 billion in FY 2024, INR 61.52 billion in FY 2025, and INR 77.36 billion in FY 2026.



Source: DGFT

Widening Trade Deficit

Imports remained higher than exports throughout the period, resulting in a persistent trade deficit. The gap initially narrowed from INR 7.98 billion in FY 2021 to INR 6.74 billion in FY 2022. However, the deficit widened considerably in the following years:

FY 2023: INR 12.94 billion
FY 2024: INR 28.84 billion
FY 2025: INR 43.64 billion
FY 2026: INR 58.12 billion

By FY 2026, imports were approximately four times the value of exports, compared with around 1.9 times in FY 2021. This growing imbalance suggests that domestic demand for industrial and laboratory furnaces is expanding more rapidly than export capacity. This imbalance reflects a combination of accelerating domestic capital investment, continued dependence on imported high-specification thermal technology, and the limited depth of domestic manufacturing capability in advanced furnace categories.

Top 5 Export and Import markets

Export Market Distribution

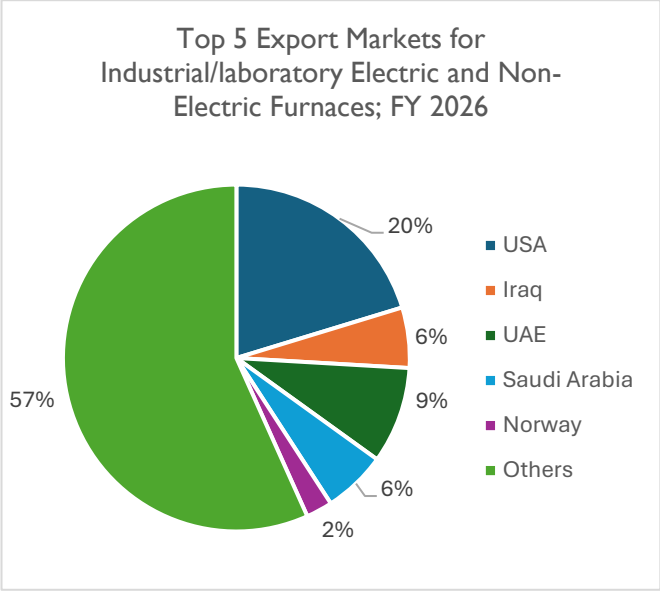
In FY 2026, the United States was the largest individual export market, accounting for 20% of total exports. The UAE followed with a 9% share, while Iraq and Saudi Arabia each represented 6%. Norway accounted for 2%, making it the smallest among the five identified export destinations.

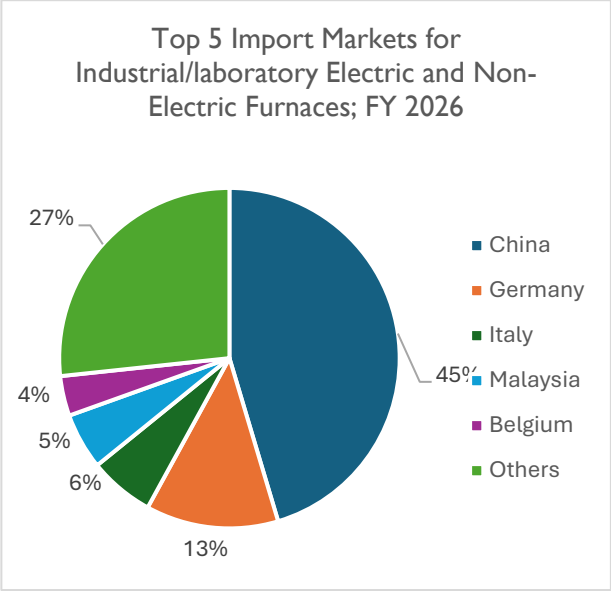
The remaining 57% of exports were distributed across other international markets. This sizeable "Others" category indicates that exports were spread across a relatively broad range of countries rather than being heavily dependent on a single destination. Such diversification can help reduce exposure to market-specific demand fluctuations and trade-related risks.

Import Market Distribution

The import market was considerably more concentrated. China was the largest source of imports, contributing 45% of the total in FY 2026. Germany ranked second with 13%, followed by Italy at 6%, Malaysia at 5%, and Belgium at 4%. The remaining 27% originated from other countries.

China's share was more than three times that of Germany and was nearly equal to the combined share of all other individually identified import markets. This indicates a high level of dependence on China for imported industrial and laboratory furnace equipment.





Source: DGFT

Key Trade Insight

A comparison of the two charts reveals a clear difference in market structure. The export portfolio was comparatively diversified, with the largest identified destination accounting for only one-fifth of exports and more than half distributed across other markets. In contrast, imports were heavily concentrated in China, which alone supplied nearly half of the total.

When considered alongside the growing trade deficit shown in the earlier chart, this pattern highlights two important priorities: expanding India's presence in high-potential export markets and strengthening domestic manufacturing capabilities to reduce dependence on concentrated import sources. Market diversification, technological development, and improved domestic production of specialised furnace equipment could support a more balanced and resilient trade position over time.

Regulatory landscape

The India industrial furnace industry operates within a comprehensive regulatory and policy framework that promotes industrial safety, energy efficiency, product quality, environmental sustainability, and technological advancement. Industrial furnaces are critical thermal processing equipment used across a wide range of industries, including steel, foundries, automotive, aerospace, defence, non-ferrous metals, cement, glass, and engineering. Owing to their high energy consumption and operation at elevated temperatures, the industry is governed by regulations related to industrial licensing, workplace safety, energy conservation, quality standards, and trade facilitation. Regulatory institutions such as the Bureau of Energy Efficiency (BEE), Bureau of Indian Standards (BIS), Directorate General of Foreign Trade (DGFT), and the Ministry of Heavy Industries (MHI) play a significant role in shaping the industry's operating environment by promoting energy-efficient technologies, quality certification, industrial competitiveness, and export readiness.

In addition to the regulatory framework, the Government of India has introduced several initiatives to strengthen the country's manufacturing ecosystem and enhance the competitiveness of capital equipment industries, including industrial furnaces. Schemes such as the Production-Linked Incentive (PLI) Scheme, Make in India, Quality Control Orders (QCOs), and the Green Steel Policy are encouraging investments in manufacturing capacity, technology upgradation, and the adoption of energy-efficient and environmentally sustainable furnace systems. Collectively, these regulations and policy initiatives are driving modernization, improving operational efficiency, supporting the transition towards low-carbon manufacturing, and creating long-term growth opportunities for the India Industrial Furnace Industry.

Regulatory Bodies Governing Industrial Furnaces Industry in India

Regulatory Body	Responsibility & Impact on the India industrial furnace industry
Ministry of Heavy Industries (MHI)	Formulates policies to strengthen India's capital goods and manufacturing sectors while promoting industrial modernization. Its initiatives encourage technology upgradation, automation, and domestic manufacturing of advanced industrial furnace systems.
Bureau of Energy Efficiency (BEE)	Promotes energy efficiency through standards, energy audits, and the Perform, Achieve and Trade (PAT) Scheme. This drives the adoption of energy-efficient furnaces, encourages retrofitting of older equipment, and helps reduce industrial energy consumption.
Bureau of Indian Standards (BIS)	Develops Indian Standards and implements Quality Control Orders (QCOs) for industrial equipment. Compliance with BIS standards enhances the quality, safety, reliability, and competitiveness of industrial furnaces manufactured and supplied in India.
Directorate General of Foreign Trade (DGFT)	Regulates India's import and export policies and administers export promotion schemes. It facilitates international trade in industrial furnace equipment while regulating the import of machinery and critical components.
Department for Promotion of Industry and Internal Trade (DPIIT)	Promotes industrial development, investment, and ease of doing business through industrial policies and licensing frameworks. It supports capacity expansion, manufacturing investments, and the growth of domestic industrial furnace manufacturers.
Ministry of Labour & Employment / State Factory Inspectorates	Enforces workplace safety and occupational health regulations for manufacturing facilities. Compliance ensures the safe installation, operation, and maintenance of industrial furnaces while minimizing operational risks to workers.
Ministry of Environment, Forest and Climate Change (MoEFCC) & Central/State Pollution Control Boards (CPCB/SPCBs)	Formulate and enforce environmental and emission regulations for industrial operations. These regulations encourage manufacturers and end users to adopt cleaner, energy-efficient, and low-emission furnace technologies to meet environmental compliance requirements.

Key Rules and regulations

Energy Efficiency Regulatory Framework

The Bureau of Energy Efficiency (BEE), established by the Government of India on 1 March 2002 under the Energy Conservation Act, 2001, serves as the nodal agency for promoting energy efficiency across industrial sectors through policy interventions and market-based mechanisms. As industrial furnaces are among the most energy-intensive equipment used in manufacturing, BEE's regulatory framework plays a crucial role in improving thermal efficiency and reducing industrial energy consumption. Its policies encourage industries to adopt energy-efficient furnace technologies, optimize manufacturing processes, and support India's broader objective of lowering the energy intensity of the economy.
The Perform, Achieve and Trade (PAT) Scheme, BEE's flagship industrial programme, is one of the most significant regulatory initiatives influencing the India industrial furnace industry. As of 2025, the scheme covered 1,333 Designated Consumers (DCs) across multiple energy-intensive industries, representing nearly 55% of India's total industrial energy consumption, and has achieved cumulative energy savings of 25.78 million tonnes of oil equivalent (MTOE). Since sectors such as steel, aluminium, cement, glass, foundries, and forging are among the largest users of industrial furnaces, compliance with PAT-specific energy consumption targets has made energy-efficient furnace systems and process optimization a key regulatory requirement rather than a voluntary business initiative.

The implementation of the PAT scheme has accelerated investments in advanced industrial furnace technologies, including regenerative burners, waste heat recovery systems, high-performance insulation, intelligent combustion controls, and digital process automation, to improve thermal efficiency and reduce operating costs. In addition, industrial units that fail to achieve their prescribed energy-saving targets are required to purchase Energy Saving Certificates (ESCerts) from overperforming entities, creating a market-based incentive for furnace modernization and technology upgradation. Separately, BEE's Standards and Labelling (S&L) Programme covered 38 appliance categories in 2025, delivering cumulative energy savings of approximately 89.80 billion units of electricity. Although industrial furnaces are primarily regulated through the PAT framework rather than appliance labelling, BEE's continued emphasis on energy-efficient technologies is expected to drive long-term demand for high-performance industrial furnace systems across India's manufacturing sector.
Bureau of Indian Standards (BIS) Act, 2016 and Quality Control Orders (QCOs)[45]

The Bureau of Indian Standards (BIS) Act, 2016 establishes the legal framework for the standardization, quality assurance, and conformity assessment of products, processes, and systems in India. As the National Standards Body, BIS develops Indian Standards (IS) to ensure the quality, safety, and performance of industrial products. For the India industrial furnace industry, the BIS framework encourages manufacturers to design and manufacture furnace systems in accordance with applicable Indian Standards, thereby improving product reliability, operational safety, and manufacturing quality. Compliance with these standards also enhances customer confidence and supports the adoption of globally accepted manufacturing practices.

Under the BIS Act, the Central Government may notify Quality Control Orders (QCOs) to make compliance with specified Indian Standards mandatory for selected products and components. While industrial furnaces are not currently covered under a dedicated QCO, manufacturers are required to comply with applicable BIS standards and notified QCOs governing relevant electrical equipment, control systems, materials, and other critical components used in furnace manufacturing. Adherence to these standards strengthens product quality, facilitates participation in government procurement, improves export competitiveness, and promotes the use of standardized and high-performance industrial furnace systems across India's manufacturing sector.

Environment (Protection) Act, 1986 and CPCB/MoEFCC Guidelines[46]

The Environment (Protection) Act, 1986, administered by the Ministry of Environment, Forest and Climate Change (MoEFCC), serves as the umbrella legislation for environmental protection and pollution control in India. The Act empowers the Central Government to prescribe environmental standards, regulate industrial emissions, and establish measures for the prevention and control of pollution. For the India industrial furnace industry, the Act forms the primary environmental compliance framework governing the installation and operation of industrial furnace systems. Under the Environment (Protection) Rules, 1986, the Central Pollution Control Board (CPCB) has prescribed industry-specific emission standards for furnace-intensive operations such as reheating furnaces, cupola furnaces, induction furnaces, and electric arc furnaces, including limits for particulate matter emissions and requirements for appropriate stack design and fume collection systems. These provisions encourage the adoption of efficient combustion technologies and pollution control equipment to minimize environmental impact.

In addition to statutory emission standards, MoEFCC and CPCB promote environmentally sustainable industrial practices through

45https://www.bis.gov.in/product-certification/products-under-compulsory-certification
46 https://moef.gov.in/index.php/environment-protection

technical guidance and environmental clearance requirements for furnace-based projects. Industrial furnace manufacturers and end-user industries are encouraged to incorporate air pollution control devices, waste heat recovery systems, dust extraction systems, fugitive emission control measures, wastewater recycling, and environmental monitoring mechanisms to ensure regulatory compliance and improve resource efficiency. Adherence to these environmental requirements not only facilitates compliance with statutory norms but also supports the adoption of cleaner and energy-efficient furnace technologies, strengthening the long-term sustainability and competitiveness of the India industrial furnace industry.

Ministry of Heavy Industries and Capital Goods Policy

The Ministry of Heavy Industries (MHI) is the nodal ministry responsible for promoting the development of India's heavy engineering and capital goods sector, including industrial machinery, machine tools, heavy electrical equipment, and manufacturing technologies. The Ministry aims to strengthen the competitiveness of the domestic capital goods industry by promoting technological advancement, innovation, and sustainable manufacturing practices. As industrial furnaces constitute an important segment of industrial machinery used across steel, foundries, automotive, engineering, cement, and non-ferrous metal industries, the Ministry's policies indirectly support the growth and modernization of the India industrial furnace industry.

To enhance the competitiveness of the domestic capital goods sector, the Ministry launched the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector in November 2014, followed by Phase II, notified on 25 January 202247, with a focus on common technology development and services infrastructure. The scheme supports the establishment of technology centres, testing and calibration facilities, and shared engineering infrastructure, enabling manufacturers to improve product development, testing, and quality assurance capabilities. For the India industrial furnace industry, these initiatives facilitate technology upgradation, strengthen manufacturing capabilities, enhance export readiness, and improve access to advanced testing infrastructure, particularly for small and medium-sized manufacturers.
Factories Act, 1948[48]

The Factories Act, 1948 provides the legal framework for ensuring the health, safety, and welfare of workers employed in manufacturing facilities across India. Given that industrial furnaces operate at extremely high temperatures and involve hazards such as molten metal handling, heat stress, fire, explosions, and emissions, manufacturing facilities using industrial furnaces are required to comply with the safety provisions prescribed under the Act. The legislation mandates adequate ventilation, temperature control, fire prevention measures, machine guarding, emergency exits, sanitation facilities, first-aid arrangements, and the provision of appropriate personal protective equipment (PPE) to ensure a safe working environment for employees engaged in furnace operations.

For the India industrial furnace industry, compliance with the Factories Act promotes the adoption of safer furnace designs, automated material handling systems, emission extraction systems, and workplace safety practices that minimize operational risks. The Act also requires employers to provide worker training, periodic health examinations, and safety procedures for hazardous manufacturing processes, encouraging manufacturers and end-user industries to invest in modern, safety-compliant furnace technologies. As a result, the legislation contributes to improved operational safety, regulatory compliance, and enhanced productivity across furnace-intensive industries such as steel, foundries, automotive, engineering, and non-ferrous metals.

Government Schemes and Policy Initiatives

Green Steel Mission and Decarbonization Initiatives

The Government of India is accelerating the decarbonization of the domestic steel sector through the proposed Green Steel Mission, with an estimated outlay of INR 15,000 crore49 to support the adoption of low-carbon steel manufacturing technologies and reduce carbon emissions. The Mission envisages financial support for cleaner steel production through measures such as a Production Linked Incentive (PLI) Scheme for Green Steel, promotion of renewable energy integration, pilot projects, research and development, and government procurement of green steel. In addition, the Green Steel Taxonomy for India provides a standardized framework for classifying steel based on its carbon emission intensity, encouraging the adoption of sustainable manufacturing technologies across the steel value chain.

The proposed INR15,000 crore Green Steel Mission is expected to significantly influence the India industrial furnace industry, as steel manufacturing is one of the largest consumers of industrial furnace systems for melting, reheating, heat treatment, and thermal processing operations. The transition towards low-carbon steel production will require steel manufacturers to modernize existing

47 https://heavyindustries.gov.in/hi/scheme-enhancement-competitiveness-indian-capital-goods-sector-phase-ii
48 https://www.indiacode.nic.in/bitstream/123456789/15097/1/factory_act1948-63.pdf
49 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2088827&reg=48&lang=2

furnace infrastructure by adopting high-efficiency electric and induction furnaces, regenerative burner systems, waste heat recovery technologies, advanced combustion controls, and hydrogen-compatible heating solutions to improve thermal efficiency and reduce emissions. Consequently, the Mission is expected to accelerate investments in furnace replacement, technology upgradation, and energy-efficient heating systems, creating sustained growth opportunities for industrial furnace manufacturers while supporting India's broader decarbonization objectives.

Assistance in Deploying Energy Efficient Technologies in Industries & Establishments (ADEETIE) Scheme[50]

The Assistance in Deploying Energy Efficient Technologies in Industries & Establishments (ADEETIE) Scheme, launched by the Ministry of Power and implemented by the Bureau of Energy Efficiency (BEE) in July 2025, is expected to support the modernization of energy-intensive industrial equipment across India's MSME sector. With a budgetary outlay of INR 1,000 crore, the scheme provides 5% interest subvention for Micro and Small Enterprises and 3% for Medium Enterprises, along with Investment Grade Energy Audits (IGEA), Detailed Project Reports (DPRs), and post-implementation monitoring and verification support. Notably, the scheme covers 14 energy-intensive sectors, including foundry, forging, steel re-rolling, glass, ceramics, chemicals, and textiles, industries that extensively utilize industrial furnaces for melting, reheating, heat treatment, calcination, and other thermal processing applications51. The scheme is expected to mobilize nearly INR 9,000 crore in investments, including approximately INR 6,750 crore through MSME lending, thereby accelerating the adoption of energy-efficient industrial technologies.

For the India industrial furnace industry, the ADEETIE Scheme is expected to create significant opportunities for the replacement and modernization of conventional furnace systems with advanced energy-efficient technologies. As industrial furnaces account for a substantial share of energy consumption in manufacturing operations, MSMEs are likely to invest in high-efficiency induction furnaces, regenerative burner systems, waste heat recovery technologies, advanced combustion controls, and digitally integrated thermal processing equipment to reduce operating costs and improve energy performance. The scheme's emphasis on energy audits and technology upgradation is also expected to accelerate demand for furnace retrofitting and modernization projects across energy-intensive manufacturing sectors. Consequently, ADEETIE is likely to strengthen long-term demand for technologically advanced industrial furnace systems while supporting India's broader objectives of industrial decarbonization, energy efficiency, and sustainable manufacturing.

Perform, Achieve and Trade (PAT) Scheme[52]

The Perform, Achieve and Trade (PAT) Scheme, implemented by the Bureau of Energy Efficiency (BEE) under the National Mission for Enhanced Energy Efficiency (NMEEE) and the Energy Conservation Act, 2001, is one of India's most significant regulatory mechanisms for improving energy efficiency across energy-intensive industries. PAT is a market-based mechanism that assigns Specific Energy Consumption (SEC) reduction targets to Designated Consumers (DCs) operating in sectors such as iron & steel, cement, aluminium, thermal power, textiles, pulp & paper, petroleum refineries, railways, petrochemicals, and commercial buildings. Industries that achieve energy savings beyond their prescribed targets are awarded Energy Saving Certificates (ESCerts), which can be traded through power exchanges, while underperforming industries are required to purchase ESCerts to meet their compliance obligations. The scheme has progressively expanded across multiple PAT cycles, making energy efficiency a regulatory requirement rather than a voluntary initiative for India's largest industrial energy consumers.

For the India industrial furnace industry, the PAT Scheme has become a key driver for technology upgradation and replacement demand, as industrial furnaces represent one of the largest sources of thermal energy consumption in sectors covered under PAT. To achieve mandatory SEC reduction targets and minimize the cost of purchasing ESCerts, industries are increasingly investing in high-efficiency induction furnaces, regenerative burner systems, waste heat recovery technologies, advanced insulation materials, intelligent combustion control systems, and digitally integrated process automation solutions. The scheme also encourages furnace retrofitting and modernization of existing thermal processing equipment to improve fuel efficiency and reduce operating costs. Over the long term, the continued expansion of PAT across additional sectors and designated consumers is expected to accelerate investments in energy-efficient industrial furnace systems, reinforcing demand for advanced thermal processing technologies across India's manufacturing ecosystem.

Competitive Landscape

India’s industrial furnace market is primarily composed of application-specific process specialists rather than large, broad-based engineering firms. Competition is largely driven by thermal design expertise, technology licensing capabilities, and the ability to

50 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2144822&reg=48&lang=2
51 https://adeetie.eeslindia.org/about-us
52 https://hareda.gov.in/about-department/national-mission-on-enhanced-energy-efficiency/

localise critical subassemblies. The identifiable peer landscape is organised according to furnace routes: induction-furnace specialists serve the steel and forging sectors; licensed technology providers focus on reheat and quenching applications; annealing-focused companies cater to forging and automotive component heat-treatment requirements; and hot-blast technology importers serve the mini blast furnace segment.

Small-scale steel producers in India typically use Electric Arc Furnace (EAF) or Induction Arc Furnace (IAF) routes to manufacture long products. This creates a divided demand landscape in which niche furnace vendors can establish strong positions within specific process applications rather than competing across the entire thermal-processing spectrum. Across these sub-segments, customers assess vendors largely on long-term operating economics and efficiency. For example, every 100°C increase in hot-blast temperature can reduce coke consumption by approximately 9 kg per tonne of hot metal, highlighting the commercial importance of thermal design competence as a competitive differentiator.

Competitive Structure and Bases of Competition

The market serves a large and dispersed installed base: India has approximately 300 forging units that use furnaces to preheat billets and ingots to temperatures of 1200°C to 1250°C, while over 2,000 re-rolling mill units across the country deploy either batch or continuous pusher-type furnaces. This dispersion across small and medium enterprises sustains demand for application-specific vendors who combine engineering customization with responsive commissioning and after-sales support. End-users at the more complex end of the range deploy mixed furnace technologies within a single facility, combining pusher-type oil-fired reheating furnaces with medium-frequency coreless induction furnaces for melting, and source critical ancillary subassemblies such as waste heat recuperators from niche specialists such as Machine Tool Linkers. This disaggregated supply chain structure means that the ability to coordinate and localize subassemblies is itself a basis of competitive differentiation for integrated or turnkey furnace vendors, reinforcing process know-how and execution capability over scale alone.

Technology transition further calibrates competitive positioning. The shift from cold twisted bar (CTD) technology to Thermex quenching and self-tempering (QST) technology, which uses a water quenching process, illustrates how proprietary process technology, developed in this instance by Hennigsdorfer Stahl Engineering GmbH of Germany, shapes equipment selection at the end-user level and, consequently, which vendor has the application reference to win follow-on projects. Licensed technology partnerships, territorial exclusivity arrangements, and end-user references therefore function as the primary entry barriers in sub-segments where process outcome is tightly specified.

Analysis of factors shaping competition

Customisation and engineering capability: Customers prefer manufacturers that can tailor furnace design, capacity, temperature range, operating atmosphere and material-handling systems to their specific production processes.
Price versus lifecycle value: Smaller manufacturers often compete through lower upfront quotations, while established OEMs differentiate through better energy efficiency, process consistency, longer equipment life and reduced maintenance costs.

Technology and automation: PLC and SCADA integration, remote monitoring, production-data recording, predictive maintenance and precise temperature control are becoming important competitive differentiators.

Energy efficiency and environmental performance: Rising energy costs and tighter emissions requirements are increasing demand for efficient burners, improved insulation, waste-heat recovery, electric or hybrid heating and measurable energy consumption.

Execution record and after-sales support: Customers evaluate an OEM's ability to deliver, install and commission equipment on time. Local service teams, spare-parts availability, retrofit capability and fast breakdown support are particularly important because furnace downtime can disrupt the customer's entire production line.

Industry Growth Scenario:

India's industrial-furnace industry is expected to maintain a positive, steady growth trajectory over the medium term, supported by capacity expansion and technology upgrades across metal-intensive manufacturing industries. Demand should arise both from new industrial projects and from the replacement or modernisation of older furnaces that are relatively fuel-intensive, manually controlled or unable to meet tighter product-quality requirements.

The character of growth is also likely to change. Instead of being driven only by the installation of additional heating or melting capacity, future demand will increasingly favour energy-efficient, automated and application-specific furnace systems. Industrial users are expected to invest in electric and induction heating, improved combustion controls, waste-heat recovery, advanced insulation, PLC/SCADA-based automation, real-time temperature monitoring and predictive maintenance. Retrofitting existing

furnaces could consequently become almost as important as supplying new equipment. Nevertheless, high initial investment requirements, electricity reliability, fuel-price volatility and the price sensitivity of smaller manufacturers may moderate adoption. Overall, suppliers capable of providing customised, lower-emission and digitally controlled furnace systems, together with commissioning, maintenance and lifecycle support, are likely to be better positioned for growth.

This wave will come towards modernisation and replacement of existing furnaces, rather than capacity expansion alone. Moreover, the Ministry of Steel emphasised on the adoption of artificial intelligence, automation, Industrial Internet of Things, digital twins, robotics, advanced analytics and predictive maintenance across steel manufacturing is gaining further momentum which will help shape this industry's growth dynamics. Environmental objectives will further encourage investment in electric furnaces, scrap-based production, cleaner fuels and energy-efficient combustion systems. As of May 2026, green-steel certificates had been issued to 90 producers across 15 states, indicating increasing adoption of lower-emission production practices among secondary and mid-sized steel manufacturers. [53] [54]

Key Factors and Industries Promoting Growth

Steel capacity expansion: Steel will remain the principal growth driver because industrial furnaces are required across almost every stage of steel production and processing. India's steelmaking capacity stood at 221.9 MTPA in the Q1 FY2026–27, compared with the government's 2030 objective of 300 MTPA and 400 million tonnes objective by 2035. The capacity addition required to approach this target should create demand for new melting, reheating and heat-treatment furnaces, while existing producers will also need to modernise older installations. [55] [56]

Increasing steel consumption: Finished-steel consumption reached 41.6 million tonnes during April–June 2026, representing year-on-year growth of 8.3%. The government attributed this continuing demand to infrastructure, construction and manufacturing activity. Higher metal consumption encourages steelmakers, rolling mills and downstream processors to expand throughput, creating corresponding requirements for additional or higher-capacity furnace systems.[57]

Specialty, alloy and stainless-steel production: Demand for more advanced furnace technology will be supported by the expanding production and consumption of higher-value metals. During April–May 2026, alloy-steel production increased by 27.2% year-on-year, while alloy-steel consumption rose by 24.7%. Stainless-steel consumption increased by 25.4% over the corresponding period. These products require accurate control of temperature, atmosphere, heating cycles and cooling conditions, favouring specialised annealing, hardening, tempering and continuous-processing furnaces.

Automotive and advanced-component manufacturing: Automotive expansion should generate demand for heat-treatment equipment used to produce gears, shafts, bearings, springs, transmission parts and other engineered components. Under the PLI Scheme for Automobiles and Auto Components, cumulative investment reached ₹44,326 crore by 31 March 2026, while incremental sales reached ₹52,414 crore and employment generation stood at 67,820. The localisation of advanced automotive products should support investment in precise and automated furnaces used by component manufacturers. [58]

Digitalisation, energy efficiency and green manufacturing: Industrial customers are increasingly expected to replace basic furnaces with intelligent systems incorporating automated controls, sensors, predictive maintenance and real-time process monitoring. The Ministry of Steel's June 2026 digitalisation agenda specifically encouraged artificial intelligence, automation, digital mining, predictive maintenance and smart-manufacturing technologies. Alongside this, green-steel certification and scrap-based steelmaking should encourage greater adoption of electric-arc, induction and other lower-emission furnace technologies.

Company Profile

Founded in 2014, ACE Furnaces Limited is engineering company engaged in the business of designing, engineering, manufacturing, supplying, installing, commissioning, modernizing and maintaining thermal processing systems which includes customised industrial furnaces, and related equipment for various industrial applications. The industrial furnaces are primarily used for reheating and heat treatment of ferrous and non-ferrous metals and other metal components. The Company provides customized industrial heating and heat treatment solutions catering to the operational requirements of customers across diverse industries. The company offers a broad portfolio of industrial furnace systems, with its principal product categories comprising Bell Furnaces, Reheat Furnaces and Heat-Treatment Furnaces and Soaking Pit Furnaces. Incorporated in the year 2014 with the

53 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2258314&reg=3&lang=1
54 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2277384&reg=48&lang=2
55 https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2281676&reg=48&lang=2
56 https://www.pib.gov.in/PressReleasePage.aspx?PRID=2277384&reg=48&lang=2
57 https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2281676&reg=48&lang=2
58 https://heavyindustries.gov.in/sites/default/files/2026-07/lsauq_455.pdf

objective of providing customised industrial furnaces and related thermal processing solutions. The Registered Office is located in Thane, Maharashtra, and our manufacturing facility is situated at Chikhloli MIDC, Ambernath West, Maharashtra.

Product Profile

The company offers a broad portfolio of industrial furnace systems, with its principal product categories comprising Bell Furnaces, Reheat Furnaces, Heat-Treatment Furnaces and Soaking Pit Furnace. The description of the Products is as follows:

Bell furnaces are batch-type industrial furnaces primarily designed for controlled heat treatment of metal products and components. The furnace typically comprises a heating bell or hood that is positioned over the material or charge to facilitate controlled heating, soaking and cooling cycles. Our Bell Furnaces are customised based on the nature, dimensions, weight and quantity of the material to be processed and the specific thermal cycle and temperature requirements of the customer.

Reheating furnaces are industrial furnaces primarily used to heat semi-finished steel and metal products to a predetermined temperature before they undergo subsequent hot-working processes such as rolling, forging or forming. The primary objective of a reheating furnace is to achieve the required processing temperature and temperature uniformity throughout the material while maintaining an appropriate heating rate and minimising oxidation and scale formation.

Heat treatment furnaces are industrial furnaces designed to subject metal components and products to controlled heating, soaking and cooling cycles to achieve specified metallurgical, mechanical and physical properties. Unlike reheating furnaces, which primarily heat semi-finished metal products to the required temperature for subsequent hot-working processes, heat treatment furnaces are used to modify or improve the properties of the material after forming or at an intermediate stage of manufacturing.

Soaking Pit Furnaces are batch-type pit furnaces primarily used in the steel and metal processing industry for heating and temperature equalisation of semi-finished metal products before they undergo further processing such as hot rolling or forging. These furnaces are designed to maintain the material at a controlled temperature for a specified period, allowing heat to penetrate uniformly throughout the material and reduce temperature differentials between its surface and core.

Peer Profiling:

Company Name	Overview
Megatherm Induction Limited	Megatherm Induction Limited was established in 1989 and is headquartered at Sector V, Salt Lake City, Kolkata, West Bengal. The company operates in the industrial machinery manufacturing sector and specializes in metal heating and melting equipment based on induction technology. Its product portfolio includes induction melting furnaces, heating and hardening equipment, forging and mass-heating systems, foundry and steel melt-shop equipment, heat-treatment systems, solid-state power supplies, transformers, and power-distribution equipment. The company also provides automation solutions and turnkey solutions for steel melt shops. Megatherm serves industries including steel, foundry, forging, automotive, railways, engineering, and other metal-working sectors. Its operations cover the design, engineering, manufacturing, installation, commissioning, and servicing of induction and metallurgical equipment. The company has manufacturing infrastructure in Kharagpur, West Bengal, along with in-house R&D, testing and training facilities. According to the company, its equipment has been installed in more than 3,000 installations across over 50 countries. Megatherm also provides turnkey steel-melt-shop solutions covering planning, engineering, equipment supply, assembly, commissioning, and after-sales services.
John Cockerill India Limited	John Cockerill India Limited was incorporated on May 28, 1986, and is headquartered in Navi Mumbai, Maharashtra. It is the Indian entity of the John Cockerill Group and serves as an engineering and technology hub for the Group's activities in India. The company is primarily focused on technologies and equipment for the steel and non-ferrous metals industries, with capabilities covering cold rolling mills, processing lines, thermal and chemical treatment installations, and auxiliary steel-treatment equipment. Its portfolio also includes industrial furnace technologies used in steel-processing applications, particularly furnaces integrated into continuous galvanizing, continuous annealing, stainless-steel and silicon-steel processing lines. These include Non-Oxidizing Furnaces (NOF), Radiant Tube Furnaces (RTF) and other specialized furnace chambers. John Cockerill India provides design and engineering, manufacturing, erection and commissioning, and after-sales support for industrial installations. Its furnace-related solutions include furnace design and thermal-processing technologies along with advanced cooling systems and process-control models. The company undertakes both greenfield and brownfield projects, as well as modernization and technical-assistance

	services. Its Taloja workshop in Maharashtra supports in-house equipment production, assembly and fabrication, while another workshop is located at Hedavali, Maharashtra. The company serves customers across the steel-processing value chain and has a global footprint through the wider John Cockerill Group.

Financial Analysis

Particular	Unit	Megatherm Induction Ltd.			*John Cockerill India Ltd.			ACE Furnaces Ltd.		
		As at end for Fiscal			As at end of Calendar Year			As at end for Fiscal		
		FY 2026	FY 2025	FY 2024	CY 2025	CY 2024	CY 2023	FY 2026	FY 2025	FY 2024
Revenue From Operations	₹ in lakhs	34622.71	32050.84	30625.46	35759.48	38872.60	66,662.71	10080.00	8764.90	8115.23
EBITDA	₹ in lakhs	3,905.58	3,891.85	3,716.23	2,053.79	108.91	3,225.17	1305.98	805.12	480.93
EBITDA Margin	in %	11.28%	12.14%	12.13%	5.74%	0.28%	4.84%	12.96%	9.19%	5.93%
PAT	₹ in lakhs	2368.07	2130.55	2072.39	1031.39	-538.21	2,163.92	857.80	504.35	303.32
PAT Margin	in %	6.84%	6.65%	6.77%	2.88%	-1.38%	3.25%	8.51%	5.75%	3.74%
Operating Cash Flow	₹ in lakhs	516.52	1611.28	2,904.04	15853.62	-6607.98	1,705.65	-378.30	434.28	-190.84
Debt Equity Ratio	In Times	0.30	0.23	0.30	0.00	0.00	0.00	0.39	0.49	1.14
Return on Equity	in %	15.43%	16.26%	24.24%	5.02%	-2.61%	10.74%	63.49%	73.09%	86.31%
Return on Capital Employed	in %	17.71	21.13	27.03	7.00%	-2.37%	14.10%	50.30%	54.50%	47.01%
Net fixed asset turnover ratio	In Times	4.31	4.61	5.08	7.30	8.07	13.91	38.57	38.14	42.76
Current ratio	In Times	1.41	1.34	1.39	1.32	1.25	1.13	1.63	1.35	1.20

*** Note:** As the financial information of the John Cockerill India Limited for the period ended March 31, 2026, March 31, 2025 & March 31, 2024 is not publicly available, the latest available financial information for the year ended December 31, 2025, December 31, 2024 & December 31, 2023 has been considered for the purpose of the analysis presented above.
Notes:

All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the audited/unaudited standalone financial results for the respective companies for the relevant period/year available on the website of BSE Limited & NSE Limited.

Ace Furnaces Limited is engaged in the business of designing, engineering, manufacturing and supplying industrial furnaces and related equipment and solutions. The industry in which the Company operates comprises players with varied product offerings, technologies, end-user industries and operational scale. Based on a review of listed companies in India and considering similarities in business activities, product offerings and industry presence, Megatherm Induction Limited and John Cockerill India Limited have been identified as suitable listed peers of the Company. Accordingly, these companies have been considered as listed peers for the purpose of benchmarking of the identified Key Performance Indicators ("KPIs") and peer comparison in the Draft Red Herring Prospectus.

Formula Table:

	Parameter	Formula
1	Revenue From Operations	Revenue from Operations means addition of revenue from customers.

2	EBITDA	Restated profit after tax for the year/ period before exceptional items + finance costs + total tax expense/(credit) + depreciation and amortisation expense – Other non-operating income.
3	EBITDA Margin (%)	EBITDA / Revenue from Operations.
4	Profit after tax (PAT)	PAT means profit for the year / period provides information regarding the overall profitability of the business.
5	PAT Margin (%)	PAT / Revenue from Operations.
6	Return on Equity (ROE)	Return on Equity is calculated as restated profit after tax for the year divided by average total equity.
7	Net fixed asset turnover ratio (times)	Net sales/ Average Net fixed asset
8	Return on Capital Employed (ROCE)	Return on Capital Employed (%) is calculated as earnings before interest and tax (EBIT) / Capital Employed. EBIT is calculated as "Profit before tax + Interest expenses" and Capital Employed is calculated as "Total Equity + Non-Current Borrowings + Current Borrowing+ deferred tax liabilities -intangible assets.
9	Debt to Equity Ratio	Total debt/ total shareholder's fund
10	Operating Cash Flow	Operating Cash Flow represents the net cash generated from or used in operating activities during the year, as reported in the Company's Statement of Cash Flows.
11	Current Ratio	Current assets/current liabilities

BUSINESS OVERVIEW

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

*Unless otherwise indicated or the context otherwise requires, the financial information for the Fiscals 2026, 2025 and 2024, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see '**Restated Financial Information**' on page 230. Our financial year ends on March 31 of each year, and references to a particular year are to the 12 months ended March 31 of that year.*

In this section, a reference to the "Company" or "we", "us" or "our" means ACE Furnaces Limited. All financial information included herein is based on our "Financial information of our company" included on page 230 of this Draft Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Report on Indian Industrial Furnaces Sector" dated September, 2026 (the "D&B Report") prepared and issued by Dun & Bradstreet appointed by us and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. A copy of the Industry Report is available on the website of our Company at https://www.acefurnaces.com. For further details, see "Risk Factors – Industry Overview section of this Draft Red Herring Prospectus contains information from the Dun & Bradstreet Report which we commissioned and purchased and any reliance on such information for making an investment decision in the Offer is subject to inherent risks" on page 24 and the section titled "Industry Overview" beginning on page 121.

OVERVIEW

We are an engineering company engaged in the business of designing, engineering, manufacturing, supplying, installing, commissioning, modernizing and maintaining thermal processing systems which includes customised industrial furnaces, and related equipment for various industrial applications. Our industrial furnaces are primarily used for reheating and heat treatment of ferrous and non-ferrous metals and other metal components. The Company provides customized industrial heating and heat treatment solutions catering to the operational requirements of customers across diverse industries. The company offers a broad portfolio of industrial furnace systems, with its principal product categories comprising Bell Furnaces, Reheat Furnaces and Heat-Treatment Furnaces and Soaking Pit Furnaces. (Source: D&B Report, September, 2026). The Products are designed and manufactured to meet specific industrial applications and customer requirements. Our furnaces are available in different configurations and capacities and are designed according to the technical requirements, production parameters and intended applications of our customers.

We undertake activities across various stages of project execution, including understanding customer requirements, preparation of engineering designs, procurement of components and materials, fabrication and assembly, quality inspection, installation and commissioning. Our solutions are customised based on, among other factors, the type and dimensions of material to be processed, desired production capacity, operating temperature, heating medium, required furnace atmosphere, fuel efficiency and the configuration of the customer's manufacturing facility.

We were incorporated in the year 2014 with the objective of providing customised industrial furnaces and related thermal processing solutions. Since our incorporation, we have developed capabilities in designing, engineering, manufacturing, supplying, installing and commissioning industrial furnaces and continuous processing lines used for reheating and heat treatment of ferrous and non-ferrous metals. Our Registered & Corporate Office including our Branch office are located in Thane, Maharashtra, and our manufacturing facility is situated at Chikhloli MIDC, Ambernath West, Maharashtra. Our manufacturing operations are supported by facilities for welding, rolling, grinding, cutting, machining, material handling, assembly, sandblasting, painting, packing and storage. We also engage third-party facilities for certain specialised manufacturing and machining activities, as may be required.

In addition to manufacturing standard and customized industrial furnace systems, the Company provides turnkey engineering solutions encompassing design, engineering, fabrication, supply, installation and commissioning of furnace systems. The Company undertakes projects on a turnkey as well as customized basis, depending upon customer requirements and technical specifications. The Company also undertakes furnace modernization, revamping and retrofitting projects to enhance the operational efficiency, productivity and service life of existing furnace systems. Further, it provides preventive maintenance services, engineering consultancy, technical support, and the supply of spare parts and furnace components to ensure the efficient

operation and continued performance of its installed systems. Through its integrated product and service offerings, the Company seeks to provide comprehensive thermal processing solutions throughout the lifecycle of its furnace systems.

Backed by its technical and industry experience, the Company focuses on delivering customized thermal processing solutions which includes customised industrial furnaces, and related equipment for various industrial applications in accordance with customer specifications and applicable industry standards. The Company also provides maintenance and modernization services for existing furnace systems to improve operational performance, extend equipment life and support the evolving requirements of its customers.

Our company has successfully executed projects and supplied industrial furnace solutions to customers across domestic and international markets. Our business model involves working closely with customers from the consultation and design stage through manufacturing, installation and commissioning of industrial furnace systems. Since many of our products are engineered-to-order, the design, technical specifications and execution methodology are customized based on customer requirements. Our successful overseas installations demonstrate our engineering capabilities, quality standards, and commitment to customer satisfaction.

We have over the years, expanded our customer base spread across many countries around the globe. Further, because of our commitment towards customer satisfaction and performance of our industrial furnace solutions in different sectors and different industry have helped us increase our revenues and operations. We export our products to USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc. for Fiscals 2026, 2025 and 2024, our exports were Rs. 966.02 lakhs, Rs. 546.17 lakhs and Rs. 510.34 lakhs which constituted 9.58%, 6.23% and 6.29% of our revenue from operations respectively.

India’s industrial-furnace industry is expected to maintain a positive, steady growth trajectory over the medium term, supported by capacity expansion and technology upgrades across metal-intensive manufacturing industries. Demand should arise both from new industrial projects and from the replacement or modernisation of older furnaces that are relatively fuel-intensive, manually controlled or unable to meet tighter product-quality requirements. (Source: D&B Report, September, 2026) We believe that our comprehensive portfolio of industrial furnaces and related thermal processing solutions positions us to address these emerging requirements.

Our manufacturing infrastructure is supported by comprehensive quality assurance systems and safety standards designed to ensure the manufacture of quality industrial furnaces and thermal processing systems. We have established standardized quality control procedures across the manufacturing process, commencing from the procurement of raw materials through fabrication, assembly, testing and final inspection, to ensure that our products conform to customer specifications and applicable industry standards. Our commitment to quality management and continuous improvement is evidenced by our ISO 9001:2015 certification, which reflects our adherence to internationally recognized quality management standards.

In addition to manufacturing products at our in-house Manufacturing Facility, we also engage third-party manufacturing units on a job-work basis. Such outsourcing is undertaken primarily during periods of increased order volumes or when our existing manufacturing capacity is substantially utilized. This enables us to efficiently manage production schedules, ensure timely execution of customer orders, and maintain operational flexibility without compromising on quality standards. Given the customized and engineered-to-order nature of our products, quality assurance forms an integral part of our manufacturing process. In addition to our internal quality checks, certain customers, particularly those operating in industries such as steel, engineering and other industrial sectors, may undertake stage-wise or final inspections of the products, either at our manufacturing facility prior to dispatch or at the project site during installation and commissioning, depending on the contractual requirements. Such inspections enable customers to verify that the products meet the agreed technical specifications and performance parameters before acceptance.

The Company is led by a qualified and experienced management team with significant industry knowledge in the design, engineering, manufacturing and execution of industrial furnace and thermal processing projects. The Promoters and Directors, including the Managing Director, Mr. Kailash Vishnu Nasta, and the Whole-time Directors, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake collectively possess experience in the industrial furnace industry and have been instrumental in the Company's growth and operations. Their experience spans engineering design, project execution, manufacturing, customer relationship management, business development and strategic decision-making. The management team's technical expertise and industry experience enable the Company to undertake customized turnkey projects, strengthen its operational capabilities, and support its long-term growth strategy

FINANCIAL KPIS

Particulars	31 March 2026	31 March 2025	31 March 2024
Financial KPIs	-	-	-
Revenue from Operations (₹ in lakhs)	10,080.00	8,764.90	8,115.23
EBITDA (₹ in lakhs)	1,305.98	805.12	480.93
EBITDA Margin (%)	12.96%	9.19%	5.93%
Profit after tax (PAT) (₹ in lakhs)	857.80	504.35	303.32
PAT Margin (%)	8.51%	5.75%	3.74%
Return on Equity (ROE) (%)	63.49%	73.09%	86.31%
Return on Capital Employed (%)	50.30%	54.50%	47.01%
Debt-Equity Ratio (times)	0.39	0.49	1.14
Net fixed asset turnover ratio (times)	38.57	38.14	42.76
Current ratio(times)	1.63	1.35	1.20
Operating Cash Flows (₹ in Lakhs)	(378.30)	434.28	(190.84)
Operational KPIs			
Export Revenue (₹ in Lakhs)	966.02	546.17	510.34
Top 5 customer Contribution % to sales	42.60%	34.09%	44.00%
Average value per order (₹ in Lakhs)	70.31	70.69	37.90
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%
Number of repeat customers	25	26	18

Based on certificate by Statutory Auditor, M/s M/s Abhishek Kumar & Associates. (FRN: **131052W**), pursuant to a certificate dated September 29, 2026.

Notes:

1. *Revenue from Operations means addition of revenue from customers.*
2. *EBITDA = Restated profit after tax for the year/ period before exceptional items + finance costs + total tax expense/(credit) + depreciation and amortization expense – Other non-operating Income.*
3. *EBITDA Margin (%) = EBITDA / Revenue from Operations.*
4. *PAT means profit for the year / period provides information regarding the overall profitability of the business.*
5. *PAT Margin (%) = PAT / Revenue from Operations.*
6. *Return on Equity is calculated as restated profit after tax for the year divided by average total equity.*
7. *Return on Capital Employed (%) is calculated as earnings before interest and tax (EBIT) / Capital Employed. EBIT is calculated as "Profit before tax + Interest expenses" and Capital Employed is calculated as "Total Equity + Non-Current Borrowings + Current Borrowing+ deferred tax liabilities-intangible assets*
8. *Debt-Equity Ratio (times)= Total debt/ total shareholder's fund*
9. *Net fixed asset turnover ratio (times)= Net sales/ Average Net fixed asset*
10. *Current ratio(times)= Current assets/current liabilities*

OUR COMPETITIVE STRENGTH

1. Strong and Established Customer Relationships Resulting in Repeat Business

Our Company has established and maintained long-standing relationships with customers across various industries by consistently delivering customized industrial furnace and thermal processing solutions tailored to their technical specifications and operational requirements. Given the engineered-to-order nature of our products, we engage closely with customers throughout the project lifecycle, including design, engineering, manufacturing, installation, commissioning and after-sales support. This collaborative approach enables us to understand customer requirements, deliver solutions in accordance with agreed specifications and provide ongoing technical assistance, where required.

We have established relationships with our customers by providing customised industrial furnaces and related thermal processing solutions in accordance with their specific technical and operational requirements. Industrial furnaces are critical to our customers' manufacturing operations and require a detailed understanding of their production processes, plant configuration, capacity requirements, operating temperatures, furnace atmosphere and energy-efficiency objectives. Our involvement across the project lifecycle from designing and engineering to manufacturing, installation and commissioning enables us to develop an in-depth understanding of our customers' requirements and provide solutions suited to their operations. Further, our ability to provide spare parts, refurbishment, relining, capacity enhancement, fuel conversion and heat-recovery solutions allows us to support customers

throughout the operational lifecycle of their furnace systems. We believe that our technical capabilities, product quality, project-execution experience and aftermarket support have contributed to customer satisfaction and enabled us to receive repeat orders from existing customers for new furnaces, modernisation of existing systems, capacity enhancement, spare parts and related services.

Our focus on product quality, timely execution of projects, technical expertise and post-installation support has enabled us to secure repeat orders from a number of existing customers. Repeat business from existing customers contributes to the stability of our order book, reduces customer acquisition costs and reflects our ability to maintain long-term business relationships. The following table sets out the details of our repeat customers and the revenue generated from such customers during the last three Fiscal Years:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of repeat customers	25.00	26.00	18.00
Revenue from repeat customers (₹ in lakhs)	2,218.00	1,490.41	1,051.50
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%

We also focus on maintaining customer relationships and generating a significant proportion of our revenue from repeat business. We export our products to various international markets, including the USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc.

2. Comprehensive and Customised Portfolio of Industrial Furnaces and Thermal Processing Solutions

Our Company offers a diversified portfolio of industrial furnaces and thermal processing systems designed to cater to the varying operational requirements of customers across multiple industries. Our product portfolio comprises Bell Furnaces, Reheat Furnaces and Heat-Treatment Furnaces and Soaking Pit Furnaces. These products are designed and manufactured based on customer-specific technical specifications, production capacities, fuel requirements and process applications.

Our solutions and services are generally customised according to the specific technical, operational and production requirements of each customer. The design and configuration of a furnace may vary based on factors such as the type and dimensions of the material to be processed, intended application, required production capacity, operating temperature, heating medium, furnace atmosphere, temperature uniformity, level of automation, material-handling requirements, energy-consumption parameters and the layout of the customer's manufacturing facility. This engineering-led approach enables us to provide solutions that can be integrated with the customer's existing production processes and infrastructure.

The following table sets out the revenue bifurcation of products offered and services provided by the company:

(Amount in Lakhs)

Particulars	2026		2025		2024	
	Amount (₹ Lakhs)	% of revenue from operations	Amount (₹ Lakhs)	% of revenue from operations	Amount (₹ Lakhs)	% of revenue from operations
PRODUCTS						
Reheat Furnaces	3,754.86	37.25%	2,668.05	30.44%	2,991.45	36.86%
Bell Furnaces	3,148.92	31.24%	1,014.25	11.57%	871.76	10.74%
Heat Treatment Furnace	1,407.55	13.96%	4,884.11	55.72%	4,079.78	50.27%
Soaking Pit Furnace	1,338.25	13.28%	-	0.00%	-	0.00%
Total Revenue from Products	**9,649.58**	**95.73%**	**8,566.41**	**97.73%**	**7,942.99**	**97.87%**
SERVICES						
Services for Reheat	71.17	0.71%	110.40	1.27%	40.29	0.50%
Services for Bell	355.67	3.53%	39.70	0.45%	58.33	0.72%
Services for Heat-treatment Furnace	3.58	0.04%	48.38	0.55%	73.63	0.91%
Total Revenue from Services	**430.42**	**4.27%**	**198.49**	**2.27%**	**172.23**	**2.13%**
Total Revenue from Operations	**10,080.00**	**100.00%**	**8,764.00**	**100.00%**	**8,115.23**	**100.00%**

Note: The product revenue also includes revenue from the sale of spare parts for such furnaces.
Based on the certificate dated September 29, 2026 issued by our Statutory Auditors, M/s. Abhishek Kumar & Associates.

Our engineering and design capabilities enable us to undertake both standard and engineered-to-order projects. We work closely with customers to understand their operational requirements and develop customized furnace solutions that are aligned with their manufacturing processes, plant layouts and performance parameters. This enables us to cater to customers operating across diverse end-user industries, including steel, engineering, automotive, foundry and other industrial manufacturing sectors.

In addition to manufacturing new furnace systems, we also undertake furnace modernization, revamping and retrofitting projects, enabling customers to enhance the operational efficiency, productivity and service life of their existing furnace systems. We also provide installation, commissioning, preventive maintenance, technical support and spare parts, thereby offering a comprehensive range of products and services throughout the lifecycle of our furnace systems.

Our product and service portfolio enables us to address customer requirements relating to new installations, expansion of existing capacities, modernisation of legacy equipment, improvement in energy efficiency and maintenance or replacement of critical furnace components.

We believe that the breadth of our product portfolio including our services, together with our ability to customise our solutions, provides us with opportunities to cater to diverse applications and customer requirements. It also enables us to participate across different stages of the lifecycle of a thermal processing system, from the initial design and installation of a new furnace to its subsequent maintenance, modernisation, capacity enhancement and replacement of critical components.

3. Established Track Record in Delivering Customised Industrial Furnaces and End-to-End Project Execution Capabilities

Since our incorporation in 2014, we have developed experience in designing, engineering, manufacturing, supplying, installing and commissioning customised industrial furnaces and related thermal processing systems. Industrial furnace projects are technically complex and require coordination across multiple stages, including assessment of customer requirements, detailed engineering, procurement of project-specific materials and components, fabrication, assembly, inspection, dispatch, erection, integration with existing facilities, testing and commissioning. Our ability to undertake and coordinate these activities enables us to provide end-to-end solutions and retain oversight over the quality and progress of each project. Over the years, we have developed technical expertise in executing customized industrial furnace projects and have established long-standing relationships with customers across diverse industrial sectors.

Our execution capabilities span the entire project lifecycle, including design, engineering, manufacturing, fabrication, supply, installation, commissioning, testing. Our ability to execute projects in accordance with customer-specific technical requirements, while adhering to quality standards and project timelines, has enabled us to undertake projects across a wide range of industrial applications and maintain long-term relationships with our customers. Our project-execution capabilities are supplemented by our aftermarket offerings, including the supply of spare parts, refurbishment, relining, capacity enhancement, fuel conversion and installation of heat-recovery systems. These services require an understanding of existing furnace configurations and operating conditions and allow us to continue supporting customers following the commissioning of the original equipment.

We have supplied our industrial furnaces and thermal processing solutions to customers in India and international markets, including USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc. The execution of overseas projects requires us to address additional requirements relating to export packaging, logistics, documentation, local site conditions, deployment of technical personnel and coordination with customers and service providers across different geographies.

For the Fiscal 2026, 2025 and 2024, the details of completed and commissioned industrial furnace projects across various industries are as follows:

(Rs in Lakhs)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of Project executed	40	47	35
Aggregated contract value	9211.16	7902.75	8115.25

We believe that our established track record, technical and engineering capabilities, project-management experience, quality-control systems and ability to execute projects from concept to commissioning enable us to meet diverse customer requirements and undertake projects involving varying levels of complexity.

4. Quality-Focused Manufacturing and Inspection Practices

We place emphasis on quality control throughout the manufacturing and project-execution lifecycle, commencing from the procurement and receipt of raw materials and continuing through fabrication, assembly, testing, dispatch, installation and commissioning. Considering that industrial furnaces operate at high temperatures and constitute critical equipment in our customers' manufacturing processes, the quality, dimensional accuracy and integrity of their structural, mechanical and fabricated

components are important for operational reliability and performance. Accordingly, we undertake inspections based on the nature of the equipment, customer specifications and applicable quality requirements.

We have established standardized quality control procedures across the manufacturing process, commencing from the procurement of raw materials through fabrication, assembly, testing and final inspection, to ensure that our products conform to customer specifications and applicable industry standards. Our commitment to quality management and continuous improvement is evidenced by our ISO 9001: 2015 certification, which reflects our adherence to internationally recognized quality management standards.

We believe that our emphasis on raw-material verification, controlled fabrication, qualified welding practices, inspection, non-destructive testing, mock assembly and final surface inspection assists us in complying with customer specifications, maintaining the quality of our industrial furnaces and reducing the risk of defects or rework during installation and commissioning. These quality-focused practices support our project-execution capabilities, strengthen customer confidence and contribute to the development of long-term customer relationships and repeat business.

5. Strong Designing and Engineering Capabilities Supported by an Experienced Management Team

Our Company is led by a qualified and experienced management team under the guidance of our Board of Directors. Our Promoters, Mr. Kailash Vishnu Nasta and Mr. Nitin Jagannath Phirake possess 32 and 30 years of experience respectively. Their extensive industry knowledge, entrepreneurial vision and strategic leadership have been instrumental in establishing and expanding our business. Over the years, our Promoters have played a pivotal role in formulating our business strategies, driving technological innovation, strengthening operational processes, expanding our product portfolio, entering new markets and fostering a customer-centric approach, which has contributed to our sustained growth and market presence.

Our operations are further supported by an engineering team comprising 33 engineers with expertise across mechanical, electrical, and project engineering. The team's technical proficiency and industry experience enable us to design, engineer, manufacture, install, commission and maintain customized industrial furnace and thermal processing solutions catering to the diverse requirements of customers across multiple industries.

Our engineering professionals work closely with customers throughout the project lifecycle, from understanding customer requirements and developing customized engineering solutions to manufacturing, installation, testing, commissioning and after-sales support. Their ability to manage technically complex projects while adhering to stringent quality, safety and performance standards enables us to consistently deliver reliable and efficient solutions within the agreed project timelines.

Further, our engineering team's expertise enables us to optimize furnace designs, improve thermal efficiency, enhance operational performance and reduce project execution timelines while addressing customer-specific process requirements. We believe that the combined strength of our experienced management team and technically skilled engineering workforce has enabled us to build long-standing customer relationships, generate repeat business, successfully execute complex projects and sustain our competitive position in the industrial furnace industry.

OUR STRATEGIES

1. Expand Our Market Presence Across India and International Markets

We intend to strengthen our market presence by deepening our relationships with existing customers while expanding our footprint across new geographical regions in India and international markets. We propose to achieve this by enhancing our sales and marketing initiatives, participating in industry exhibitions, technical seminars and trade forums, and developing relationships with customers operating across key industrial sectors. We also intend to increase our engagement with engineering consultants, EPC contractors and industrial project developers, who play a significant role in the procurement of industrial furnace systems. We believe that the increasing demand for industrial heating and thermal processing solutions, supported by the growth of the manufacturing sector, infrastructure development and the Government's continued emphasis on domestic manufacturing initiatives, presents significant opportunities for business expansion.

The revenue from domestic as well as overseas market are detailed below:

Particulars	As at March 31, 2026 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2025 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2024 (₹ in Lakhs)	% of Total revenue from operation
Outside India	**966.02**	**9.58%**	**546.17**	**6.23%**	**510.34**	**6.29%**
USA	840.58	8.34%	-	0.00%	143.13	1.76%
Dubai	-	0.00%	425.41	4.85%	133.58	1.29%
Egypt	-	0.00%	-	0.00%	13.25	0.16%
Nepal	4.36	0.04%	104.57	1.19%	115.99	1.43%
Turkey	-	0.00%	-	0.00%	13.27	0.16%
Malaysia	-	0.00%	8.10	0.09%	17.41	0.21%
Western Africa (Ghana)	-	0.00%	3.08	0.04%	-	0.00%
South Africa	121.08	1.20%	5.01	0.06%	73.71	0.91%
India	**9,113.98**	**90.42%**	**8,218.73**	**93.77%**	**7,604.89**	**93.71%**
Maharashtra	3,391.88	33.65%	2,742.21	31.29%	1,664.00	20.50%
Gujarat	163.36	1.62%	1,009.97	11.52%	722.65	8.90%
Uttar Pradesh	270.17	2.68%	517.31	5.90%	978.64	12.06%
Karnataka	276.12	2.74%	-	0.00%	290.50	3.58%
Tamilnadu	273.61	2.71%	256.40	2.93%	958.29	11.81%
West Bengal	381.78	3.79%	1,026.01	11.71%	400.46	4.93%
Telangana	11.31	0.11%	135.61	1.55%	21.92	0.27%
Chhattisgarh	513.12	5.09%	7.63	0.09%	391.41	4.82%
Jharkhand	57.56	0.57%	8.94	0.10%	12.34	0.15%
Haryana	2,149.41	21.32%	2,015.09	22.99%	1,285.64	15.84%
Rajasthan	0.32	0.00%	64.94	0.74%	82.99	1.02%
Odisha	80.41	0.80%	221.80	2.53%	309.95	3.82%
Punjab	1,062.41	10.54%	189.29	2.16%	486.10	5.99%
Madhya Pradesh	394.14	3.91%	7.10	0.08%	-	0.00%
Uttarakhand	-	0.00%	16.43	0.19%	-	0.00%
Himachal Pradesh	6.30	0.06%	-	0.00%	-	0.00%
Tripura	82.08	0.81%	-	0.00%	-	0.00%
Total	**10,080.00**	**100.00%**	**8,764.90**	**100.00%**	**8,115.23**	**100.00%**

Further, we intend to leverage our established track record, engineering knowledge, diversified product portfolio and proven project execution capabilities to strengthen our presence in existing markets while expanding into new industrial clusters and emerging manufacturing hubs. We also seek to capitalize on opportunities in international markets by catering to customers requiring customized industrial furnace solutions and thermal processing systems. By focusing on quality, timely execution, technological capabilities and comprehensive after-sales support, we aim to enhance customer satisfaction, generate repeat business and strengthen our market position. We believe that these initiatives will enable us to broaden our customer reach, diversify our geographical presence and create a sustainable platform for future growth.

2. Diversify and Expand Our Customer Base Across Multiple End-User Industries

We intend to further diversify our customer base by catering to a broader range of industries requiring industrial furnace and thermal processing solutions. While we have established relationships with customers in sectors such as steel, rolling mills, engineering and heavy manufacturing, we also intend to increase our presence in industries including automotive and auto components, forging, foundries, aluminium and non-ferrous metals, cement, railways, defence, aerospace, electrical equipment, capital goods and other manufacturing industries. We believe that expanding our customer portfolio across diverse end-user industries will reduce customer and sector concentration risks, enhance revenue stability and provide opportunities for sustainable long-term growth.

The sector wise revenue bifurcation is outlined below:

Particulars	FY 2026		FY 2025		FY 2024	
	₹ in lakhs	% of Total revenue from operation	₹ in lakhs	% of Total revenue from operation	₹ in lakhs	% of Total revenue from operation
Automobile and Auto Components	1,653.00	16.40%	503.00	5.74%	1,686.00	20.78%
Construction	2,870.00	28.47%	3,343.00	38.14%	3,203.23	39.47%
Consumer Durables	724.00	7.18%	2,021.00	23.06%	624.00	7.69%
Metals Industry	1,526.00	15.14%	2,051.00	23.40%	2,103.00	25.91%
Defense Industry	1,338.00	13.27%	171.00	1.95%	-	0.00%
Power generation Industry	1,969.00	19.53%	675.00	7.70%	499.00	6.15%
TOTAL	**10,080.00**	**100.00%**	**8,764.00**	**100.00%**	**8,115.23**	**100.00%**

Our strategy is focused on increasing customer acquisition while strengthening relationships with our existing customers by consistently delivering quality products, timely project execution and comprehensive after-sales support. We also intend to enhance our marketing and business development initiatives by participating in industry exhibitions, technical conferences and customer engagement programmes to increase market visibility and strengthen our brand recognition. Further, we seek to leverage our project execution capabilities, long-standing customer relationships and delivering customized engineering solutions to secure repeat orders and establish relationships with new customers across emerging industrial sectors. We believe that expanding our customer portfolio across diverse end-user industries will reduce customer and sector concentration risks, enhance the stability of our revenue streams, create cross-selling opportunities and support the sustainable long-term growth of our business.

3. Enhance Manufacturing and Project Execution Capabilities

We intend to continue strengthening our manufacturing and project execution capabilities to support the growing demand for our products and improve overall operational efficiency. We seek to optimize our manufacturing processes through improved production planning, workflow optimization and efficient utilization of our manufacturing infrastructure, enabling us to reduce production lead times and execute projects in a timely and cost-effective manner.

We also intend to enhance our manufacturing capabilities by continuously upgrading our plant and machinery, fabrication equipment, testing facilities and supporting infrastructure in line with evolving technological advancements and customer requirements. Further, we propose to strengthen our procurement and supply chain management practices by maintaining long-term relationships with key suppliers, ensuring timely availability of raw materials and bought-out components, and optimizing inventory management to support uninterrupted manufacturing operations.

Quality remains a key focus area of our operations. We intend to further strengthen our quality management systems by enhancing inspection procedures, process controls and testing mechanisms at various stages of the manufacturing process to ensure that our products continue to meet customer specifications and applicable quality standards.

In addition, we intend to continue investing in the development of our engineering and project management capabilities by strengthening cross-functional coordination among our engineering, procurement, manufacturing and installation teams. We believe that an integrated approach to project planning and execution will enable us to optimize resource utilization, improve execution efficiency, minimize project delays and enhance customer satisfaction.

We believe that these initiatives will strengthen our manufacturing capabilities, improve project execution efficiency, support the timely completion of customer orders, and position us to capitalize on future growth opportunities.

4. Capitalise on Modernisation and Replacement Demand for Existing Industrial Furnaces

A substantial number of industrial furnaces operating across the steel, metal-processing, engineering and allied industries may require periodic refurbishment, technological upgradation or replacement due to operational wear, changing production requirements, relatively high fuel consumption, limited automation or an inability to meet evolving product-quality and process-control requirements. In addition, customers expanding their production capacity may seek to modify their existing thermal processing systems instead of establishing entirely new facilities. We intend to capitalise on the opportunities arising from these modernisation, replacement and expansion requirements.

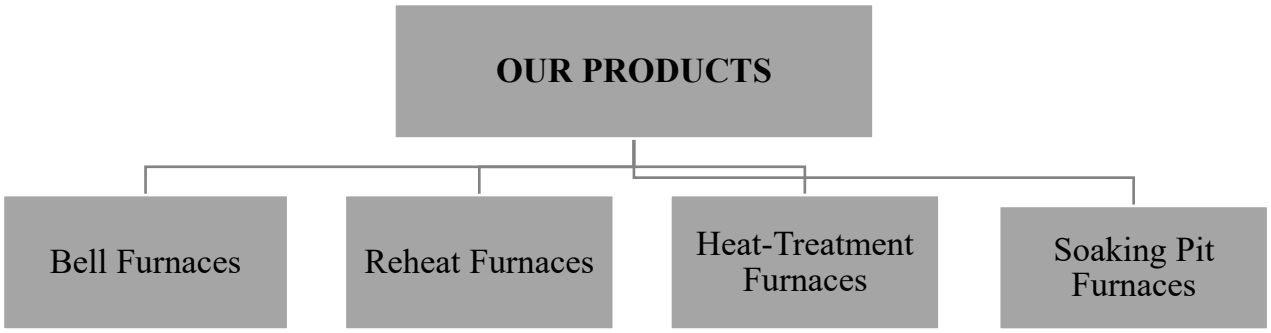
Our existing capabilities include refurbishment and relining of industrial furnaces, capacity enhancement, fuel conversion, installation of heat-recovery systems and replacement of critical furnace components. We intend to leverage these capabilities to provide solutions aimed at extending the operational life of existing furnaces, improving their production capacity, enhancing temperature control and uniformity, reducing energy consumption and integrating upgraded automation and process-control systems.

As part of this strategy, we intend to engage with existing and prospective customers to assess the performance and condition of their installed furnaces and identify opportunities for operational improvement. Based on such assessment, we may recommend modifications involving replacement or redesign of combustion systems, recuperators, radiant tubes, stainless-steel muffles, inner protective covers, diffusers, insulation and refractory systems, control panels, instrumentation, material-handling systems and other critical components.

We believe that increasing emphasis on energy efficiency, production automation, operating reliability and consistent product quality will create opportunities for the modernisation and replacement of existing industrial furnaces. By offering services across the lifecycle of thermal processing systems from inspection and technical assessment to redesigning, manufacturing, installation and recommissioning we intend to strengthen our aftermarket business, deepen customer relationships and increase opportunities for repeat business.

COMPANY OFFERINGS

Our Company is a manufacturer and engineering solutions provider specializing in the design, engineering, manufacturing, supply, installation, commissioning, modernization and maintenance of industrial furnaces and thermal processing systems. We offer a comprehensive range of customized products and services to cater to the diverse thermal processing requirements of customers across various industries. Our principal products and services are set out below:



1) **Bell Furnaces:** Bell furnaces are batch-type industrial furnaces primarily designed for controlled heat treatment of metal products and components. The furnace typically comprises a heating bell or hood that is positioned over the material or charge to facilitate controlled heating, soaking and cooling cycles. Our Bell Furnaces are customised based on the nature, dimensions, weight and quantity of the material to be processed and the specific thermal cycle and temperature requirements of the customer. These Furnaces are used across various industries, particularly the steel and metals, automobile and auto components, engineering, electrical and transformer, consumer durables, defence and aerospace, energy and power equipment, and oil and gas industries. These furnaces are primarily used for controlled heat treatment processes, including annealing, stress relieving and other thermal processing applications, depending on the material characteristics and process requirements of the customer.

   The principal distinguishing feature of a Bell Furnace is its batch-oriented operation, wherein the material is placed within a controlled heating environment and subjected to a predetermined thermal cycle. This enables uniform and controlled treatment of the charge and makes Bell Furnaces suitable for applications where consistent thermal processing and control over material properties are required. We also procure certain critical imported components, including water cooled motors from Germany or France, for use in our bell furnaces to meet the required technical and performance specifications.





2) **Reheat Furnaces:** Reheat furnaces are industrial furnaces primarily used to heat semi-finished steel and metal products to a predetermined temperature before they undergo subsequent hot-working processes such as rolling, forging or forming. The primary objective of a reheat furnace is to achieve the required processing temperature and temperature uniformity throughout the material while maintaining an appropriate heating rate and minimising oxidation and scale formation. The principal distinguishing feature of a Reheat Furnace is that its primary function is to bring semi-finished metal products to the required processing temperature for subsequent forming or hot-working, rather than primarily altering the metallurgical properties of an already formed component through a controlled heat treatment cycle.

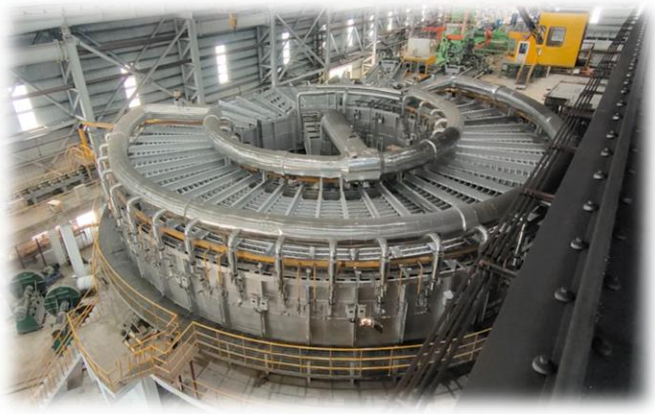
   Our Reheat Furnaces are customised based on the type, dimensions, weight and grade of the material to be heated, required throughput, discharge temperature, fuel type, heating cycle and specific downstream manufacturing process of the customer. Reheat Furnaces are primarily used in the steel and metals, automobile and auto components, engineering, heavy engineering, energy and power equipment, oil and gas and other metal-processing industries. They are particularly relevant in applications where steel or other metal products need to be heated to the required temperature before rolling, forging or other hot-working operations.





3) **Heat Treatment Furnaces:** Heat treatment furnaces are industrial furnaces designed to subject metal components and products to controlled heating, soaking and cooling cycles to achieve specified metallurgical, mechanical and physical properties. Unlike reheat furnaces, which primarily heat semi-finished metal products to the required temperature for subsequent hot-working processes, heat treatment furnaces are used to modify or improve the properties of the material after forming or at an intermediate stage of manufacturing. The principal distinguishing feature of a Heat Treatment Furnace is its focus on achieving specific metallurgical or mechanical properties through a controlled thermal cycle.

Heat Treatment Furnaces are used across industries including steel and metals, automobile and auto components, engineering and heavy engineering, defence and aerospace, energy and power equipment, oil and gas and other manufacturing industries where controlled thermal processing of metal components is required.



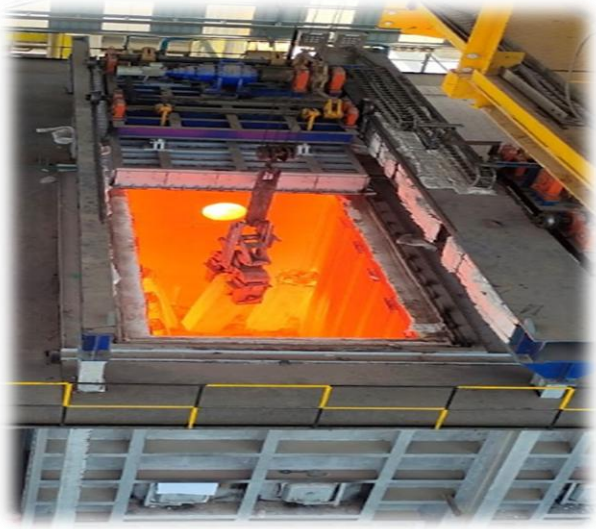


4) **Soaking Pit Furnaces:** Soaking Pit Furnaces are batch-type pit furnaces primarily used in the steel and metal processing industry for heating and temperature equalisation of semi-finished metal products before they undergo further processing such as hot rolling or forging. These furnaces are designed to maintain the material at a controlled temperature for a specified period, allowing heat to penetrate uniformly throughout the material and reduce temperature differentials between its surface and core.

A typical Soaking Pit Furnace consists of a refractory-lined chamber installed below or at floor level, equipped with burners, temperature control systems, flue arrangements and a movable cover for charging and removal of the material. Depending on the application and customer requirements, the furnace can be designed with customised chamber dimensions, heating capacity, fuel configuration, temperature range and control systems.

Soaking Pit Furnaces are primarily used in steel plants, rolling mills, forging facilities and other metal processing applications where uniform heating of large or heavy metal products is required prior to subsequent hot-working processes. The principal distinguishing feature of a Soaking Pit Furnace is its ability to provide controlled heating and heat equalisation of large metal sections in a batch operation before they are subjected to rolling or forging.

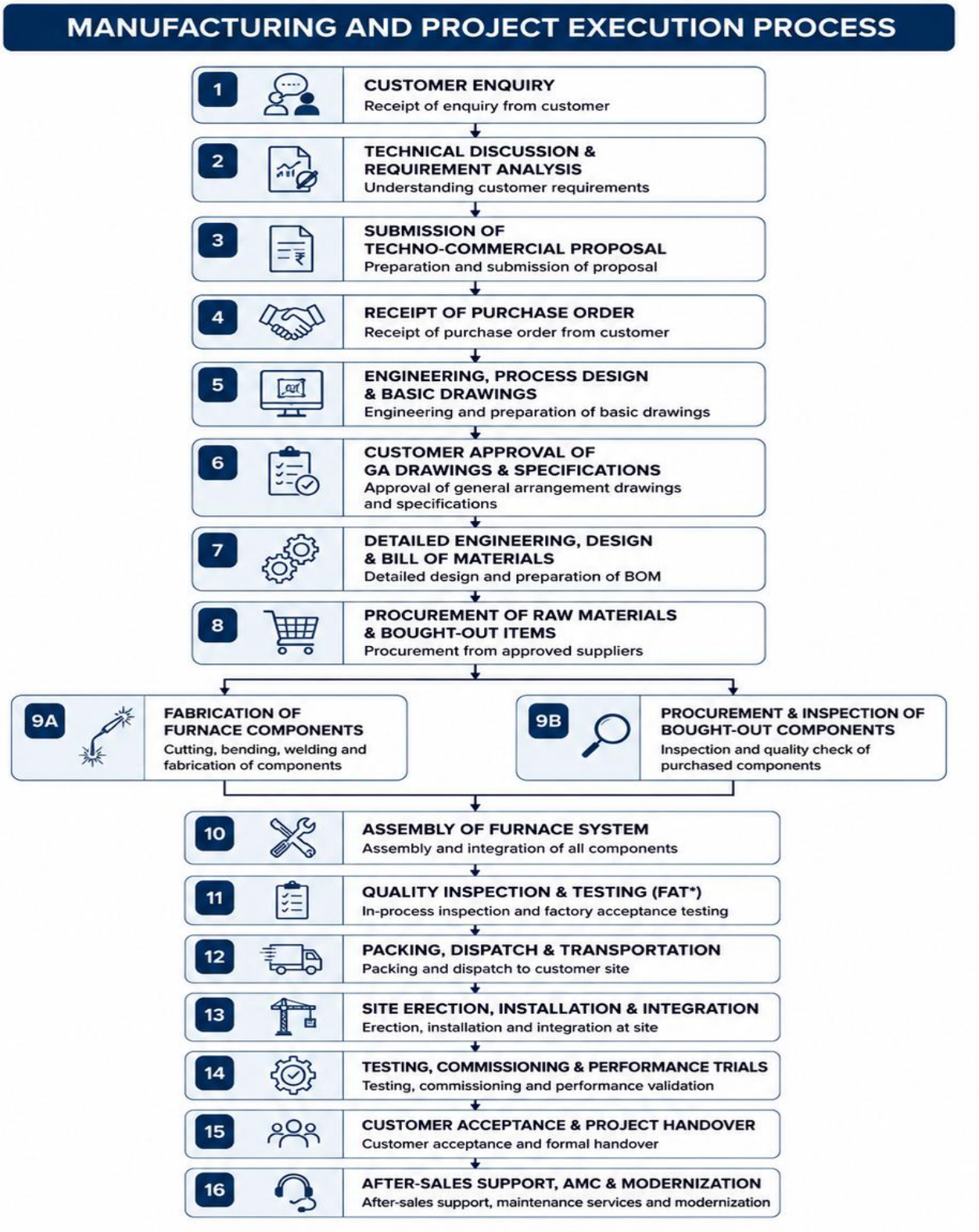




OUR SERVICES

Further, we also provide a range of services in relation to industrial furnaces, including modernization, revamping and retrofitting of existing furnace systems to enhance operational efficiency, energy utilization, safety and useful life of the equipment. Our services may include replacement or upgrading of combustion systems, refractory linings, control and automation systems, burners and other critical components. In addition, we provide installation and commissioning services, preventive maintenance, equipment inspection, troubleshooting, performance evaluation and technical support, as well as engineering consultancy for process optimization, furnace upgrades, capacity enhancement, energy efficiency improvement and operational requirements. These services enable our customers to maintain equipment reliability, minimize operational downtime, improve plant availability and extend the operational life of their furnace systems. We provide these services in relation to the aforesaid four product categories i.e., Bell Furnace, Reheat Furnace, Heat Treatment Furnace and Soaking Pit Furnace.

MANUFACTURING FLOWCHART



Process Description

Our project execution process commences upon receipt of a customer enquiry, following which our engineering team evaluates the customer's technical requirements and prepares a techno-commercial proposal. Upon receipt of the purchase order, we undertake detailed engineering, prepare general arrangement drawings and obtain customer approvals, wherever applicable.

Based on the approved design, we prepare the bill of materials and initiate procurement of raw materials and bought-out components from approved suppliers. The manufacturing process includes fabrication of structural and furnace components, assembly, integration of mechanical, electrical and instrumentation systems, and installation of refractory and insulation materials, as applicable.

Each furnace undergoes quality inspections and testing at various stages of manufacture. Depending on customer requirements, factory acceptance tests may also be witnessed by customer representatives prior to dispatch. Upon successful completion of inspection and testing, the equipment is packed and transported to the customer site, where our engineers supervise erection, installation, testing, commissioning and performance trials. Following successful commissioning and customer acceptance, we continue to provide after-sales support, maintenance, modernization and technical assistance throughout the operational life of the furnace system.

OUR ORDER BOOK

Our order book comprises purchase orders and contracts received from customers for the design, engineering, manufacturing, supply, installation, commissioning, modernization and maintenance of industrial furnace systems and related equipment. The order book reflects the aggregate value of unexecuted orders that are pending execution as on a specified date and provides visibility into our future business operations.

As of August 31, 2026, our unexecuted order book stood at approximately ₹6,820.26 lakhs pertains to projects that are currently under execution, including projects where erection and commissioning activities are pending. The execution period for these orders varies depending on the size, complexity and scope of the respective projects and generally ranges from six months to 12 months.

During the last three Fiscals, we have delivered industrial furnaces of varying sizes and capacities, catering to the specific requirements of our customers across different end-user industries. The size and configuration of each furnace are determined based on the customer's specific process requirements, production capacity, application, material to be processed and other technical specifications.

Our order book includes contracts for the supply of new industrial furnace systems as well as orders relating to modernization, revamping, retrofitting, installation, commissioning and after-sales services. We believe that our diversified order book, coupled with our project execution capabilities and long-standing customer relationships, provides revenue visibility and supports the continued growth of our business.

However, our order book may be subject to modifications, deferments, cancellations or changes in delivery schedules by customers in accordance with the terms of the respective contracts. Accordingly, the value of our order book should not be construed as a guarantee of future revenues or financial performance.

OUR MANUFACTURING FACILITY

We primarily undertake our manufacturing operations through our integrated manufacturing facility located at Chikhloli MIDC, Ambernath (West), Maharashtra, which is spread over an area of approximately 1078 square metres. The facility is equipped with the requisite plant and machinery, fabrication equipment, material handling systems, testing facilities and other supporting infrastructure required for the design, engineering, fabrication, assembly and testing of industrial furnaces and thermal processing systems. Our manufacturing processes combine mechanized operations with the technical expertise of our skilled workforce, enabling us to manufacture customized products in accordance with customer specifications while maintaining the desired standards of quality, safety and operational efficiency.

The facility is designed to support the manufacture of a diverse range of industrial furnace systems and related equipment and provides us with the operational flexibility to execute multiple customer orders simultaneously, subject to project requirements and production schedules.









SWOT ANALYSIS

Strengths

- **Execution Capability:** Successfully executed and commissioned industrial furnace projects across diverse industries.
- **Customized Engineering Solutions:** In-house engineering and design capabilities to deliver customized industrial furnace solutions.
- **Diversified Product Portfolio:** Wide range of industrial furnace and thermal processing systems catering to varied customer requirements.
- **Manufacturing Facility:** Manufacturing facility at Chikhloli MIDC, Ambernath (West), Maharashtra, supporting efficient production and quality control.
- **Customer Relationships:** Long-standing customer relationships with repeat customers, reflecting customer retention.

- **End-to-End Project Execution:** Comprehensive project execution capabilities spanning design, manufacturing, installation, commissioning and after-sales support.

- **Scalable Business Model:** Scalable engineering and manufacturing capabilities supporting sustainable business growth and higher project execution capacity.

Weaknesses

- **Project-Based Revenue:** Revenue depends on the timing and execution of customer projects, which may lead to fluctuations in financial performance.

- **Working Capital Intensive Business:** Manufacturing and executing industrial furnace projects require significant investment in inventory, fabrication, and receivables.

- **Dependence on Capital Expenditure by Customers:** Demand for industrial furnaces is linked to customers' expansion and modernization plans.

- **Exposure to Raw Material Price Volatility:** Fluctuations in steel and other raw material prices may affect profitability if not passed on to customers.

- **Dependence on Skilled Technical Workforce:** Retaining experienced engineers, project managers, and skilled technicians is critical for business continuity.

Opportunities

- **Growth in Indian Manufacturing:** Government initiatives such as *Make in India*, infrastructure development, and manufacturing expansion are expected to increase demand for industrial heating equipment.

- **Expansion into Export Markets:** Opportunity to expand exports to the Middle East, Africa, Southeast Asia, and other international markets.

- **Energy-Efficient and Environment-Friendly Technologies:** Increasing customer preference for energy-efficient furnace solutions presents opportunities for product innovation.

- **Industrial Automation:** Adoption of smart manufacturing and automation technologies creates demand for advanced industrial furnace systems.

- **After-Sales Services and Modernization:** Expansion of annual maintenance contracts (AMC), modernization, retrofitting, and spare parts business can provide recurring revenue.

Threats

- **Economic Slowdown:** Reduction in industrial investments or economic uncertainty may delay customers' capital expenditure decisions.

- **Raw Material Cost Inflation:** Significant increases in steel, refractory, electrical, and fuel prices may impact margins.

- **Regulatory Changes:** Changes in environmental, safety, taxation, labour, or industrial regulations may increase compliance costs.

- **Supply Chain Disruptions:** Delays in the availability of raw materials or logistics disruptions could impact project timelines.

- **Foreign Exchange Fluctuations:** Volatility in foreign exchange rates may affect the cost of imported components and export competitiveness.

- **Technological Advancements:** Failure to keep pace with evolving technologies may impact the Company's competitive position.

EXPORT AND EXPORT OBLIGATION

The details of export and export obligation as on the date of Draft Red Herring Prospectus is as follows:

(Rs. in Lakhs)

Particulars	For the year ended March 31,		
	2026	2025	2024
Exports Sales (In Lakhs)	966.02	546.17	510.34
% of Total Sales	9.58%	6.23%	6.29%

Our Company does not have any export obligation as on date.

OUR GEOGRAPHICAL DISTRIBUTION

Domestic Revenue Distribution

Particulars	As at March 31, 2026 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2025 (₹ in Lakhs)	% of Total revenue from operation	As at March 31, 2024 (₹ in Lakhs)	% of Total revenue from operation
Maharashtra	3,391.88	33.65%	2,742.21	31.29%	1,664.00	20.50%
Gujarat	163.36	1.62%	1,009.97	11.52%	722.65	8.90%
Uttar Pradesh	270.17	2.68%	517.31	5.90%	978.64	12.06%
Karnataka	276.12	2.74%	-	0.00%	290.50	3.58%
Tamilnadu	273.61	2.71%	256.40	2.93%	958.29	11.81%
West Bengal	381.78	3.79%	1,026.01	11.71%	400.46	4.93%
Telangana	11.31	0.11%	135.61	1.55%	21.92	0.27%
Chhattisgarh	513.12	5.09%	7.63	0.09%	391.41	4.82%
Jharkhand	57.56	0.57%	8.94	0.10%	12.34	0.15%
Haryana	2,149.41	21.32%	2,015.09	22.99%	1,285.64	15.84%
Rajasthan	0.32	0.00%	64.94	0.74%	82.99	1.02%
Odisha	80.41	0.80%	221.80	2.53%	309.95	3.82%
Punjab	1,062.41	10.54%	189.29	2.16%	486.10	5.99%
Madhya Pradesh	394.14	3.91%	7.10	0.08%	-	0.00%
Uttarakhand	-	0.00%	16.43	0.19%	-	0.00%
Himachal Pradesh	6.30	0.06%	-	0.00%	-	0.00%
Tripura	82.08	0.81%	-	0.00%	-	0.00%
Total	**9,113.98**	**90.42%**	**8,218.73**	**93.77%**	**7,604.89**	**93.71%**

Overseas Revenue Distribution

Particulars	FY 2026		FY 2025		FY 2024	
	₹ in lakhs	% of Total revenue from operation	₹ in lakhs	% of Total revenue from operation	₹ in lakhs	% of Total revenue from operation
USA	840.58	8.34%	-	0.00%	143.13	1.76%
Dubai	-	0.00%	425.41	4.85%	133.58	1.29%
Egypt	-	0.00%	-	0.00%	13.25	0.16%
Nepal	4.36	0.04%	104.57	1.19%	115.99	1.43%
Turkey	-	0.00%	-	0.00%	13.27	0.16%
Malaysia	-	0.00%	8.10	0.09%	17.41	0.21%
Western Africa (Ghana)	-	0.00%	3.08	0.04%	-	0.00%
South Africa	121.08	1.20%	5.01	0.06%	73.71	0.91%
Total	**966.00**	**9.58%**	**546.17**	**6.23%**	**510.34**	**6.29%**

OUR LOCATION

Registered & Corporate Office	A-130, Lodha Supremus II, Road No. 22, Wagle Industrial Estate, Thane 400 604, Maharashtra India.
Branch Office	Office No. B-114, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Thane – 400604, Maharashtra, India
Manufacturing Unit	G-50 Chikhloli MIDC, Ambernath West Maharashtra- 421501, India

PLANT & MACHINERY

The details of Plant & Machinery is set out below:

S.NO	MACHINE DESCRIPTION	QTY
1	PUG cutting Machine	5
2	14" PIPE Cutting Machine	3
3	Welding Rod Heating Oven-make advance Arc	4
4	Grinding Machine 4" Make Dong cheng-800 watt	6
5	Grinding Machine 5" Make Dong Cheng -1200-watt	7
6	Grinding Machine 7" make Dong cheng-2400- watt	7
7	Hand Drill Machine Bosch GBM-13R-	1
8	MAGNET Drill Machine	6
9	Gas Hand Cutter	5
10	Welding machine 400AMPS MIG /CO2- with feeder set - Make PWS	4
11	Welding machine 600AMPS MIG /CO2- with feeder set - Make PWS	4
12	Welding Machine 400a Argon watercooler + Reciter + torch with 10mtr Cable	1
13	Air cool plasma cutting machine Model-100 (Transformer Base) with Hand Torch	2
14	CO2 welding Machine -400 Amps-with feeder set- Make- Memko -old-2014-purchase	1
15	Rolling Machine	1
	Total	**69**

CAPACITY UTILIZATION

We manufacture customised industrial furnaces and related thermal processing systems against specific customer requirements. Each furnace differs in terms of its design, dimensions, weight, configuration, production capacity, technical complexity, material requirements, scope of fabrication, bought-out components, level of automation and time required for manufacturing and assembly.

Accordingly, our manufacturing operations do not involve the standardised or repetitive production of homogeneous units. The number of furnaces manufactured during a period may not provide a meaningful measure of our manufacturing capacity, as a single large or technically complex furnace may require substantially greater material, floor space, manpower and execution time than multiple smaller furnaces.

Further, depending upon the scope of each project, certain specialised manufacturing, machining, treatment or testing activities may be undertaken through approved external vendors, while designing, engineering, fabrication, assembly, quality inspection and project coordination are undertaken or supervised by us.

In view of the customised and project-specific nature of our products, our installed manufacturing capacity and capacity utilisation cannot be determined or expressed in conventional units of production. Accordingly, disclosure of installed capacity, actual production and capacity utilisation in terms of the number of furnaces would not provide a meaningful or comparable representation of our manufacturing operations. This has been certified by M/s. Creative Services pursuant to its certificate dated September 21, 2026.

COLLABORATIONS/ TIE – UPS/ JOINT VENTURES

Except as disclosed in this Draft Red Herring Prospectus, we do not have any Collaboration/Tie Ups/Joint Ventures as on date of Draft Red Herring Prospectus.

UTILITIES AND INFRASTRUCTURE FACILITIES

Our registered & corporate office, manufacturing unit and branch office is located at Maharashtra and is well-equipped with modern infrastructure facilities necessary for smooth business operations. The office is adequately equipped with computer systems, advanced communication tools, uninterrupted power supply, internet connectivity, security systems, and other essential infrastructure to facilitate smooth and efficient business operations. Our manufacturing facility is equipped with the requisite infrastructure, plant and machinery, fabrication equipment, material handling systems and other utilities necessary for the design, engineering, manufacturing, assembly and testing of industrial furnace systems. We believe that our existing infrastructure adequately supports our current manufacturing operations and provides the flexibility to undertake customized industrial furnace projects across diverse end-user industries.

Raw Material

Our principal raw materials include mild steel and stainless-steel plates and structural sections, refractory bricks and castables, ceramic fibre, industrial burners, electrical and instrumentation components, heating elements, pipes, valves, fabricated components, motors, gearboxes and other engineering consumables. We procure these raw materials from a diversified network of approved domestic suppliers, which enables us to ensure consistent quality, competitive pricing and timely availability of materials required for our manufacturing operations. Supplier selection is based on various parameters, including quality standards, technical specifications, pricing, delivery schedules, reliability and past performance. We have established quality control procedures for the inspection and verification of incoming raw materials to ensure compliance with customer specifications, contractual requirements and applicable engineering and quality standards before they are utilized in the manufacturing process.

In addition to domestically sourced raw materials, we import Water Cooled Motor, a critical component used in the manufacturing of our Bell Furnaces, from Germany or France. We believe that procuring this specialized material from an established overseas supplier enables us to meet the technical and performance requirements of our customers and maintain the quality standards of our products. We generally maintain appropriate inventory levels of such imported material to mitigate supply disruptions and ensure the timely execution of customer orders.

Our expenses towards purchase of raw materials for Fiscal 2026, Fiscal 2025 and Fiscal 2024 was ₹6072.68 lakh, ₹6474.21 lakhs and ₹5414.26 lakhs comprising 60.24%, 73.87%%, and 66.72% of our revenue from operations, respectively.

The following table sets forth our expense towards import of goods, in absolute terms and as a percentage of total purchases, for the periods indicated:

Particulars	FY 2026		FY 2025		FY 2024	
	₹ in lakhs	% of Total Purchases	₹ in lakhs	% of Total Purchases	₹ in lakhs	% of Total Purchases
Import of goods	268.97	4.06%	158.27	2.87%	179.01	3.03%

The details of top 5 and 10 suppliers of our Company for Fiscal 2026, Fiscal 2025, Fiscal 2024 are set out below:

(Rs. in Lakhs)

Particulars	FY 2026		FY 2025		FY 2024	
	₹ in lakhs	% of Total Purchases	₹ in lakhs	% of Total Purchases	₹ in lakhs	% of Total Purchases
Top 5 suppliers	2,099.82	34.23%	2,036.75	30.72%	1,439.18	26.12%
Top 10 suppliers	3,194.24	52.07%	2,967.41	44.75%	2,469.70	44.81%

Note: As certified by the Statutory Auditors M/s Abhishek Kumar & Associates through certificate dated September 29, 2026.

Power

The manufacturing of industrial furnace systems requires a reliable and uninterrupted power supply for fabrication, machining, welding, assembly, testing and other manufacturing processes. Our manufacturing facility and registered office receives electricity from the local power distribution utility i.e., Maharashtra State Electricity Distribution Company Limited and is supported by appropriate power distribution systems. We believe that our existing power infrastructure is adequate to meet our current operational requirements.

Water

Water is primarily utilized at our manufacturing facility for fabrication-related activities, equipment cleaning, hydro testing (where applicable), cooling requirements and general domestic purposes, including drinking water and sanitation. The water requirements

of our manufacturing facility are met through the local municipal water supply. We believe that our existing water infrastructure and storage facilities are adequate to meet our present operational and domestic requirements and ensure the uninterrupted availability of water for our manufacturing operations.

Material Handling and Storage

Our manufacturing facility is equipped with appropriate material handling equipment, storage areas and fabrication infrastructure for efficient movement, storage and processing of raw materials, work-in-progress and finished products. We have established procedures for inventory management, quality inspection and storage to facilitate efficient production planning and timely execution of customer orders.

Third Party Manufacturing on Job Work Basis

In addition to manufacturing products at our in-house manufacturing facility, we engage third-party manufacturing units on a job-work basis for certain manufacturing and fabrication activities. Such outsourcing is undertaken primarily during periods of increased order inflows, peak production requirements or when the utilization of our in-house manufacturing capacity is high. This approach enables us to augment our production capacity, optimize resource utilization, efficiently manage project execution timelines and ensure the timely delivery of customer orders. The products manufactured through third-party job workers are subject to our quality control and inspection procedures to ensure compliance with the applicable technical specifications and quality standards before dispatch to customers.

HUMAN RESOURCES

Our employees are one of our key resources and play an important role in the successful execution of our business operations. As of August 31, 2026, we had 67 permanent employees across various functions, including engineering, design, manufacturing, quality assurance, project execution, procurement, finance, administration, sales and marketing.

Our operations are supported by a multidisciplinary team comprising experienced engineers, technical professionals, project managers and skilled technicians possessing expertise in mechanical, electrical, instrumentation, refractory, thermal and project engineering. Their technical knowledge and industry experience enable us to design, manufacture, install, commission and maintain customized industrial furnace and thermal processing systems for customers across diverse industries.

As on August 31, 2026 our Company has 67 employees on payroll including KMP. Bifurcation is as follows:

Department	Number of Employees
Top Management including KMP	3
Accounts & Finance	7
Production & Manufacturing	4
Purchase & Procurement	4
Sales and Marketing Department	4
Designing	6
Electrical Engineering (Electrical Design & Commissioning)	9
Mechanical Engineering (Installation, Erection & Maintenance)	24
HR Department	5
Quality and Inspection	1
Total	**67**

We believe that our experienced workforce, employee-centric approach and emphasis on technical competence and continuous training have contributed to our operational efficiency, project execution capabilities and long-standing customer relationships. As of the date of this Draft Red Herring Prospectus, we believe that we maintain cordial industrial relations, and there have been no material instances of labour unrest or work stoppages affecting our operations.

Details of Employees Provident Fund and Employees State Insurance Corporation along with contribution is as follows:

Particulars	2025-26	2024-25	2023-24
Provident Fund (in Lakhs)	15.45	18.78	15.66
Number of Employees for Whom provident fund has been paid	67	80	71
Employee State Insurance Corporation (in Lakhs)	0.18	0.22	0.33

Number of employees for Whom ESIC has been paid	67	80	71
Tax deducted at source of Employee salary (in Lakhs)	7.76	7.80	8.87
Number of persons for whom TDS is paid	8	17	11

TRANSPORTATION AND LOGISTICS

The furnace is manufactured and transported in separate components or modules to the customer's site, where the components are assembled and integrated at site. We have established a structured logistics framework to facilitate the safe, timely and cost-effective delivery of our products to customer locations.

We primarily engage third-party logistics service providers and maintain business relationships with a panel of approved transporters having experience in handling heavy engineering equipment. Depending on the size, nature and destination of the project, we obtain competitive quotations from multiple transporters and select the service provider after evaluating various factors, including freight cost, delivery timelines, route planning, statutory permits, safety standards, technical capabilities, reliability and past performance.

Our transport partners are experienced in handling oversized and heavy engineering equipment and undertake appropriate loading, securing, transportation and unloading procedures in accordance with applicable regulatory requirements and industry practices. We coordinate closely with our logistics partners and customers throughout the dispatch and delivery process to facilitate timely execution of projects and minimize transit-related risks.

We believe that our transportation and logistics framework complements our end-to-end project execution capabilities and enables us to efficiently deliver customized industrial furnace systems to customers across domestic and international markets while maintaining high standards of operational efficiency and customer service.

TECHNOLOGY AND ENERGY EFFICIENT SOLUTIONS

Our thermal processing solutions are designed with reference to the customer's process requirements, including required temperature profile, uniformity, throughput, atmosphere, fuel source and automation. The selection and integration of heating systems, refractory and insulation, circulation, exhaust, instrumentation and controls influence furnace performance and energy consumption.

Our offerings include recuperators and heat-recovery systems that may recover heat from exhaust gases or other process streams for reuse within the thermal system. We also undertake fuel-conversion projects and modernisation of existing furnaces. Depending on the system and project scope, such modifications may improve fuel utilisation, reduce heat loss, enhance temperature control or enable the customer to use an alternative energy source.

We intend to continue strengthening our engineering and automation capabilities and developing furnace configurations that address customers' requirements for process control, operating reliability, energy efficiency and consistent product quality. Any quantified claim relating to energy savings, emissions reduction, temperature uniformity or productivity improvement will be included only when supported by performance tests or an independent technical certificate.

ENVIRONMENT, HEALTH AND SAFETY MEASURES

We are committed to conducting our manufacturing operations in a responsible and sustainable manner, with due regard for environmental protection and the health and safety of our employees, customers, contractors and the communities in which we operate. We endeavour to maintain a safe working environment and comply with the applicable environmental, health and safety laws, rules and regulations governing our operations. These regulations, among other things, govern the storage, handling, transportation, emission, discharge and disposal of materials and waste generated during the course of our business. For further details, see **"Government and Other Statutory Approvals"** beginning on page 261.

As part of our environmental compliance framework, we have obtained the requisite approvals and authorizations required under the applicable environmental laws. We have implemented various internal policies, operating procedures and safety protocols designed to ensure a safe and healthy workplace. These measures cover, among other things, occupational health and safety, electrical safety, machine safety, fire prevention, emergency response, evacuation procedures and the use of personal protective equipment. We periodically review and update these policies to align with changes in applicable laws, industry practices and operational requirements.

We believe that continuous training and awareness are essential to maintaining a strong safety culture within our organization. We also encourage compliance with established safety procedures across all levels of our organization.

QUALITY CONTROL AND TESTING INFRASTRUCTURE

We maintain quality control and inspection procedures throughout the manufacturing process to ensure that our products conform to customer specifications, contractual requirements and applicable quality standards. Our quality assurance processes include inspection and testing at various stages of production, including verification of raw materials, in-process quality checks, dimensional inspections, functional testing and final inspection prior to dispatch, as applicable. These procedures are designed to maintain consistency in product quality, performance and reliability.

Depending on customer requirements and the nature of the project, representatives of our customers may also conduct inspections and witness factory acceptance tests at our manufacturing facility prior to dispatch of the equipment. Further, for projects involving on-site installation and commissioning, our engineers and technical personnel undertake inspection, testing and commissioning activities at the customer's premises to ensure that the equipment is installed, commissioned and operates in accordance with the agreed technical specifications and performance parameters. We believe that our quality assurance and inspection practices contribute to customer satisfaction and help us maintain long-term customer relationships.

WARRANTY AND AFTER-SALES SUPPORT

We provide warranty support for our industrial furnace systems in accordance with the terms and conditions agreed with our customers under the respective contracts or purchase orders. The warranty period generally varies depending on the nature of the product, project specifications and contractual arrangements. During the applicable warranty period, we undertake to rectify manufacturing defects or deficiencies attributable to our scope of work, subject to the terms and exclusions specified in the relevant contract.

The warranty period for our industrial furnace systems varies depending on the nature and scope of the project, customer specifications and the terms of the respective contract or purchase order. In general, we provide a warranty of 12 months from the date of commissioning, unless otherwise agreed with the customer under the applicable contractual arrangements.

In addition to warranty services, we provide comprehensive after-sales support, including technical assistance, preventive maintenance, troubleshooting, inspection, repair, replacement of components (where required), modernization and revamping services. Our engineering and service personnel coordinate closely with customers to address operational issues, facilitate smooth commissioning and ensure the efficient performance of our furnace systems. We believe that our after-sales support capabilities contribute to customer satisfaction, foster long-term customer relationships and generate repeat business opportunities.

SALES AND MARKETING

Our sales and marketing efforts are focused on developing long-term relationships with customers across diverse end-user industries requiring industrial furnace and thermal processing solutions. Given the customized and project-based nature of our business, our sales process is primarily driven by direct customer engagement, technical discussions and solution-based selling. We work closely with customers to understand their process requirements, operating conditions and technical specifications, enabling us to offer customized industrial furnace solutions tailored to their specific manufacturing needs.

Our customer-centric approach extends beyond the execution of projects. We continue to engage with our customers through installation, commissioning, warranty support, preventive maintenance, modernization, revamping and technical support services. We believe that our emphasis on engineering expertise, product quality, timely project execution and responsive after-sales support has enabled us to establish long-standing customer relationships and generate repeat business.

As part of our growth strategy, we intend to continue strengthening our sales and marketing initiatives by expanding our presence across key industrial clusters, increasing customer engagement activities. We believe that these initiatives, together with our engineering capabilities and project execution expertise, will enable us to expand our customer base and strengthen our market position in the industrial furnace and thermal processing industry.

OUR CUSTOMERS/END USER OF OUR PRODUCTS AND SERVICES

We cater exclusively to business-to-business (“B2B”) customers across a diversified customer base spanning a broad spectrum of industries requiring industrial furnace and thermal processing solutions. Our products are designed and engineered to meet the specific operational requirements of customers engaged in heat treatment, melting, annealing, reheating, forging and other thermal processing applications.

Over the years, we have developed and maintained long-standing business relationships with customers across diverse industries, including the automobile and auto components, construction, consumer durables, metals, defense and power generation sectors. This diversified customer base enables us to leverage opportunities across multiple industrial sectors while mitigating concentration risks associated with any particular industry.

Our customer base comprises private sector enterprises, as well as engineering, procurement and turnkey solution providers. We believe that our ability to deliver customized engineering solutions, execute projects in accordance with customer specifications and provide installation, commissioning and after-sales support has enabled us to establish long-term relationships with several of our customers, resulting in repeat business.

The details of top 5 and 10 customers of our Company for Fiscal 2026, Fiscal 2025, Fiscal 2024 are set out below:

(Rs. in Lakhs)

Particulars	FY 2026		FY 2025		FY 2024	
	₹ in lakhs	% of Revenue from operations	₹ in lakhs	% of Revenue from operations	₹ in lakhs	% of Revenue from operations
Top 5 customers	4294.38	42.60%	2988.3	34.09%	3,570.98	44.00%
Top 10 customers	6520.25	64.68%	4766.87	54.39%	4,758.48	58.64%

Note: As certified by the Statutory Auditors M/s Abhishek Kumar & Associates through certificate dated September 29, 2026.

COMPETITION

The industrial furnace industry in India is characterized by the presence of both organized and unorganized players, comprising domestic manufacturers as well as international companies catering to a wide range of industrial applications. The level of competition varies depending on the type of furnace, project size, technological complexity, customization requirements and end-user industry.

We primarily compete on the basis of our engineering capabilities, ability to provide customized furnace solutions, product quality, technical expertise, project execution capabilities, pricing, delivery timelines, after-sales service and long-standing customer relationships. Our ability to offer end-to-end solutions covering design, engineering, manufacturing, installation, commissioning and maintenance enables us to cater to the specific requirements of customers across diverse industries.

While the market includes several regional manufacturers catering to standard furnace requirements, we believe that our experience in executing customized industrial furnace projects, multidisciplinary engineering capabilities, integrated manufacturing facility and focus on quality and customer service enable us to effectively compete in our target markets. We also compete with international manufacturers, particularly in technologically advanced and specialized furnace applications.

We believe that our established track record, experienced management and engineering team, diversified product portfolio, repeat customer base and project execution capabilities position us favourably to capitalize on opportunities arising from the increasing demand for industrial furnace and thermal processing solutions in India and overseas.

INSURANCE

The Company maintains insurance policies in line with industry practices to safeguard its assets, operations and business continuity. These policies include coverage for standard risks such as fire, burglary, and loss or damage to property, equipment, and other assets. We have taken insurance which provides insurance cover against loss or damage by fire, earthquake, etc. and also, which we believe is in accordance with customary industry practices.

While the Company believes that its current insurance coverage is adequate for its present operations and consistent with industry norms, there can be no assurance that the insurance maintained will be sufficient to cover all potential losses or liabilities, or that such policies will continue to be available on commercially reasonable terms in the future. Any significant uninsured or underinsured loss, or delays in receiving insurance proceeds, may adversely impact the Company's financial position and operations.

The details of insurance policies are:

S. No.	Description	Risk Location	Policy Number	Issuing Company	Sum Assured (in Rs.)	Premium (in Rs.)	Date of Start	Date of Expiry

1.	Comprehensive General Liability Insurance	Ace Furnaces Private Limited Office No. 130, A Wing, Lodha Supremus 2, Wagle Industrial Estate, Road No. 22, Thane- 400604, Maharashtra	4066/A/449125573/00/000	ICICI Lombard General Insurance Company Limited	250,000,000/-	112,100/-	July 13, 2026	July 12, 2027
2.	Burglary Insurance	Ace Furnaces Private Limited Plot No. G-50, Chikloli MIDC, Ambernath West, Ambernath, Dist. Thane -421501, Maharashtra	111022629110000019	IndusInd General Insurance Company Limited	10,00,00,000/-	1,416/-	April 07, 2026	April 06, 2027
3.	Directors and Officers Liability Policy	Ace Furnaces Private Limited Lodha Supremus II, Unit No. B/104, Wagle Industrial Estate, Road No. 22, Thane - 400604, Maharashtra*	021400272 6P103556756	United India Insurance Company Limited	2,00,00,000/-	53,099/-	June 09, 2026	June 08, 2027
4.	Employees Compensation Insurance Policy	Ace Furnaces Private Limited Plot No. G-50, Chikloli MIDC, Ambernath West, Ambernath, Dist. Thane -421501, Maharashtra	111022527110002467	Reliance General Insurance Company Limited	1,20,00,000/-	23,718/-	November 12, 2025	November 11, 2026
5.	Group Personal Accident Tailor made Policy	Ace Furnaces Private Limited Lodha Supremus II, Unit No. B/104, Wagle Industrial Estate, Road No. 22, Thane -400604, Maharashtra*	021400422 6P107642994	United India Insurance Company Limited	16,90,95,300	1,39,673/-	August 19, 2026	August 18, 2027
6.	Laghu Business Your Choice Policy (Stock Insurance Policy)	Ace Furnaces Private Limited, Plot No. G-50, Chikloli MIDC, Ambernath West, Ambernath, Dist. Thane -421501, Maharashtra	111062621260013187	IndusInd General Insurance Company Limited	10,00,00,000/-	93,220/-	April 07, 2026	April 06, 2027
7.	IndusInd Sookshma Business Your Choice Policy	Ace Furnaces Private Limited Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, Wagle Industrial Estate, MIDC, Thane – 400604, Maharashtra	110362621250036890	IndusInd General Insurance Company Limited	25,000,000/-	11,064/-	September 10, 2026	September 9, 2027

*The insurance policies currently reflect our erstwhile office address, and the Company is in the process of updating the address in the relevant insurance policies.

We believe that our insurance coverage is in accordance with industry customs, including the terms of and the scope of the coverage provided by such insurance. For further information, see "*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition*" on page 24.

CORPORATE SOCIAL RESPONSIBILITIES

Pursuant to Section 135 of the Companies Act, 2013 and the rules made thereunder, we are required to spend at least 2% of the average net profits of our Company made during the three immediately preceding financial years on corporate social responsibility ("CSR") activities. Accordingly, our Board has constituted a CSR Committee and adopted a CSR Policy setting out, among other matters, the areas of intervention, manner of implementation, monitoring mechanism and governance framework for our CSR initiatives.

Our CSR Committee is responsible for formulating and recommending the annual CSR action plan to our Board, including the proposed CSR projects, manner of execution, implementation schedules, utilisation of funds, and monitoring and reporting mechanisms. The Committee periodically reviews the progress of CSR activities and recommends modifications, where required. Our Board considers the recommendations of the CSR Committee, approves the annual CSR action plan and monitors the implementation of our CSR Policy.

Our CSR initiatives are undertaken directly or through eligible implementing agencies in accordance with applicable law and are focused on areas specified under Schedule VII of the Companies Act, 2013. These may include [education and skill development, healthcare and sanitation, environmental sustainability, rural development, livelihood enhancement and community welfare]. We evaluate CSR projects based on identified community requirements, proposed beneficiaries, implementation capabilities, expected impact and alignment with our CSR Policy.

The following table sets forth details of our CSR obligations and expenditure during the periods indicated:

Particular	Fiscal 2026 (₹ lakhs)	Fiscal 2025 (₹ lakhs)	Fiscal 2024 (₹ lakhs)
Prescribed CSR expenditure	8.72	--	--
Amount spent during the year	11.10	--	--
Excess amount spent/(shortfall)	2.38	--	--
Amount transferred or otherwise dealt with in accordance with applicable law	--	--	--

Through our CSR initiatives, we seek to contribute to the social and economic development of the communities in which we operate and integrate responsible business practices into our broader corporate objectives.

PROPERTY

Intellectual Property

Set forth below are the trademarks applied in the name of our Company under the Trademarks Act, 1999:-

S. No	Brand Name/Logo Trademark*	Class	Application number and Date	Authority	Status
1.	Ace Furnaces Pvt. Ltd. (Device) ACE FURNACES PVT. LTD. WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS	11	Application No. 7221311 dated: September 06, 2025	Registrar of Trade marks	Under Examination
2.	Ace Furnaces Pvt. Ltd. (Device) ACE FURNACES PVT. LTD. WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS	35	Application No. 7221312 dated: September 06, 2025	Registrar of Trade marks	Under Examination

3.	Ace Furnaces Pvt. Ltd. (Device) 	37	Application No. 7221313 dated: September 06, 2025	Registrar of Trade marks	Under Examination

**The abovementioned applications are in the erstwhile name of the Company, i.e. Ace Furnaces Private Limited. Our Company is in the process of applying for a change in the name of the Trade Marks to the current name of our Company i.e. Ace Furnaces Limited.*

Domain Name

S. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	acefurnaces.com	1869385813_DOMAIN_COM-VRSN	Registrar Name: PDR Ltd. d/b/a PublicDomainRegistry.com Registrar IANA ID: 303	August 02, 2014	August 02, 2027

IMMOVABLE PROPERTY

Details of our properties are as follows: -

Properties Leased by the Company

S. No.	Details of the Property	Licensor/Lessor	Lessee/ acquirer	Owned/ Leased	Consideration/ Lease Rental/ License Fees (in Rs.)	Area (in sq. m.)	Usage
1.	Unit No. 130, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Panchpakhadi, Thane – 400604, Maharashtra	National Standard (India) Limited	Ace Furnaces Private Limited	Leasehold rights acquired by assignment	**Acquired vide Deed of Assignment of Lease dated April 24, 2017, registered on April 24, 2017 (Document No. 4909/2017) with the Office of the Sub-Registrar, Thane-3.** Total Consideration/Market Value: Rs. 1,50,79,671/- (Market Value Rs. 1,53,16,000/-). Stamp Duty of Rs. 3,84,500/- paid on original registration (2016); deficit stamp duty of Rs. 3,81,300/- and penalty of Rs. 30,600/- (aggregating Rs. 4,11,900/-) paid at the time of registration in 2017	119.42	Registered & Corporate Office
2.	Plot No. G-50, Ambernath Industrial Area, Chikhloli, Ambernath, Thane – 421501, Maharashtra	Sunshine Industries (Partnership Firm)	Ace Furnaces Private Limited	Leased	**Leave and License Agreement dated September 26, 2025, registered on October 6, 2025 (Document No. 14273/2025).** License period: 36 months (with effect from November 01, 2025 valid up to October 31, 2028). Interest-free refundable Deposit: Rs. 24,00,000/-. License Fee: Rs. 4,00,000/- per month for the first 12 months; Rs. 4,20,000/- per month for the next	1,078	Manufacturing Unit

					12 months; Rs. 4,41,000/- per month for the following 12 months. Stamp Duty Rs. 39,630/-; Registration Fee Rs. 1,000/-.		
3.	Office No. B-114, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Thane – 400604, Maharashtra, India	IBI Security Alliances Private Limited	Ace Furnaces Private Limited	Leased	**Leave and License Agreement dated September 09, 2026, registered on September 09, 2026 (Document No. 2-24244/2026) with the Office of the Sub-Registrar, Thane-2** License period: 36 months (with effect from September 21, 2026 valid up to September 20, 2029). Interest-free refundable Security Deposit: Rs. 3,15,000/-. License Fee: Rs. 1,05,000/- per month for the first 12 months; Rs. 1,12,350/- per month for the next 12 months; Rs. 1,20,215/- (approx.) per month for the following 12 months, with the License Fee increasing by 7% per annum thereafter. Stamp Duty Rs. 10,400/-; Registration Fee Rs. 1,800/-.	80.55	Branch Office

KEY INDUSTRY REGULATIONS

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled "Government and Other Statutory Approvals" on page 261 of this Draft Red Herring Prospectus.

The Companies Act, 2013 (the "Companies Act")

The Companies Act governs the incorporation, management, administration, and dissolution of companies in India. It outlines rules for directors' duties, shareholders' rights, corporate governance, and financial reporting, ensuring transparency and accountability. The Act establishes regulatory mechanisms for audits, compliance, mergers, and investor protection, while encouraging ethical business practices. It also prescribes penalties for noncompliance, fraud, or mismanagement. By providing a comprehensive legal structure for corporate entities, the Act facilitates business operations, strengthens investor confidence, promotes responsible management, and ensures that corporate activities align with India's economic and regulatory framework. The Companies Act is further supplemented by various rules framed thereunder by the Ministry of Corporate Affairs, and both the Act and such rules have been amended from time to time.

TAX RELATED LEGISLATIONS

The Income Tax Act, 2025 and the Income Tax Rules, 2026 (collectively referred to as the "Income Tax Act")

The Income-tax Act constitute the principal framework for levy, administration and collection of income tax in India for tax years to which the new law applies. The Income-tax Act, 2025 and the Income-tax Rules, 2026 came into effect from April 1, 2026. The framework, among other matters, provides for taxation of income, tax deduction at source, advance tax, assessments, collection and recovery, and appeals and other tax administration matters.

The Central Goods and Services Tax Act, 2017 (the "GST Act")

The GST Act, the relevant State/Union Territory Goods and Services Tax legislation and the Integrated Goods and Services Tax Act, 2017 (collectively, the "GST laws") provide the framework for levy and collection of goods and services tax in India. The GST laws prescribe requirements relating to registration, classification and valuation of supplies, invoicing, input tax credit, payment of tax, returns, records, assessments, audits and appeals. It is required to comply with the applicable GST laws in respect of its supplies of goods and services and related transactions. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

The Customs Act, 1962 (the "Customs Act")

The Customs Act and rules made thereunder are applicable at the time of import of goods, i.e. bringing into India from a place outside India or at the time of export of goods, i.e. taken out of India to a place outside India. Any Company needing to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

The Maharashtra State Tax on Professions, Trades, Callings, and Employments Act, 1975 (the "Maharashtra Professions Tax Act")

The Maharashtra Professions Tax Act provides a comprehensive framework for the levy, collection, and administration of professional tax within the state. It applies to all individuals engaged in any profession, trade, calling, or employment, including salaried employees, self-employed professionals, and businesspersons. Under the Act, employers are responsible for deducting the tax from employees' salaries each month and remitting it to the state government, while self-employed individuals are required to pay the tax directly. It also prescribes procedures for registration of taxable persons, filing of returns, maintenance of proper records, and timelines for payment, ensuring systematic compliance. Penalties and interest provisions are in place to address defaults or delays in payment.

BUSINESS/ TRADE RELATED LAWS/ REGULATIONS

Industrial (Development and Regulation) Act, 1951 (the "I(D&R) Act")

The I(D&R) Act has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries, including among others, all types of electronic aerospace and defence equipment. The I(D&R) Act is administered by the Ministry of Commerce and Industry through the Department of Industrial Policy and Promotion ("DPIIT"). The main objectives of the I(D&R) Act are to empower the Government to take necessary steps for the development of industries; to regulate the pattern and direction of industrial development; and to control the activities, performance and results of industrial undertakings in the public interest. The DPIIT is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector.

The Bureau of Indian Standards Act, 2016 (the "BIS Act")

The BIS Act, as amended, establishes, publishes and regulates national standards to ensure conformity assessment, standardisation, and quality assurance of goods, articles, processes, systems and services. The Bureau of Indian Standards Act provides for the establishment of a bureau for the standardization, marking and quality certification of goods. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) adopting as Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) making such inspection and taking such samples of any material or substance as may be necessary to see whether any goods, article, process, system or service in relation to which the standard mark has been used conforms to the relevant standard or whether the standard mark has been properly used in relation to any goods, article, process, system or service with or without a license. Further, the Bureau of Indian Standards Act sets out, inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard.

The Bureau of Indian Standards Rules, 2018 (the "Bureau of Indian Standards Rules")

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the Bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

National Steel Policy, 2017 (the "NSP 2017")

The NSP 2017 seeks to enhance domestic steel production with a focus on a technologically advanced and globally competitive steel manufacturing in India that promotes economic growth. The NSP 2017 aims to create an environment for attaining (i) Self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers, CPSEs and encourage adequate capacity additions; (ii) Development of globally competitive steel manufacturing capabilities; (iii) Cost-efficient production and domestic availability of iron ore, coking coal and natural gas; (iv) Facilitate investment in overseas asset acquisitions of raw materials; and (v) Enhance domestic steel demand. The intent is to strengthen the research and development of national importance in the iron and steel sector by utilizing tripartite synergy among industry, national research and development laboratories and academic institutions. The NSP 2017 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, technology, research and development and environmental management in the steel sector. Industrial furnaces are critical capital equipment for the steel and metals industry, and the growth objectives under the NSP 2017, including enhancement of domestic steel production capacity.

The Steel and Steel Products (Quality Control) Order, 2024, as amended from time to time (the "Quality Control Order, 2024")

The Quality Control Order, 2024, as amended from time to time, was notified by the Ministry of Steel, Government of India, to bring specified steel products as specified in Schedule I of the Quality Control Order, 2024 under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order, 2024.. The Steel and Steel Products (Quality Control) Amendment Order, 2026 amended the Quality Control Order, 2024 by deferring the implementation of mandatory BIS certification for certain specified steel products, while the certification requirement continues to apply to all other notified steel and steel products.

The Legal Metrology Act, 2009 (the "Legal Metrology Act")

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal 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 matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government-approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

The Electricity Act, 2003 (the "Electricity Act")

The Electricity Act provides the legal framework for the generation, transmission, distribution, trading and use of electricity in India. The Act restructures the electricity sector by establishing the Central Electricity Authority, the Central Electricity Regulatory Commission and the State Electricity Regulatory Commissions and prescribes provisions relating to licensing of electricity suppliers and distributors, grid connectivity, open access, metering and billing, and measures for promotion of efficient use of energy and development of renewable energy. Manufacturing establishments consuming substantial quantities of electrical power for their operations, air-conditioning, compressed air systems etc. are required to comply with the applicable provisions of the Electricity Act, the rules and regulations framed thereunder, the applicable distribution licence conditions and the tariff orders issued by the State Electricity Regulatory Commission. Where applicable, compliance with the Energy Conservation Act, 2001 (as amended by the Energy Conservation (Amendment) Act, 2022) in relation to energy audits, energy consumption norms and Perform, Achieve and Trade ("PAT") Scheme obligations applicable to designated consumers may also be required.

The Micro, Small and Medium Enterprises Development Act, 2006 (the "MSME Act")

The MSME Act was brought into force in order to promote and enhance the competitiveness of Micro, Small and Medium Enterprises (MSME), the MSME Act was enacted. In the Union Budget 2025, the finance minister announced a new MSME classification, increasing the investment limit by 2.5 times and doubling the turnover limits. As per the revised limits which have come into effect from April 1, 2025, the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed Rs. 2.5 Crore and annual turnover do not exceed Rs. 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.25 Crore and annual turnover does not exceed Rs. 100 Crore; a medium enterprise, where the investment in plant and machinery does not exceed Rs. 125 Crore and annual turnover do not exceed Rs. 500 Crore. Further, the Micro, Small and Medium Enterprises Development (Amendment) Act, 2026 which received the assent of the President of India on August 13, 2026 and has been published in the Official Gazette, amends the MSME Act to provide that an enterprise shall be classified as a micro, small or medium enterprise with reference to both its investment in plant and machinery or equipment and its turnover, in accordance with the limits as may be notified by the Central Government.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Trade (Development and Regulation) Act, 1992 (the "FTDRA")

The FTDRA is the main legislation concerning foreign trade in India. The FTDRA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDRA read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("IEC") number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. 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 a penalty under the FTDRA.

The Foreign Exchange Management Act, 1999 & Rules thereunder (the "FEMA")

Foreign investment in India is primarily governed by the FEMA, read with the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, the foreign direct investment policy issued by the Department for Promotion of Industry and Internal Trade ("DPIIT") and applicable directions and notifications issued by the Reserve Bank of India ("RBI"), as amended from time to time.

Foreign investment in Indian companies is permitted under the automatic route or the Government approval route, subject to applicable sectoral caps, entry routes, pricing guidelines and other prescribed conditions. FEMA also regulates the issue and transfer of securities to persons resident outside India, downstream investments and reporting requirements.

Pursuant to the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2026, investments by individuals resident outside India, including non-resident Indians ("NRIs") and overseas citizens of India ("OCIs"), in listed Indian companies are subject to revised investment limits, pursuant to which an individual may hold less than 10% and the aggregate holding of all such individuals may be up to 24% of the paid-up equity capital of the listed Indian company, subject to applicable conditions. Accordingly, any issue or transfer of securities involving persons resident outside India is required to comply with the applicable FEMA requirements.

ENVIRONMENTAL LEGISLATIONS

The Environment (Protection) Act, 1986 (the "Environment Protection Act") and Environment (Protection) Rules, 1986 and Environmental Impact Assessment Notification, 2006

The Environment Protection Act is an umbrella legislation providing for the protection and improvement of the environment and for the prevention, control and abatement of environmental pollution. The Environment Protection Act empowers the Central Government to prescribe environmental standards, regulate the handling of hazardous substances and take measures for prevention and control of environmental pollution. The Environment (Protection) Rules, 1986 prescribe, inter alia, standards and requirements relating to emissions and discharge of pollutants and handling of hazardous substances. The Environmental Impact Assessment Notification, 2006, as amended from time to time, requires specified categories of new projects and activities, and certain expansion or modernisation projects, to obtain prior environmental clearance from the Ministry of Environment, Forest and Climate Change or the relevant State Environment Impact Assessment Authority, as applicable, before commencement of the relevant project or activity. The regulatory framework also prescribes continuing environmental compliance obligations and provides for consequences in case of non-compliance.

National Environmental Policy, 2006 (the "National Environmental Policy")

This National Environmental Policy seeks to extend the coverage and fill in gaps that still exist, considering present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure the livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on resources obtain better livelihoods from the fact of conservation than from degradation of the resource.

The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")

The Water Act seeks to prevent and control water pollution and to maintain or restore the wholesomeness of water. It regulates the discharge of sewage and trade effluents and requires establishments covered by the applicable provisions to obtain prior consent from the concerned State Pollution Control Board ("State PCB") for the establishment of new outlets or discharges and for carrying out activities likely to discharge sewage or trade effluent. The Water Act also empowers the relevant authorities to prescribe conditions relating to treatment and disposal of effluents and to take enforcement action for non-compliance. The Water (Prevention and Control of Pollution) Amendment Act, 2024, inter alia, rationalised certain offences and introduced monetary penalties for specified contraventions. The framework is supplemented by applicable consent guidelines and regulations issued from time to time.

The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")

The Air Act provides for the prevention, control and abatement of air pollution and regulates emissions from industrial plants and other sources covered under the applicable provisions. Establishments operating in areas notified under the Air Act are required to obtain consent from the concerned State Pollution Control Board before establishing or operating relevant industrial plants or undertaking activities resulting in emissions, subject to applicable exemptions. Such consent may prescribe conditions relating to emission standards and pollution control measures. The Air Act also empowers the authorities to inspect establishments, obtain information and take enforcement measures for non-compliance. The regulatory framework has been supplemented by the Control of Air Pollution (Grant, Refusal or Cancellation of Consent) Guidelines, 2025, as amended from time to time, including amendments issued in 2026 providing framework for granting, renewing, refusing and cancelling consents under the Air Act, prescribe location criteria for industrial plants, mandate timelines for disposal of consent applications, require installation and

operation of continuous emission monitoring systems where applicable, and provide for monitoring committees at the national and State level to oversee implementation.

Noise Pollution (Regulation & Control) Rules, 2000 (the "Noise Regulation Rules")

The Noise Pollution Rules were enacted to regulate and control noise-generating sources with the objective of maintaining ambient air quality standards in respect of noise across different areas/zones. Under the Noise Rules, areas/zones are classified into industrial, commercial, residential and silence zones, and specific ambient noise standards are prescribed for each category. Industries and establishments are required to ensure that noise levels from their operations remain within the permissible limits. The Noise Pollution Rules provide for penalties in case the noise levels in any area/zone exceed the permitted standards.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the "Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorised disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, packaging, storage and destruction of hazardous waste is required to obtain an authorization from the relevant State PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

LAWS RELATING TO INTELLECTUAL PROPERTY

The Trademarks Act, 1999 (the "TM Act")

Under the TM Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him must apply for registration in writing to the Registrar of Trademarks ("the Registrar"). The trademark, once applied for and which is accepted by the Registrar, is to be advertised in the Trade Marks Journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudication of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

The Patents Act, 1970 (the "Patents Act")

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and the grant of an exclusive right, for a limited period, provided by the Government to the patentee, in exchange for full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or producing that product. Being a signatory to the Agreement on Trade-Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

The Designs Act, 2000 (the "Designs Act") and Design Rules, 2001

The Designs Act consolidates and amends the law relating to the protection of designs. The Designs Act is a complete code in itself and is statutory in nature and protects new or original designs from being copied, which causes loss to the proprietor. The proprietor, upon registration, gets 'copyrights in design' for the period of 10 years from the date of registration, which can be renewed for a second period of five years, before the expiration of the original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is a new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. The Central Government also drafted the Design Rules, 2001 under the authority of the Designs Act for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, registration for designs, classification of goods, address for service, restoration of designs, etc.

EMPLOYMENT AND LABOUR LAWS CODIFICATION

The Code on Wages, 2019 (the "Wages Code")

The Wages Code regulates minimum wages, floor wages, payment of wages, permissible deductions, bonus and equal remuneration. The provisions of the Code came into effect pursuant to a notification issued by the Ministry of Labour and Employment with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws. This code has replaced the four existing ancient laws, namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. This code will apply to all employees and allows the Central Government to set a minimum statutory wage.
The Wages Code extends to the whole of India and also introduces a harmonised definition of "wages", prohibits discrimination on grounds of gender in matters of wages and recruitment for the same work or work of a similar nature, and confers a statutory right to minimum wages for all employees, supported by a national floor wage below which State minimum wages cannot fall. The Wages Code also provides for advisory boards, an Inspector-cum-Facilitator based compliance regime, maintenance of prescribed registers and issuance of wage slips, and offences and penalties for non-compliance.

The Occupational Safety, Health and Working Conditions Code, 2020 (the "OSHWC Code")

The OSHWC Code is a central legislation enacted to consolidate and amend the laws regulating the occupational safety, health and working conditions of persons employed in establishments. It received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment, came into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes, rationalising 29 central labour legislations. The OSHWC Code repeals and subsumes 13 central labour enactments relating to occupational safety, health and working conditions, including, inter alia, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Mines Act, 1952, the Plantations Labour Act, 1951, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, and legislations governing dock workers, working journalists, cine-workers and sales promotion employees.

Pursuant to the repeal and savings provisions of the OSHWC Code, any licence, registration, approval or permission granted under the repealed enactments shall continue to remain valid until its expiry or until it is renewed, replaced, suspended or cancelled under the provisions of the OSHWC Code and the rules framed thereunder, to the extent it is not inconsistent with the Code. Accordingly, factory licences and other approvals issued under the repealed Factories Act, 1948 continue to remain valid during their validity period, subject to the applicable transitional and savings provisions. The OSHWC Code applies, inter alia, to establishments employing 10 or more workers and to all mines and docks, as well as specified categories of establishments such as factories, building and other construction works, plantations, motor transport undertakings, audio-visual production units and newspaper establishments. It requires applicable establishments to obtain registration (with deemed migration of existing registrations), comply with the prescribed occupational safety and health standards, provide a safe and healthy working environment and prescribed welfare facilities, issue letters of appointment to all employees, conduct prescribed medical examinations, including free annual health check-ups for specified categories of employees, maintain prescribed registers, records and returns, and report accidents, dangerous occurrences and notified occupational diseases within the prescribed timelines. The OSHWC Code also regulates working hours, leave and overtime, the engagement and welfare of contract labour and inter-State migrant workers, and the employment of women, including during night shifts and in all categories of work subject to their consent and prescribed safeguards.

Industrial Relations Code, 2020 (the "IR Code")

The IR Code is a central legislation enacted to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes; it received the assent of the President of India on September 28, 2020 and, pursuant to notifications issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The IR Code consolidates and replaces three key enactments, namely (i) the Industrial Disputes Act, 1947, (ii) the Trade Unions Act, 1926, and (iii) the Industrial Employment (Standing Orders) Act, 1946. It extends to the whole of India and, among other matters, provides a unified framework for (i) registration, governance and recognition of trade unions, including recognition of a negotiating union or negotiating council in industrial establishments having multiple unions; (ii) constitution of bi-partite forums such as Works Committees and Grievance Redressal Committees in establishments above prescribed thresholds; (iii) certification, modification and deemed adoption of standing orders in industrial establishments employing 300 or more workers, aligned with

central model standing orders; and (iv) mechanisms for conciliation, voluntary arbitration and adjudication of industrial disputes by Industrial Tribunals and the National Industrial Tribunal.

The IR Code also introduces provisions on fixed term employment with parity of wages and benefits vis-à-vis permanent workers and gratuity eligibility after one year, prescribes conditions and procedures for strikes and lock-outs, and revises the regime governing lay-off, retrenchment and closure in certain industrial establishments, including a higher statutory threshold (currently 300 workers, with power for States to increase this limit) for prior government approval for lay-off, retrenchment and closure, while defining "worker" and "employee" broadly to cover a wider segment of the workforce and prohibiting unfair labour practices.

Code on Social Security, 2020 (the "Social Security Code")

The Social Security Code is a central legislation enacted to modernise and consolidate the laws relating to social security with the objective of extending social security coverage to employees and workers in the organised, unorganised, gig and platform sectors across India; it received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment under Section 1(3), has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The Social Security Code consolidates and replaces nine central enactments, including the Employees' 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, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. Among other matters, it provides the framework for social security schemes relating to provident fund, pension and deposit-linked insurance, employees' state insurance, maternity benefits, gratuity, employee compensation and welfare of building and other construction workers, as well as social security schemes for unorganised workers, gig workers and platform workers, and establishes or continues social security organisations such as the Central Board of Trustees of the Employees' Provident Fund, the Employees' State Insurance Corporation, the National and State Social Security Boards for unorganised workers and State Building and Other Construction Workers' Welfare Boards.

The Social Security Code also contemplates electronic registration of establishments, technology-enabled record-keeping and benefit delivery, and empowers the Central and State Governments to extend the application of EPF, ESIC and other schemes to additional classes of establishments and workers.

The Social Security Code and the rules and schemes framed thereunder provides for registration of eligible establishments, enrolment of employees under the Employees' Provident Fund and Employees' State Insurance schemes, payment of employer and employee contributions, provision of statutory gratuity, maternity and employee compensation benefits, facilitation of social security for eligible contract, unorganised, gig or platform workers engaged in its operations, and maintenance of prescribed records and returns, and any non-compliance may result in interest, penalties and other enforcement action.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Sexual Harassment Act")

In order to curb the rise in sexual harassment of women at the workplace, this Sexual Harassment Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and workplace' are both defined in the Sexual Harassment Act. Every employer should constitute an "Internal Complaints Committee", and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of a female at the workplace. Every employer has a duty to provide a safe working environment at the workplace which shall include safety from persons coming into contact at the workplace, organising awareness programs and workshops, displaying rules relating to sexual harassment at any conspicuous part of the workplace, providing necessary facilities to the internal or local committee for dealing with the complaint, and such other procedural requirements to assess the complaints.

Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (as amended by the Child Labour (Prohibition and Regulation) Amendment Act, 2016) (the "Child and Adolescent Labour Act")

The Child and Adolescent Labour Act, as amended in 2016, seeks to prohibit the employment of children below 14 years of age in any occupation or process whatsoever, including as a domestic worker or in a family enterprise. The recent amendment also prohibits the employment of adolescents between the ages of 14 and 18 years in any hazardous occupation or process as specified in the Schedule to the Child and Adolescent Labour Act, which includes occupations involving heavy machinery, chemicals, explosives and other categories notified by the Central Government as hazardous. The Child and Adolescent Labour Act provides

for penalties of imprisonment and fine for contravention of its provisions. The District Collector is the designated authority for enforcement and is empowered to conduct inspections of establishments and project sites to ensure compliance.

ANTI-TRUST LAWS

Competition Act, 2002 (the "Competition Act")

The Competition Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect the interest of consumers and to ensure freedom of trade in India. The Act deals with the prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

OTHER GENERAL REGULATIONS

The Bharatiya Nyaya Sanhita, 2023 (the "Bharatiya Nyaya Sanhita")

The Bharatiya Nyaya Sanhita consolidates India's substantive criminal law into a comprehensive framework, defining offences and prescribing penalties. It modernises the criminal justice system by codifying general principles of criminal liability, classifying offences and rationalising the sentencing framework. The Act emphasises protection of citizens' rights, deterrence of crime, and clarity in the definition and punishment of criminal conduct, while ensuring uniformity in criminal law application across India. It replaces the Indian Penal Code, 1860 with effect from July 1, 2024.

The Bharatiya Nagarik Suraksha Sanhita, 2023 (the "Bharatiya Nagarik Suraksha Sanhita")

The Bharatiya Nagarik Suraksha Sanhita, 2023 governs criminal procedure in India, having replaced the Code of Criminal Procedure, 1973 with effect from July 1, 2024. It prescribes the procedure for registration of criminal complaints and first information reports, investigation of offenses, arrest, bail and remand, search and seizure, and the conduct of inquiries and trials before criminal courts. The Bharatiya Nagarik Suraksha Sanhita further lays down provisions relating to the jurisdiction and powers of criminal courts, framing of charges, examination of witnesses, recording of evidence, pronouncement of judgments, and sentencing. It also provides the framework for appeals, revisions, and references in criminal matters, as well as the execution of sentences and orders of maintenance. By consolidating and modernising the procedural framework for criminal justice administration, the Bharatiya Nagarik Suraksha Sanhita seeks to ensure timely disposal of criminal proceedings, safeguard the rights of the accused and victims alike, and promote transparency and accountability in the administration of criminal justice.

The Bharatiya Sakshya Adhiniyam, 2023 (the "Bharatiya Sakshya Adhiniyam")

The Bharatiya Sakshya Adhiniyam consolidates and amends the law relating to evidence and governs the admissibility, relevancy and proof of evidence in both civil and criminal cases. It provides clear rules for oral, documentary, electronic, and expert evidence, ensuring transparency, reliability, and fairness in judicial proceedings. The Act clarifies procedures for burden of proof, presumptions, and corroboration, enabling courts to make consistent and legally sound decisions. By codifying evidence rules, it strengthens the justice system, reduces procedural ambiguity, and ensures that trials are conducted efficiently while protecting the rights of parties involved in disputes. It replaced the Indian Evidence Act, 1872 with effect from July 1, 2024.

The Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder

The Consumer Protection Act and the rules framed thereunder provide a framework for the protection of consumer interests and address matters including unfair trade practices, product liability, consumer complaints and false or misleading advertisements. The Act prescribes penalties for, among other things, manufacturing for sale, storing, selling, distributing, or importing products containing adulterants, and publishing false or misleading advertisements. In addition, the Consumer Protection (E-Commerce) Rules, 2020, apply to goods and services bought or sold over digital or electronic networks, to the extent applicable.

The Negotiable Instrument Act, 1881 (the "NI Act")

The NI Act regulates financial instruments like promissory notes, bills of exchange, and cheques, defining rights, obligations, and liabilities of parties. It provides mechanisms for recovery in case of dishonor, non-payment, or breach, including legal recourse through courts. The Act safeguards commercial transactions, ensures enforceability of financial obligations, and facilitates smooth trade and banking operations. By codifying procedures for notice, penalty, and civil remedies, it creates a predictable legal framework for negotiable instruments. The law is essential for maintaining trust in commerce and banking, enabling secure financial dealings in India.

Sale of Goods Act, 1930 (the "Sale of Goods Act")

The Sale of Goods Act governs contracts relating to the sale of goods in India. A contract of sale of goods may be absolute or conditional. 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.

The Transfer of Property Act, 1882 (the "Transfer of Property Act")

The Transfer of Property Act governs the transfer of property through sale, mortgage, lease, gift, or exchange. It defines the rights, duties, and obligations of transferors and transferees, ensuring clear and enforceable property transactions. The Act also sets rules for the transfer of immovable and movable property, outlining formalities, registration requirements, and conditions for valid transfers. By codifying legal procedures, it reduces disputes, protects ownership rights, and provides remedies in case of breach or invalid transfer. This Act forms the foundation for secure property transactions and ensures legal clarity in India's property laws.

The Arbitration & Conciliation Act, 1996 (the "Arbitration & Conciliation Act")

The Arbitration & Conciliation Act provides a legal framework for resolving disputes outside the courts through arbitration and conciliation. It facilitates speedy, cost-effective settlement of commercial and contractual disputes, reducing the litigation burden on courts. The Act governs the appointment of arbitrators, conduct of proceedings, enforcement of awards, and recognition of foreign awards. It also encourages amicable settlement through conciliation, ensuring neutrality, fairness, and transparency. By codifying procedures and limiting judicial intervention, the Act promotes confidence in alternative dispute resolution mechanisms, strengthens contractual certainty, and supports both domestic and international trade and business relations in India.

The Information Technology Act, 2000 (the "IT Act")

The IT Act regulates electronic commerce, cybercrime, digital signatures, and online communication. It provides legal recognition to electronic records and digital contracts, ensuring secure e-governance and online transactions. The Act defines offenses such as hacking, identity theft, cyber fraud, and unauthorized access, with prescribed penalties. It also empowers authorities to monitor compliance and establish cybersecurity frameworks. By enabling legal recourse in the digital domain, the Act fosters trust, facilitates growth of electronic business, protects sensitive data, and ensures that India's information technology infrastructure is supported by a robust legal framework to combat cyber threats.

The Digital Personal Data Protection Act, 2023 (the "DPDP Act")

The DPDP Act provides a framework for processing digital personal data in a manner that recognises the right of individuals to protect their personal data while permitting lawful processing for specified purposes. It applies to the processing of digital personal data in India and, in specified circumstances, processing outside India in connection with offering goods or services to Data Principals in India. The Act imposes obligations on Data Fiduciaries and provides rights to Data Principals, including rights relating to access to information, correction and erasure, grievance redressal and nomination. The Act also provides for enhanced obligations applicable to Significant Data Fiduciaries, including appointment of a data protection officer and independent data auditor, where designated.

The Digital Personal Data Protection Rules, 2025 (the "DPDP Rules")

The DPDP Rules were notified and published by Indian Ministry of Electronics and Information Technology on November 13, 2025 to implement the DPDP Act, subject to the applicable commencement dates. The DPDP Rules regulate the processing of personal data in India, ensuring individuals privacy rights are protected and to provide an actionable framework. The DPDP Rules applies to all entities that process digital personal data, both within India and abroad. It focuses on the principles of data protection, such as transparency, accountability, and the necessity of obtaining explicit consent from data subjects. It also provides individuals with rights to access, correct, and request deletion of their data. The DPDP Rules provide that any entity processing personal data within India or outside India (in relation to offering goods/services to data principals in India) may only transfer personal data to any country/ territory outside India subject to restrictions imposed by the Government of India on making such personal data available to a foreign state or entities or agencies under its control.

The Prevention of Money Laundering Act, 2002 (the "PML Act")

The PML Act addresses money laundering and financial crimes, creating a legal framework for detection, investigation, and prosecution. It defines offenses, establishes the Enforcement Directorate's investigative powers, and enables attachment and confiscation of proceeds of crime. The Act mandates reporting by financial institutions, due diligence, and record-keeping to

prevent illicit fund circulation. By strengthening financial accountability, it safeguards the integrity of banking and business sectors, deters criminal activity, and aligns India with international anti-money laundering standards, enhancing transparency, compliance, and economic security.

The Registration Act, 1908 (the "Registration Act")

The Registration Act governs the registration of documents relating to immovable property, contracts, and agreements in India. It ensures that instruments such as sale deeds, wills, leases, and mortgages are recorded in public records, providing legal validity, transparency, and enforceability. The Act prescribes procedures for presentation, registration, and fees, along with the roles of Sub-Registrars and authorities. By maintaining official records of property and contractual transactions, it reduces disputes, facilitates proof of ownership, and enhances public trust in legal documentation. This Act forms a foundation for secure property dealings and contract enforcement nationwide.

The Indian Contract Act, 1872 (the "Indian Contract Act")

The Indian Contract Act governs the formation, performance, and enforceability of contracts in India. It defines legal obligations, rights of parties, and consequences of breach, covering agreements related to trade, employment, services, and property. The Act establishes remedies such as damages, restitution, and specific performance to ensure compliance. By providing a structured legal framework, it promotes certainty, trust, and fairness in commercial and personal dealings. The Act is foundational for business transactions, dispute resolution, and contractual governance, serving as a cornerstone of India's civil and commercial law.

The Specific Relief Act, 1963 (the "Specific Relief Act")

The Specific Relief Act provides judicial remedies for enforcement of contracts or recovery of property when monetary compensation is inadequate. It allows courts to grant specific performance, injunctions, or restitution, ensuring equitable relief in civil matters. The Act outlines conditions under which relief may be refused, balancing fairness to both parties. It is particularly relevant in real estate, contractual, and commercial disputes, providing enforceable remedies to uphold obligations. By codifying equitable relief mechanisms, the Act strengthens the civil justice system, protects parties' rights, and ensures that contractual and property obligations are fulfilled effectively.

STATE LAWS

Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 ("Maharashtra Shops and Establishments Act, 2017")

Establishments operating in the State of Maharashtra are required to obtain registration under the Maharashtra Shops and Establishments Act, 2017. The Act governs the conditions of employment in shops and commercial establishments and regulates matters including hours of work, rest intervals, overtime wages, weekly holidays, leave with wages, opening and closing hours, and termination of service. It also prescribes obligations relating to maintenance of registers and records, display of notices, health and safety of employees, and other welfare measures. Every shop and commercial establishment is required to secure registration with the prescribed authority within the stipulated time and to ensure ongoing compliance with the provisions of the Act and the rules framed thereunder, failing which penalties may be attracted.

Maharashtra Labour Welfare Fund Act, 1953 ("Maharashtra Labour Fund Act")

The Government of Maharashtra has enacted the Labour Welfare Fund Act for providing welfare benefits to the labourers employed in establishments/factories situated in Maharashtra. It extends to the whole state of Maharashtra. The Maharashtra Labour Fund Act, 1953 is read with the Maharashtra Labour Welfare Fund Rules, 1953. The rates of contribution vary according to the category of the labourers, as it depends on the wages earned by the labourers. The Maharashtra Labour Fund is applicable to all the companies in the state that have 5 or more persons employed. The state government constitutes the Labour Welfare Fund; the fund consists of the following: (a) Fines from employees; (b) Unpaid Accumulations; (c) Penal interest; (d) Voluntary donations; (e) Contributions made by employer-employee; (f) Any interest accrued on unpaid accumulations or fines realised from employees; and (g) Loan, grant in subsidy. Moreover, the employer is required to submit a statement which states all the particulars related to the contribution made.

The Maharashtra Industrial Development Act, 1961 ("MIDC Act")

The MIDC Act provides for the establishment of the Maharashtra Industrial Development Corporation for the purpose of securing the orderly establishment and development of industrial areas and industrial estates in the State of Maharashtra. Under the MIDC Act, MIDC is empowered to acquire, hold, manage and dispose of land and other property, develop industrial areas and estates,

provide infrastructure and common facilities, and grant allotment of plots and sheds to industrial units. Industrial units operating in MIDC areas are required to comply with the terms and conditions of allotment, including restrictions on use, transfer, and sub-division of plots, and are also required to obtain a No Objection Certificate from the MIDC fire services in respect of the premises.

The Maharashtra Industrial Policy, 2019 ("Maharashtra Industrial Policy")

The Maharashtra Industrial Policy seeks to promote industrial investment, manufacturing growth and development of supporting infrastructure across the State. The policy provides a framework for facilitation of new industrial projects and expansion of existing manufacturing units, including incentives for investment in capital equipment, technology upgradation and industrial infrastructure. It also encourages development of industrial clusters and special economic zones, and provides for single-window clearances through the MAITRI system for ease of doing business.

The Maharashtra Stamp Act, 1958 (the "Maharashtra Stamp Act")

The Maharashtra Stamp Act governs the imposition and collection of stamp duty on various instruments and legal documents executed in or brought into the state, such as deeds, agreements, affidavits, and other specified papers. The Act sets out which instruments are chargeable with duty, how duty is to be paid, and the procedures for stamping to make documents legally valid and enforceable. It also includes provisions on modes of payment, penalties for non-compliance, adjudication, and safeguards for state revenue.

Other Indian laws

In addition to the above, our Company is also governed by the provisions of the Companies Act and rules framed thereunder, applicable SEBI regulations and rules framed thereunder, relevant central and state tax laws, foreign exchange, applicable industrial safety laws, standards and investment laws and foreign trade laws and other applicable laws and regulations imposed by the central and state government and other authorities for our day to day business, operations and administration.

HISTORY AND CORPORATE STRUCTURE

COMPANY'S BACKGROUND

Our Company was originally incorporated as "Ace Furnaces Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 24, 2014 issued by the Registrar of Companies, Maharashtra at Mumbai, having Corporate Identification Number U29242MH2014PTC253538. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company held on August 31, 2026 and consequently the name of our Company was changed to "Ace Furnaces Limited" pursuant to Certificate of Incorporation Consequent upon conversion to public company dated September 18, 2026 issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre having Corporate Identification Number U29242MH2014PLC253538.

Our Company was originally promoted by Mr. Salimuddin Gitay, Mr. Prakash Dharamdas Mehta, Mr. Sheikh Aslam and Mr. Shirish Chandrakant Parayane who were the initial subscribers to the Company's Memorandum of Association.

Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake are the present promoters of our Company.

As on date of this Draft Red Herring Prospectus, our Company has Seven (7) shareholders.

For information on our Company's profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, please refer the sections entitled "Industry Overview", "Business Overview", "Our Management", "Financial information of our company" and "Management 's Discussion and Analysis of Financial Condition and Results of Operations" on pages 121, 160, 204, 230 and 233 respectively.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

The Registered Office of our Company at the time of incorporation was situated at W-311 TTC Industrial Area, MIDC Rabale, Mumbai – 400701, Thane, Maharashtra. The details of changes made to our Registered Office since incorporation are as follows:

S. No.	Effective Date of Change	Details of Change		Reason(s) for Change
		Old Address	**New Address**	
1.	October 21, 2016	W-311 TTC Industrial Area, MIDC Rabale, Mumbai - 400701, Thane, Maharashtra	Plot No. K-23, MIDC, Dighe Vishnu Nagar, Thane–Belapur Road, Navi Mumbai –400708, Mumbai, Maharashtra	For operational convenience
2.	April 01, 2018	Plot No. K-23, MIDC, Dighe Vishnu Nagar, Thane – Belapur Road, Navi Mumbai – 400708, Mumbai, Maharashtra	Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, MIDC Wagle Estate, Thane – 400604, Mumbai, Maharashtra	To augment business opportunities, facilitate revenue growth, and strengthen the Company's brand image

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company are as follows:

1. To carry on the business of manufacturers, sellers, resellers, buyers, exporters, importers, indenters, processors, designers, engineers, project consultants, assemblers, commission agents, and also carry on business of testing, installation, start-up, commissioning of industrial furnaces, refractories and insulation, combustion equipment, heat exchangers, flue systems, instrumentation and control system and their spare parts.

The main object as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Offer.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

The following amendments have been made to the various clauses of Memorandum of Association of our Company since its inception:

NAME CLAUSE

The following amendments have been made to the Name Clause of the Memorandum of Association of our Company:

Date of Shareholders' Resolution	Type of Meeting	Nature of amendments
On Incorporation		The name of our company as on the incorporation date was Ace Furnaces Private Limited
August 31, 2026	EGM	Clause I of Memorandum of Association was amended to reflect change in name from "Ace Furnaces Private Limited" to "Ace Furnaces Limited" pursuant to conversion of our Company from Private Limited to Public Limited Company.

OBJECT CLAUSE

The following amendments have been made to the Object Clause of the Memorandum of Association of our Company since incorporation:

Date of Shareholders' Resolution	Type of Meeting	Nature of amendments
June 01, 2026	EGM	Clause III [B] of the MOA was amended by substituting New Clauses III (B) sub-clause (32) and (34), addition of New Clauses III (B)(66) and III (B)(67), deletion of existing Clause III (C) and substitution of all references to the Companies Act, 1956 with references to the Companies Act, 2013, in the incidental objects, as follows: 32. Subject to Sections 73, 180 and 186 of the Companies Act, 2013 and the Regulations made thereunder and the directions issued by Reserve Bank of India and/or other authorities in this regard, to borrow, raise or secure the payment of money or to receive money as loan, at interest for any of the objects of the Company and at such time or times as may be expedient, by promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm, bank or company and whether with or without any security or by such other means, as may deem expedient and in particular by the offer of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raised or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company both present and future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities, provided that the Company shall not carry on the business of banking within the meaning of Banking Regulations Act, 1949. 34. To acquire and takeover all, or any part of the business property and liabilities of any person, firm or company carrying or proposing to carry on any business which the Company is authorised to carry on or possess property, suitable for the main business of the Company. 66. To amalgamate, merge, demerge, absorb, acquire, take over or combine with any other company or companies, body corporate or undertakings, whether in India or abroad, carrying on business of any kind whatsoever, whether existing or to be formed, pursuant to any scheme of amalgamation, merger, arrangement or reconstruction under the Companies Act, 2013 (or any statutory modification or re-enactment thereof), with or without winding up, and to acquire the whole or any part of the business, assets, properties, rights, liabilities and obligations of such company or companies, in consideration of shares, debentures, cash or otherwise, as may be approved by the competent authority.

Date of Shareholders' Resolution	Type of Meeting	Nature of amendments
		67. To appoint, engage and employ merchant bankers, investment bankers, valuers, chartered accountants, company secretaries, cost accountants, legal advisors, advocates, solicitors, registrars and transfer agents, consultants. advisors, underwriters, trustees, intermediaries, experts and other professionals or agencies as may be required in connection with any merger. amalgamation, demerger, acquisition, takeover, reconstruction, arrangement, offer of securities, listing, delisting, valuation, restructuring, or any other corporate or financial transaction of the Company.

CAPITAL CLAUSE

The following amendments have been made to the Authorized share capital of the Memorandum of Association of our Company:

Date of Shareholders' Resolution	Type of Meeting	Nature of amendment
On Incorporation		Authorized Share Capital of ₹1,00,000 only divided into 1,000 Equity Shares of ₹100/- each.
July 31, 2014	EGM	Clause V(a) of the MOA was amended to reflect an increase in the Authorised share capital of the Company from ₹1,00,000 divided into 1,000 Equity Shares of ₹100/- each to ₹ 50,00,000 divided into 50,000 Equity Shares of ₹100/- each.
June 01, 2026	EGM	Clause V(a) of the MOA was amended to reflect sub-division of the authorized equity share capital from 50,000 Equity Shares of ₹100 each to 5,00,000 Equity Shares of ₹10 each, while the aggregate authorized share capital remained unchanged at ₹50,00,000.
June 30, 2026	EGM	Clause V(a) of the Memorandum of Association of the Company was amended to reflect the increase in the authorized share capital of the Company from ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each to ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹10 each.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Our Company has adopted a new set of Articles of Association primarily based on Table F Format as specified under the Companies Act, 2013, in the Extra Ordinary General Meeting of the Company dated June 30, 2026.

Further, our company has adopted a new set of Articles of Association inter-alia pursuant to conversion from private limited to public limited in the Extra Ordinary General Meeting of the Company held on August 31, 2026

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth the major events and milestones in the history of our Company:

Year	Details of major milestone/ events
2014	Incorporation of the Company as a private company on February 24, 2014 under the name of "Ace Furnaces Private Limited".
2026	Conversion of the company from Private Limited to Public Limited

OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled "*Business Overview", "Industry Overview" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on page no. 160, 121 and 233 respectively of this Draft Red Herring Prospectus. For details of shareholding of our Promoters, please refer to sections titled "*Capital Structure*" beginning on page no. 77 of this Draft Red Herring Prospectus.

RAISING OF CAPITAL IN THE FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity or debt, please see the section entitled "*Capital Structure*" and "*Restated Financial Information*" on page no. 77 and 230 respectively of this Draft Red Herring Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

There has been no time / cost overrun in setting up projects by our Company.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to capacity/ facility creation, location of plant refer section "Business Overview" on page 160 of this Draft Red Herring Prospectus.

DETAILS OF LAUNCH OF KEY PRODUCTS, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled "Business Overview" on page 160 of this Draft Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our borrowings from lenders till date.

LOCK-OUT OR STRIKES

Our Company has, since incorporation, not been involved in any labor disputes or disturbances including strikes and lockouts. As on the date of this Draft Red Herring Prospectus, our workmen are not unionized.

HOLDING COMPANY

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

SUBSIDIARIES OF THE COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

ASSOCIATE OF THE COMPANY

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate company.

INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Red Herring Prospectus.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled "Our Management" on page 204 of this Draft Red Herring Prospectus.

CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS

There has been no change in the business activities of our Company during last five (5) years from the date of this Draft Red Herring Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled "Management's discussion and analysis of financial conditions & results of operations" beginning on page 233 of this Draft Red Herring Prospectus.

MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS / REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking by our Company in the last ten years from the date of this Draft Red Herring Prospectus.

TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Draft Red Herring Prospectus, the total numbers of equity shareholders of our company are Seven (7). For more details on the shareholding of the members, please see the section titled "*Capital Structure*" at page no. 77 of this Draft Red Herring Prospectus.

SHAREHOLDERS AGREEMENTS

There are no agreements entered into by and between our Company and Promoters and Investors with regard to rights and obligations in connection with the securities of our Company.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTORS, OR ANY OTHER EMPLOYEE

There are no agreements entered into by our Key Managerial Personnel, Senior Management Personnel or Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

OTHER MATERIAL AGREEMENTS

Our Company has not entered into any material agreements other than the agreements entered into by it in ordinary course of business.

AGREEMENTS REQUIRED UNDER CLAUSE 5A OF PARAGRAPH A OF PART A OF SCHEDULE III OF THE SEBI LISTING REGULATIONS

There is no agreement required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of the SEBI (LODR) Regulations, 2015 which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Issuer Company or impose any restriction or create any liability upon the Issuer Company.

Furthermore, there are no agreements entered into by our Shareholders, Promoters, entities and persons forming part of the Promoter Group, our related parties, Directors, Key Managerial Personnel or the employees of our Company, among themselves or with our Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, (a) impact the management or control of our Company, or (b) impose any restriction or create liability upon our Company, whether or not our Company is 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.

JOINT VENTURE AGREEMENTS

Our Company has not entered into any joint venture agreement other than in the normal course of its business, as on the date of this Draft Red Herring Prospectus.

COLLABORATION AGREEMENTS

As on the date of this Draft Red Herring Prospectus our Company has not entered into any collaboration agreements.

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

Our Company has not entered into any significant financial partnerships with any entity as on the date of filing of this Draft Red Herring Prospectus.

GUARANTEES GIVEN BY THE PROMOTERS PARTICIPATING IN THE OFFER FOR SALE

Except as disclosed below, no guarantee has been issued by our Promoter offering their Equity Shares in the Offer for Sale to third parties as on the date of this Draft Red Herring Prospectus;

Name of Lender	Nature of Borrowing	Outstanding amount as on 31.03.2026	Guarantor
ICICI Bank Limited	Overdraft & Bank Guarantee	₹ 500.84	Personal guarantees of Kailash Vishnu Nasta, Rhea Kailash Nasta and Nitin Jagannath Phirake are to be provided upfront.
ICICI Bank Limited	Term Loan	₹ 92.31	Personal guarantees of Kailash Vishnu Nasta, Rhea Kailash Nasta and Nitin Jagannath Phirake are to be provided upfront.

OTHER CONFIRMATION

There are no other agreements/ arrangements and clauses / covenants in the agreements entered into by our Company, which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus.

There are no findings/observations of any of the inspections by SEBI or any other regulators which are material and which needs 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 the Offer or this Draft Red Herring Prospectus.

Except as disclosed in this Draft Red Herring Prospectus, there is no conflict of interest between the suppliers of the raw materials and third-party service providers (crucial for operations of our Company) and our Company, Promoters, Promoter Group, Key Managerial Personnel, Directors and the Subsidiary/ Group Companies and its directors.

For more details of the interest of our promoters and directors in the property/ies being used by the company, please refer the chapters titled "*Our Promoters and Promoter Group*" and "*Our Management*" on page 224 and 204 of this Draft Red Herring Prospectus.

OUR MANAGEMENT

In accordance with Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. Our Company currently has 6 (six) Directors on our Board, of which 3 (Three) are Executive Directors, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

Mr. Kailash Vishnu Nasta	-	Chairman cum Managing Director
Mrs. Rhea Kailash Nasta	-	Whole Time Director
Mr. Nitin Jagannath Phirake	-	Whole Time Director
Mr. Muralidhar Sunil Chaudhari	-	Non-Executive Director
Mr. Rohit Shripad Karulkar	-	Independent Director
Mr. Vivek Dinesh Nathwani	-	Independent Director

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Details of Directors		Other Directorships/ Designated Partner
1.	**Name**	Kailash Vishnu Nasta	**Indian Companies:** NIL **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	DIN	01966871	
	Father's Name	Vishnu Newandram Nasta	
	Address	201/301, Devkripa Mogul Lane, Mahim West, Mumbai, Maharashtra – 400016, India	
	Date of Birth	December 31, 1971	
	Age	54 Years	
	Designation	Chairman and Managing Director	
	Status	Executive	
	Occupation	Business	
	Experience	Mr. Kailash Vishnu Nasta has been associated with our company since 2014. He has over 32 years of experience in the industrial furnace and industrial heating equipment sector, with expertise in the design, development and commissioning of industrial furnaces and related equipment. He is responsible for managing the activities of the Company, creating and implementing business strategies and coordinating its business activities.	
	Qualifications	He has completed Bachelor of Engineering (Mechanical) from the University of Pune in April 1993. He has further completed Diploma in Business Management from the Narsee Monjee Institute of Management Studies (NMIMS), Mumbai in the year 1995. Further, he obtained Post Graduate Diploma in Management from Brilliant's School of Management, Chennai in September 2002.	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	40,00,000 Equity Shares, 50% of Pre-offer Capital	
	Nationality	Indian	
	Date of Appointment	He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Chairman cum Managing Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	

Sr. No.	Details of Directors		Other Directorships/ Designated Partner
	Term of Appointment and date of expiration of current term of office	Currently he holds office as Chairman & Managing Director for a period of 5 (Five) years, liable to retire by rotation. w.e.f. September 18, 2026.	
2.	**Name**	Rhea Kailash Nasta	**Indian Companies:** NIL **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	DIN	11031314	
	Father's Name	Madan Arjandas Kataria	
	Address	201/301, Mogul Lane, Mahim West, Mumbai, Maharashtra - 400016	
	Date of Birth	May 04, 1975	
	Age	51 years	
	Designation	Whole-Time Director	
	Status	Executive	
	Occupation	Business	
	Experience	Mrs. Rhea Kailash Nasta has been associated with our company since 2025. She is a technically qualified professional with around 9 years of experience in the healthcare sector, having worked in the field of physiotherapy and physical rehabilitation at reputed hospitals in Mumbai. In her current role, she is involved in the management and day-to-day activities of the Company.	
	Qualifications	She has completed Bachelor of Science (Physical Therapy) from Seth Gordhandas Sunderdas Medical College Affiliated with University of Mumbai, in November 1995. Further, she has been associated with The Indian Association of Physiotherapists since 1999.	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	31,99,960 Equity Shares, 39.99% of Pre-offer Capital	
	Nationality	Indian	
	Date of Appointment	She was initially appointed as an Additional Director in the capacity of Executive Director on April 02, 2025 and was subsequently regularised and appointed as an Executive Director w.e.f. September 30, 2025. Subsequently, her designation was changed to Whole-Time Director w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	
	Term of Appointment and date of expiration of current term of office	She holds office as a Whole - Time Director of the company with effect from September 18, 2026 for a period of 5 (Five) years, liable to retire by rotation.	
3.	**Name**	Nitin Jagannath Phirake	**Indian Companies:** NIL **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	DIN	06956475	
	Father's Name	Jagannath Bhagwan Phirake	
	Address	401/A, Pranit Building, Barave Road, Sai Chowk, Khadakpada, Kalyan West, Thane– 421301, Maharashtra, India.	
	Date of Birth	June 14, 1973	
	Age	53 Years	
	Designation	Whole-Time Director	
	Status	Executive	
	Occupation	Business	
	Experience	Mr. Nitin Jagannath Phirake has been associated with our company since 2014. He is an engineering professional with 30 years of experience in the industrial	

Sr. No.	Details of Directors		Other Directorships/ Designated Partner
		furnace and heat treatment industry, with expertise in the design, building and commissioning of industrial furnaces and related equipment. His responsibilities include overall management and development of the organisation, business operations, project execution, customer engagement and strategic initiatives.	
	Qualifications	He has completed Diploma in Mechanical Engineering from Government Polytechnic, Yavatmal, Maharashtra in April 1994	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	8,00,000 Equity Shares, 10% of Pre-offer Capital	
	Nationality	Indian	
	Date of Appointment	He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Whole time Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	
	Term of Appointment and date of expiration of current term of office	Currently he holds office as Whole time Director for a period of 5 (Five) years, liable to retire by rotation. w.e.f. September 18, 2026.	
4.	**Name**	Muralidhar Sunil Chaudhari	**Indian Companies:** 1. Aca Infralink LLP 2. Uniteq Industries LLP 3. Apexlon Ventures LLP **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	DIN	07480536	
	Fathers' Name	Sunil Vasudeo Chaudhari	
	Address	2/803 Indraprastha Above Andhra Bank Near Adharwadi Chowk, M.K. Singh High School Road, Kalyan West, Thane, Maharashtra 421301	
	Date of Birth	February 09, 1974	
	Age	52 Years	
	Designation	Non-Executive Director	
	Status	Non-Executive	
	Occupation	Business	
	Experience	Mr. Muralidhar Sunil Chaudhari has over 20 years of experience in the engineering sector. He has experience in industrial technology including designing, builsing and commissioning of various plant equipment and associated equipment.	
	Qualifications	He has completed Diploma in Electrical Engineering from the Board of Technical Examinations, Government of Maharashtra in August, 1993.	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	NIL	
	Nationality	Indian	
	Date of Appointment	He was appointed as Non-Executive Director on September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	
	Term of Appointment and date of expiration of current term of office	Currently he holds office as a Non-Executive Director w.e.f. September 18, 2026.	
5.	**Name**	Rohit Shripad Karulkar	**Indian Companies:**
	DIN	02575888	
	Fathers' Name	Shripad Digambar Karulkar	

Sr. No.	Details of Directors		Other Directorships/ Designated Partner
	Address	3/15, Makarand Society, Sane Guruji Road, Near B Cabin, Shivaji Nagar, Naupada, Thane West-400602, Maharashtra, India.	1. Security Equipment Manufacturers Ltd. *(Amalgamated)* **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	Date of Birth	August 27, 1976	
	Age	50 Years	
	Designation	Independent Director	
	Status	Non-Executive	
	Occupation	Professional	
	Experience	Mr. Rohit Shripad Karulkar has 13 years of experience in corporate law, legal and regulatory affairs, secretarial governance, corporate restructuring and corporate transactions. His areas of experience include Corporate Governance, Companies Act and Corporate Law, FEMA, Mergers & Acquisitions, Capital Reduction, Buy-back of Securities, Board Processes, Secretarial Compliance and Regulatory Risk Management. He has advised companies across various sectors and has experience in advising Boards on corporate, governance, legal and regulatory matters.	
	Qualifications	He holds a Bachelor of Commerce degree, which he completed in April, 1997, and a Bachelor of Law degree from the University of Mumbai, which he completed in May 2001. He cleared the Chartered Accountancy Intermediate Examination in November 2011. He was admitted as an Associate Member of the Institute of Company Secretaries of India on February 10, 2005, and has been a Fellow Member of the Institute of Company Secretaries of India since May 10, 2013.	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	NIL	
	Nationality	Indian	
	Date of Appointment	He was initially appointed as an Additional Director under Non-Executive Independent category with effect from September 18, 2026. Subsequently, with the approval of the members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026, he was appointed as Independent Director of the company for a period of 5 years w.e.f. September 18, 2026.	
	Term of Appointment and date of expiration of current term of office	Currently he holds office as an Independent Director for a period of 5 (Five) years w.e.f. September 18, 2026, not liable to retire by rotation.	
6.	**Name**	Vivek Dinesh Nathwani	**Indian Companies:** 1. Solarium Green Energy Limited 2. VMS TMT Limited 3. Vital Chemtech Limited **Foreign Companies:** NIL **Limited Liability Partnership:** NIL
	DIN	09791683	
	Fathers' Name	Dinesh Bhagwanji Nathwani	
	Address	Flat no. 202, Mangal Kiran Apartment, Kalavad Road, Ramdham Plots, Rajkot Sau Uni Area, Gujarat 360005	
	Date of Birth	July 09, 1988	
	Age	38 Years	
	Designation	Independent Director	
	Status	Non-Executive	
	Occupation	Professional	
	Experience	Mr. Vivek Dinesh Nathwani has over 12 years of experience in financial accounting, cost management, taxation, financial and transactional advisory, project	

Sr. No.	Details of Directors		Other Directorships/ Designated Partner
		financing, fund management and regulatory compliance. He has experience in financial planning and analysis, budgeting, financial reporting, risk assessment, working capital management and internal controls. He has also been involved in project financing, debt restructuring, evaluation of investment and M&A opportunities and financial advisory. In addition, he has experience in statutory and concurrent audits of banks and has been associated with professional practice in the field of accounting and financial advisory since December 2013.	
	Qualifications	He completed Bachelors of Commerce in April 2010 from University of Mumbai. Further he completed Master of Commerce from the University of Mumbai in May, 2012, and he became a member of the Institute of Chartered Accountants of India, New Delhi in December, 2013.	
	No. of Equity Shares of face value of ₹10/ each held & % of Shareholding (Pre-Offer)	NIL	
	Nationality	Indian	
	Date of Appointment	He was initially appointed as an Additional Director under Non-Executive Independent category with effect from September 18, 2026. Subsequently, with the approval of the members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026, he was appointed as Independent Director of the company for a period of 5 years w.e.f. September 18, 2026.	
	Term of Appointment and date of expiration of current term of office	Currently he holds office as an Independent Director for a period of 5 (Five) years w.e.f. September 18, 2026, not liable to retire by rotation.	

Confirmations

As on the date of the Draft Red Herring Prospectus:

A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.

B. None of the Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.

C. None of the Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

D. None of our Directors are/were director of any listed company whose shares were delisted from any stock exchange(s) up to the date of filling of this Draft Red Herring Prospectus.

E. None of the Directors of our Company are a fugitive economic offender as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations, and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

F. None of our Directors are/were director of any listed company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years during the term of his/her directorship in such company.

G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

BRIEF PROFILE OF OUR DIRECTORS

Kailash Vishnu Nasta, Chairman and Managing Director (DIN: 01966871)

Mr. Kailash Vishnu Nasta, aged 54 years is the Chairman and Managing Director and Promoter of our Company. He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Chairman cum Managing Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026. He has completed Bachelor of Engineering (Mechanical) from the University of Pune in April 1993. He has further completed Diploma in Business Management from the Narsee Monjee Institute of Management Studies in the year 1995. Further, he obtained Post Graduate Diploma in Management from Brilliant's School of Management in September 2002. Mr. Kailash Vishnu Nasta has been associated with our company since 2014. He has over 32 years of experience in the industrial furnace and industrial heating equipment sector, with expertise in the design, development and commissioning of industrial furnaces and related equipment. He is responsible for managing the activities of the Company, creating and implementing business strategies and coordinating its business activities.

Rhea Kailash Nasta, Whole Time Director (DIN: 11031314)

Mrs. Rhea Kailash Nasta, aged 51 years, is the Whole Time Director and Promoter of our Company. She was first appointed as an Additional Executive Director on April 02, 2025 and regularised as Executive Director w.e.f. September 30, 2025. Subsequently, her designation was changed to Whole-Time Director w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026. She has completed Bachelor of Science (Physical Therapy) from University of Mumbai in November 1995. Further, she has been associated with The Indian Association of Physiotherapists since 1999. Mrs. Rhea Kailash Nasta has been associated with our company since 2025. She is a technically qualified professional with approximately 09 years of experience in the healthcare sector, having worked in the field of physiotherapy and physical rehabilitation at reputed hospitals in Mumbai. In her current role, she is involved in the management and day-to-day activities of the Company.

Nitin Jagannath Phirake, Whole Time Director (DIN: 06956475)

Mr. Nitin Jagannath Phirake, aged 53 years, is the Whole Time Director and Promoter of our Company. He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Whole time Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026. He completed Diploma in Mechanical Engineering from Board of Technical Examinations, Maharashtra in April 1994. Mr. Nitin Jagannath Phirake has been associated with our company since 2014. He is an engineering professional with 30 years of experience in the industrial furnace and heat treatment industry, with expertise in the design, building and commissioning of industrial furnaces and related equipment. His responsibilities include overall management and development of the organisation, business operations, project execution, customer engagement and strategic initiatives.

Muralidhar Sunil Chaudhari, Non-Executive Director (DIN: 07480536)

Mr. Muralidhar Sunil Chaudhari aged 52 years, is the Non-Executive Director of our Company. He was initially appointed as an Additional Director under Non-Executive category with effect from September 18, 2026. Subsequently, with the approval of the members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026, he was appointed as Non-Executive Director of the company for a period of 5 years w.e.f. September 18, 2026. He has completed Diploma in Electrical Engineering from the Board of Technical Examinations, Government of Maharashtra in August, 1993. He has over 20 years of experience industrial technology including designing, building and commissioning of various plant equipment and associated equipment.

Rohit Shripad Karulkar, Independent Director (DIN: 02575888)

Mr. Rohit Shripad Karulkar aged 50 years, is the Independent Director of our Company. He was initially appointed as an Additional Director under Non-Executive Independent category with effect from September 18, 2026. Subsequently, with the approval of the members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026, he was appointed as Independent Director of the company for a period of 5 years w.e.f. September 18, 2026. He holds a Bachelor of Commerce degree, which he completed in April, 1997, and a Bachelor of Law degree from the University of Mumbai, which he completed in May 2001. He cleared the Chartered Accountancy Intermediate Examination in November 2011. He was admitted as an Associate Member of the Institute of Company Secretaries of India on February 10, 2005, and has been a Fellow Member of the Institute of Company Secretaries of India since May 10, 2013. He has 13 years of experience in corporate law, legal and regulatory affairs, secretarial governance,

corporate restructuring and corporate transactions. His areas of experience include Corporate Governance, Companies Act and Corporate Law, FEMA, Mergers & Acquisitions, Capital Reduction, Buy-back of Securities, Board Processes, Secretarial Compliance and Regulatory Risk Management. He has advised companies across various sectors and has experience in advising Boards on corporate, governance, legal and regulatory matters.

Vivek Dinesh Nathwani, Independent Director (DIN: 09791683)

Mr. Vivek Dinesh Nathwani aged 38 years, is the Independent Director of our Company. He was initially appointed as an Additional Director under Non-Executive Independent category with effect from September 18, 2026. Subsequently, with the approval of the members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026, he was appointed as Independent Director of the company for a period of 5 years w.e.f. September 18, 2026. He has completed Bachelors of Commerce in April 2010 from University of Mumbai. Further he completed Master of Commerce from the University of Mumbai in May, 2012, and he became a member of the Institute of Chartered Accountants of India, New Delhi in December 2013. He has over 12 years of experience in financial accounting, cost management, taxation, financial and transactional advisory, project financing, fund management and regulatory compliance. He has experience in financial planning and analysis, budgeting, financial reporting, risk assessment, working capital management and internal controls. He has also been involved in project financing, debt restructuring, evaluation of investment and M&A opportunities and financial advisory. In addition, he has experience in statutory and concurrent audits of banks and has been associated with professional practice in the field of accounting and financial advisory since December 2013. He has served as a Member of the Indo-American Chamber of Commerce, Gujarat Branch for the term 2023-24 and as Treasurer of the IIMA Alumni Association-Ahmedabad Chapter for the term 2024-26.

RELATIONSHIP BETWEEN BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Except as disclosed below, there is no relationship between any of the Directors and Key Managerial Personnel of our Company as on date of filling of this Draft Red Herring Prospectus.

Name of Director	Name of Directors	Relationship
Mr. Kailash Vishnu Nasta (Chairman cum Managing Director)	Mrs. Rhea Kailash Nasta (Whole Time Director)	Husband & Wife

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

SERVICE CONTRACTS

None of our directors have entered into any service contracts with our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

BORROWING POWERS OF THE BOARD OF DIRECTORS

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on September 21, 2026 and pursuant to provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained/to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹10,000 Lakhs (Rupees Ten Thousand lakhs only).

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLETIME DIRECTORS ARE AS FOLLOWS: -

Name	Mr. Kailash Vishnu Nasta	Mrs. Rhea Kailash Nasta	Mr. Nitin Jagannath Phirake
Designation	Chairman and Managing Director	Whole Time Director	Whole Time Director
Date of Appointment/ Change in Designation	He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Chairman cum Managing Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	She was first appointed as an Additional Director in the capacity of Executive Director on April 02, 2025 and was subsequently regularized and appointed as an Executive Director w.e.f. September 30, 2025. Subsequently, her designation was changed to Whole-Time Director w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.	He was first appointed as Executive Director on August 19, 2014. Subsequently, his designation was changed to Whole time Director for a term of 5 years, w.e.f. September 18, 2026 with the approval of directors at their Board Meeting held on September 18, 2026.
Present Tenure	Currently he holds office as Chairman & Managing Director for a period of 5 (Five) years, liable to retire by rotation. w.e.f. September 18, 2026.	Currently he holds office as Whole time Director for a period of 5 (Five) years, liable to retire by rotation. w.e.f. September 18, 2026.	Currently he holds office as Whole time Director for a period of 5 (Five) years, liable to retire by rotation. w.e.f. September 18, 2026.
Remuneration Payable from the F.Y. 2026-27	₹114.75 Lakhs per annum up to a maximum ceiling of ₹230.00 Lakhs	₹37.50 Lakhs per annum up to a maximum ceiling of ₹80.00 Lakhs	₹35.48 Lakhs per annum up to a maximum ceiling of ₹70.00 Lakhs
Compensation/ remuneration paid during the F.Y. 2025-26*	₹ 91.80 Lakhs	₹ 30.00 Lakhs	₹ 28.38 Lakhs
Contingent or Deferred compensation accrued for the year, even if the compensation is payable at a later date	NA	NA	NA
Bonus or Profit-sharing plan	NA	NA	NA

** Based on Certificate dated September 29, 2026 from Statutory Auditors of the company M/s. Abhishek Kumar & Associates.*

SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Our Non-Executive Directors may be paid reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations. Till date, our Company has not paid any sitting fees to any Independent Directors and Non-Executive Director for attending any of the Board or Committee Meetings. However, the Board of Directors pursuant to the Board Resolution dated September 23, 2026 have decided to pay sitting fees of ₹ 10,000/- (Rupees Ten Thousand only) per meeting for attending Board as well as Committee Meetings, maximum up to ₹ 5000/- (Rupees Five Thousand only) per annum to the Non-Executive Directors (including Independent Directors)

SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Directors	No. of Equity Shares held	Percentage to pre-offer capital	Designation
1.	Mr. Kailash Vishnu Nasta	40,00,000	50.00	Chairman cum Managing Director

Sr. No.	Name of Directors	No. of Equity Shares held	Percentage to pre-offer capital	Designation
2.	Mrs. Rhea Kailash Nasta	31,99,960	39.99	Whole-time Director
3.	Mr. Nitin Jagannath Phirake	8,00,000	10.00	Whole-time Director
4.	Mr. Muralidhar Sunil Chaudhari	Nil	Nil	Non-Executive Director
5.	Mr. Rohit Shripad Karulkar	Nil	Nil	Independent Director
6.	Mr. Vivek Dinesh Nathwani	Nil	Nil	Independent Director

Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company. None of the Independent Directors of the Company holds any Equity Shares of Company as on the date of this Draft Red Herring Prospectus.

REMUNERATION FROM SUBSIDIARIES OR ASSOCIATE

As on the date of this Draft Red Herring Prospectus, our company doesn't have any associate or subsidiary Company.

INTEREST OF DIRECTORS

All the Independent directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the offeror company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations. Further our directors are also interested to the extent of Personal Guarantee given by Directors towards Financial facilities of our Company.

Executive Directors are interested to the extent of remuneration paid to them for services rendered to the company and reimbursement of expenses, if any. For further details of these payments to the executive directors, see "*Restated Financial Information*" beginning on page 230.

Interest in promotion of Our Company

Except for Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake, who are the Promoters of our Company, none of our Directors have any interests in the promotion or formation of our Company. For details, see "*Our Promoter and Promoter Group – Interests of our Promoter and Common Pursuits*" on page 230.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, in cash or shares or otherwise, by any person, either to induce them to become, or to qualify them as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Interest in the business of Our Company

Except as stated under *"Annexure- J -Restated Related Party Transactions* "under Chapter titled *"Restated Financial Information"* beginning on page 230 of the Draft Red Herring Prospectus, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which our directors are interested directly or indirectly.

Interest in the property of Our Company:

Except as disclosed above and in the chapters titled "Business Overview" and "Restated Financial Statement –Related Party Transactions" and "History and Corporate Structure" on page 160, 230 and 198 respectively of this Draft Red Herring Prospectus, our directors do not have any interest in any property acquired two years prior to the date of this Draft Red Herring Prospectus.

CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the details of changes in the Board of Directors of the Company during the last 3 years from the date of this Draft Red Herring prospectus:

Name of Director	Effective Date of change	Nature of Event	Designation	Reason for the changes in the board
Mrs. Rhea Kailash Nasta	April 02, 2025	Appointment	Appointed as an Additional Director at the Board meeting held on April 02, 2025	To ensure better Corporate Governance and compliance with Companies Act, 2013
Mrs. Rhea Kailash Nasta	September 30, 2025	Change in Designation	Regularised as an Executive Director w.e.f. September 30, 2025 with the approval of members at the Annual General Meeting (AGM) held on September 30, 2025	
Mr. Kailash Vishnu Nasta	September 18, 2026	Change in Designation	Designation changed from Executive Director to Chairman and Managing Director for a period of 5 years w.e.f. September 18, 2026 with the approval of members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026	
Mr. Nitin Jagannath Phirake	September 18, 2026	Change in Designation	Designation changed from Executive Director to Whole time Director for a period of 5 years w.e.f. September 18, 2026 with the approval of members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026	
Mrs. Rhea Kailash Nasta	September 18, 2026	Change in Designation	Designation changed from Executive Director to Whole-Time Director w.e.f. September 18, 2026 with the approval of members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026	
Mr. Muralidhar Sunil Chaudhari	September 18, 2026	Appointment	Appointed as Non-Executive Director w.e.f. September 18, 2026 with the approval of members at the Extra-Ordinary General Meeting (EGM) held on September 21, 2026	
Mr. Rohit Shripad Karulkar	September 18, 2026	Appointment	Appointed as an Additional Independent Director at the Board meeting held on September 18, 2026.	
Mr. Rohit Shripad Karulkar	September 21, 2026	Change in Designation	Regularised as an Independent director of the company at the EGM held on September 21, 2026 for a period of 5 years w.e.f., September 18, 2026.	
Mr. Vivek Dinesh Nathwani	September 18, 2026	Appointment	Appointed as Additional Independent Director at the Board meeting held on September 18, 2026.	
Mr. Vivek Dinesh Nathwani	September 21, 2026	Change in Designation	Regularised as an Independent director of the company at the EGM held on September 21, 2026 for a period of 5 years w.e.f., September 18, 2026.	

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our Company immediately up on the listing of Equity Shares on the Stock Exchange.

As on date of this Draft Red Herring Prospectus, as our Company is coming with an offer in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 not applicable to our Company, our Company endeavours to comply with the good Corporate Governance and accordingly certain exempted regulations have been complied with by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Nomination and Remuneration Committee,

Stakeholder Relationship Committee and Corporate Social Responsibility Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Composition of Board of Directors

Currently our Board consists of 6 (Six) Directors on our Board, of which 3 (Three) are Executive Directors, 1 (One) is Non-Executive Director and 2 (Two) are Independent Directors.

Composition of Board of Directors is set forth in the below mentioned table:

Sr. No.	Name of Directors	Designation	Category	DIN
1.	Mr. Kailash Vishnu Nasta	Chairman cum Managing Director	Promoter	01966871
2.	Mrs. Rhea Kailash Nasta	Whole-time Director	Promoter	11031314
3.	Mr. Nitin Jagannath Phirake	Whole-time Director	Promoter	06956475
4.	Mr. Muralidhar Sunil Chaudhari	Non-Executive Director	Director	07480536
5.	Mr. Rohit Shripad Karulkar	Non-Executive Director	Independent	02575888
6.	Mr. Vivek Dinesh Nathwani	Non-Executive Director	Independent	09791683

Constitution of Committees

Our company has constituted the following Committees of the Board;

1. **Audit Committee**
2. **Nomination and Remuneration Committee**
3. **Stakeholder Relationship Committee; and**
4. **Corporate Social Responsibility Committee**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

1. Audit Committee

Our Company at its Board Meeting held on September 23, 2026 has constituted an Audit Committee ("Audit Committee") in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Vivek Dinesh Nathwani	Chairman	Independent Director
Mr. Rohit Shripad Karulkar	Member	Independent Director
Mr. Kailash Vishnu Nasta	Member	Managing Director

A. Our Company Secretary and Compliance officer will act as the secretary of the Committee.

B. Tenure of the Committee: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

C. Quorum and frequency of Meetings of the Committee: The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

D. Power of the Committee:

The Audit Committee shall have powers, including the following:

a) to investigate any activity within its terms of reference;
b) to seek information from any employee;
c) to obtain outside legal or other professional advice;

d) to secure attendance of outsiders with relevant expertise, if it considers

E. Terms of Reference of the Audit Committee:

i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;

ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;

iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors 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
   g. Qualifications in the draft audit report.

iv. Approval or any subsequent modification of transactions of the Company with related party;

   Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof; Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

   Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

v. Reviewing, with the management, and monitoring 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 offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vi. Scrutiny of Inter-corporate loans and investments;

vii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

viii. Reviewing and discussing 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;

ix. To review the functioning of the Whistle Blower mechanism, in case the same is existing;

x. Valuation of undertakings or assets of the company, where ever it is necessary;

xi. Evaluation of internal financial controls and risk management systems and reviewing with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;

xii. 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 and discussion with internal auditors of any significant findings and follow up there on;

xiii. 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;

xiv. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

xv. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xvi. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and

xvii. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

Review of information:

Further, the Audit Committee shall mandatorily review the following:

1) Management discussion and analysis of financial condition and results of operations;
2) Management letters / letters of internal control weaknesses issued by the statutory auditors;
3) Internal audit reports relating to internal control weaknesses;
4) The appointment, removal and terms of remuneration of internal auditor.

2. Nomination and Remuneration Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on September 23, 2026 constituted the Nomination and Remuneration Committee of its Board of Directors.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Rohit Shripad Karulkar	Chairman	Independent Director
Mr. Vivek Dinesh Nathwani	Member	Independent Director
Mr. Muralidhar Suni Chaudhari	Member	Non-Executive Director

Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher, including at least one independent director in attendance. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

C. Role of Terms of Reference:

i. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
ii. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
iii. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
iv. Devising a policy on diversity of board of directors;
v. 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;
vi. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
vii. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
viii. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.

ix. Decide the amount of Commission payable to the Whole Time Directors;
x. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
xi. To formulate and administer the Employee Stock Option Scheme.

3. Stakeholder Relationship Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, read with SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, as applicable, in its meeting held on September 23, 2026 constituted Stakeholder Relationship Committee.

The constitution of the Stakeholder Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Rohit Shripad Karulkar	Chairman	Independent Director
Mr. Kailash Vishnu Nasta	Member	Managing Director
Mrs. Rhea Kailash Nasta	Member	Whole Time Director

Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

B. Meetings: The Stakeholders Relationship Committee shall meet at least once in a year and shall report to the Board regarding the status of redressal of complaints received from the shareholders of the Company. The quorum of the Stakeholders Relationship Committee shall be one third of total members of the Stakeholders Relationship Committee or 2, whichever is higher.

C. Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, 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;
- 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;
- Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.

4. Corporate Social Responsibility Committee

The Board of Directors of our Company, in pursuance to provisions of Section 135 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on September 23, 2026 had constituted Corporate Social Responsibility Committee.

The constitution of the Corporate Social Responsibility Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mrs. Rhea Kailash Nasta	Chairman	Whole Time Director
Mr. Kailash Vishnu Nasta	Member	Managing Director

Name of the Directors	Designation	Nature of Directorship
Mr. Rohit Shripad Karulkar	Member	Independent Director

Company Secretary of our Company shall act as a Secretary to the Corporate Social Responsibility Committee.

Terms of reference: -

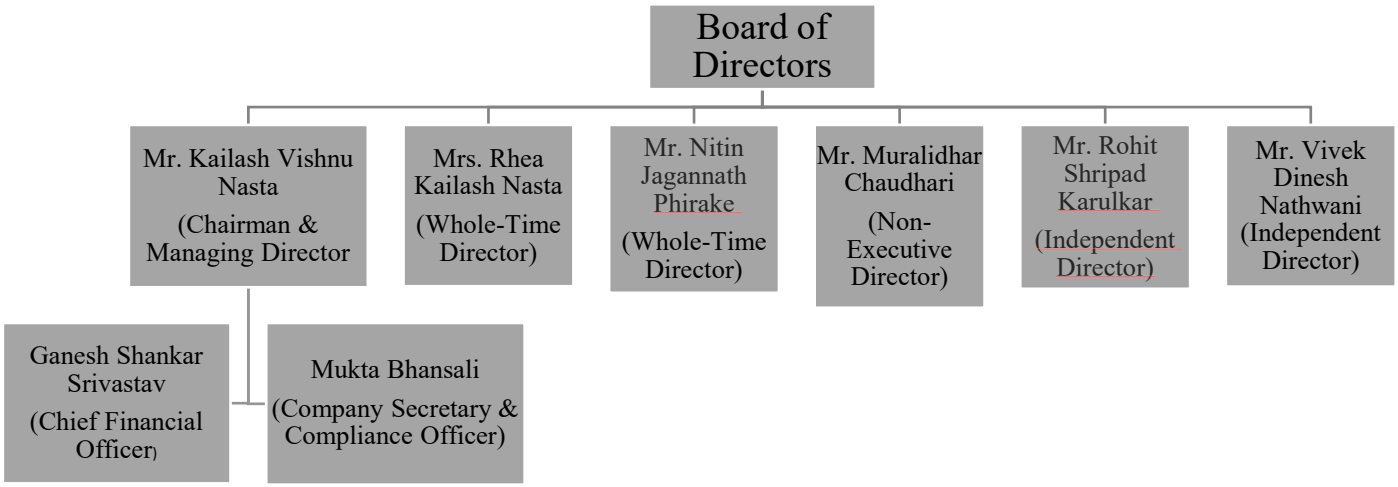
i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
ii. To review and recommend the amount of expenditure to be incurred on the activities referred to in (a) and amount to be incurred for such expenditure shall be as per the applicable law;
iii. To monitor the CSR policy of the Company from time to time;
iv. To identify corporate social responsibility policy partners and corporate social responsibility policy programs;
v. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
vi. To review and monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs;
vii. To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
viii. To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
ix. To do such other acts, deeds and things as may be required to comply with the applicable laws; and;
x. 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:
    a) the list of corporate social responsibility projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
    b) the manner of execution of such projects or programs as specified in the rules notified under the Companies Act;
    c) the modalities of utilisation of funds and implementation schedules for the projects or programs;
    d) monitoring and reporting mechanism for the projects or programs; and
    e) details of need and impact assessment, if any, for the projects undertaken by the Company;
xi. 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."

Quorum and Frequency of Meetings

The committee meeting shall be one-third of its total strength or two members, whichever is higher including at least one independent director in attendance. The committee shall meet as and when the need arises.

MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is as follows:



OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company are as follows:

Name, Designation and Date of Appointment		Qualification	Previous Employment	Remuneration paid in F.Y. 2025-26* (₹ in Lakhs)
Name	Mr. Kailash Vishnu Nasta	He has completed Bachelor of Engineering (Mechanical) from the University of Pune in April 1993. He has further completed Diploma in Business Management from the Narsee Monjee Institute of Management Studies in the year 1995. Further, he obtained Post Graduate Diploma in Management from Brilliant's School of Management in September 2002.	Allied Consulting Engineers Pvt. Ltd.	₹91.80
Designation	Chairman and Managing Director			
Date of Appointment	September 18, 2026			
Overall Experience	Mr. Kailash Vishnu Nasta has been associated with our company since 2014. He has over 32 years of experience in the industrial furnace and industrial heating equipment sector, with expertise in the design, development and commissioning of industrial furnaces and related equipment. He is responsible for managing the activities of the Company, creating and implementing business strategies and coordinating its business activities.			
Name, Designation and Date of Appointment		**Qualification**	**Previous Employment**	**Remuneration paid in F.Y. 2025-26* (₹ in Lakhs)**
Name	Mrs. Rhea Kailash Nasta	She has completed Bachelor of Science (Physical Therapy) from Seth Gordhandas Sunderdas Medical College Affiliated with University of Mumbai, in November 1995. Further, she has been associated with The Indian Association of Physiotherapists since 1999.	Jaslok Hospital & Research Centre	₹ 30.00
Designation	Whole-Time Director			
Date of Appointment	September 18, 2026			
Overall Experience	Mrs. Rhea Kailash Nasta has been associated with our company since 2025. She is a technically qualified professional with approximately 9 years of experience in the healthcare sector, having worked in the field of physiotherapy and physical rehabilitation at reputed hospitals in Mumbai. In her current role, she is involved in the management and day-to-day activities of the Company.			
Name, Designation and Date of Appointment		**Qualification**	**Previous Employment**	**Remuneration paid in F.Y. 2025-26* (₹ in Lakhs)**
Name	Mr. Nitin Jagannath Phirake	He completed Diploma in Mechanical Engineering from Board of Technical Examinations, Maharashtra in April 1994	Seco. Warwick Allied Pvt. Ltd.	₹28.38
Designation	Whole-Time Director			
Date of Appointment	September 18, 2026			
Overall Experience	Mr. Nitin Jagannath Phirake has been associated with our company since 2014. He is an engineering professional with over 30 years of experience in the industrial furnace and heat treatment industry, with expertise in the design, building and commissioning of industrial furnaces and related equipment. His responsibilities include overall management and development of the organisation, business operations, project execution, customer engagement and strategic initiatives.			
Name, Designation and Date of Appointment		**Qualification**	**Previous Employment**	**Remuneration paid in F.Y. 2025-26 (₹ in Lakhs)**

Name, Designation and Date of Appointment		Qualification	Previous Employment	Remuneration paid in F.Y. 2025-26* (₹ in Lakhs)
Name	Mr. Ganesh Shankar Srivastav	He holds a degree of Bachelor of Commerce (Honours) from College of Commerce, Magadh University, Patna in the year 2013.	N.A.	NIL^
Designation	Chief Financial Officer			
Date of Appointment	September 18, 2026			
Overall Experience	Mr. Ganesh Shankar Srivastav has been associated with the Company since 2015 and is currently serving as Chief Financial Officer. He has a experience of 11 years in accounting, finance, taxation, commercial operations and statutory compliances. He is responsible for overseeing the Company's accounting and finance functions, including finalisation of financial statements, taxation, banking, statutory compliances, MIS reporting, billing and working capital management. He is also involved in commercial and contractual matters relating to the Company's turnkey engineering and manufacturing projects and coordinates with auditors, bankers, tax consultants and other professional advisors.			

Name, Designation and Date of Appointment		Qualification	Previous Employment	Remuneration paid in F.Y. 2025-26 (₹ in Lakhs)
Name	Ms. Mukta Bhansali	She holds a degree of Company Secretary.	Business Nextgen Finance Private Limited	NIL
Designation	Company Secretary and Compliance Officer			
Date of Appointment	September 18, 2026			
Overall Experience	Ms. Mukta Bhansali is a qualified Company Secretary with over 3 years of professional experience in corporate secretarial matters, corporate law, governance and regulatory compliance. Her areas of professional expertise include corporate secretarial compliance, corporate governance, statutory and regulatory compliance, secretarial documentation, compliance advisory, and stakeholder coordination. She has been associated with professional practice in the areas of corporate compliance and secretarial matters.			

** Based on Certificate dated September 29, 2026, from peer reviewed Auditors of the company M/s Abhishek Kumar & Associates.*
^ Mr. Ganesh Shankar Srivastav has been appointed as a chief financial officer w.e.f. September 18, 2026, hence he has not received any amount of remuneration in Fiscal 2026 as a chief financial officer.

SENIOR MANAGERIAL PERSONNEL (SMP)

There are no Senior Managerial Personnel designated in our company, as on the date of DRHP

BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

None of the Key Managerial Personnel is party to any bonus or profit-sharing plan of our Company. The management may from time to time decide to give performance bonus to its Key Managerial Personnel and employees.

CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Managerial Personnel in the last three years preceding the date of filing this Draft Red Herring Prospectus, otherwise than by way of retirement in due course.

Name of Director	Designation	Effective Date of change	Nature of Event	Reason for the changes in the board
Mr. Kailash Vishnu Nasta	Chairman and Managing Director	September 18, 2026	Change in Designation	To ensure better Corporate Governance
Mrs. Rhea Kailash Nasta	Whole time Director	September 18, 2026	Change in Designation	To ensure better Corporate Governance
Mr. Nitin Jagannath	Whole time Director	September 18, 2026	Change in Designation	To ensure better Corporate Governance

Phirake				
Mr. Ganesh Shankar Srivastav	Chief Financial Officer	September 18, 2026	Appointment	To ensure better Corporate Governance
Ms. Mukta Bhansali	Company Secretary and Compliance Officer	September 18, 2026	Appointment	To ensure better Corporate Governance

EMPLOYEE STOCK OPTION SCHEME

For details about the Employee Stock Option Scheme, see "Capital Structure – Employee Stock Option Plan" on page 77.

PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the statutory payments made by our Company and except as stated under *"Note – XI -Restated Related Party Transactions* "under Chapter titled *"Restated Financial Information"* beginning on page 230 of the Draft Red Herring Prospectus, during the last two years from the date of this DRHP, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel have been granted any benefits in kind from our Company, other than their remuneration.
- No benefits are granted upon termination from employment other than the statutory benefits provided by our company and further our Company has appointed certain Key Managerial Personnel i.e., Chief Financial Officer, Company Secretary and Compliance Officer for which our company has not executed any formal service contracts; although they have to abide by the terms of their appointment.
- There is no contingent or deferred compensation payable to any of our Key Managerial Personnel.

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

The status of shareholding of the Key Managerial Personnel of our Company as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Kailash Vishnu Nasta	40,00,000	Chairman cum Managing Director
2.	Mrs. Rhea Kailash Nasta	31,99,960	Whole-time Director
3.	Mr. Nitin Jagannath Phirake	8,00,000	Whole-time Director
4.	Mr. Ganesh Shankar Srivastav	Nil	Chief Financial Officer
5.	Ms. Mukta Bhansali	Nil	Company Secretary and Compliance Officer

INTEREST OF THE KEY MANAGEMENT PERSONNEL

Except as disclosed in the section above and elsewhere in this Draft Red Herring Prospectus, none of our Key Managerial Personnel have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT PERSONNEL

Except for the terms set forth in the appointment letters, the Key Managerial Personnel or Senior Management Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Our Company has formulated the AFL ESOP 2026. As of the date of this Draft Red Herring Prospectus, no options have been granted under the AFL ESOP 2026. For further details of the AFL ESOP 2026, please see *"**Capital Structure - Employee Stock Option Plan**"* on page 77 of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are**:**

1. Mr. Kailash Vishnu Nasta
2. Mrs. Rhea Kailash Nasta
3. Mr. Nitin Jagannath Phirake

As on date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 79,99,960 Equity Shares in our Company, representing 99.99% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the Capital build-up of our Promoters in our Company, please refer chapter titled *"Capital Structure"* beginning on Page No. 77 of this Draft Red Herring Prospectus.

The details of our Promoters are as follows:

Individual Promoters

	**Mr. Kailash Vishnu Nasta– Chairman and Managing Director** Mr. Kailash Vishnu Nasta, aged 54 years is one of our Promoters and is also the Chairman and Managing Director on our Board. For the complete profile of Mr. Kailash Vishnu Nasta along with details of his date of birth, personal address, educational qualifications, professional experience, position/ posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see "Our Management – Board of Directors" on page 204. As on date of this Draft Red Herring Prospectus, Mr. Kailash Vishnu Nasta holds 40,00,000 Equity Shares of face value of ₹10 each, representing 50.00% of the issued, subscribed and paid-up equity share capital of our Company.
Date of Birth	December 31, 1971
PAN	AACPN3472D
Educational Qualification	He has completed Bachelor of Engineering (Mechanical) from the University of Pune in April 1993. He has further completed Diploma in Business Management from the Narsee Monjee Institute of Management Studies in the year 1995. Further, he obtained Post Graduate Diploma in Management from Brilliant's School of Management in September 2002.
Present Residential Address	201/301, Devkripa Mogul Lane, Mahim West, Mumbai- 400016, Maharashtra, India
Positions/posts held in the past	He was appointed as Executive Director on August 19, 2014.
Other Interests & Directorships:	NIL

	**Mrs. Rhea Kailash Nasta– Whole-time Director** Mrs. Rhea Kailash Nasta, aged 51 years is one of our Promoters and Whole-time Director of our Company. For the complete profile of Mrs. Rhea Kailash Nasta along with details of her date of birth, personal address, educational qualifications, professional experience, position/ posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see "Our Management – Board of Directors" on page 204. As on date of this Draft Red Herring Prospectus, Mrs. Rhea Kailash Nasta holds 31,99,960 Equity Shares of face value of ₹10 each, representing 39.99% of the issued, subscribed and paid-up equity share capital of our Company.
Date of Birth	May 04, 1975
PAN	ABZPN7006P
Educational Qualification	She has completed Bachelor of Science (Physical Therapy) from University of Mumbai in November 1995. Further, she has been associated with The Indian Association of Physiotherapists since 1999.
Present Residential Address	201/301, Devkripa, Mogul Lane, Mahim West, Mumbai- 400016, Maharashtra, India
Positions/posts held in the past	She was appointed as an Additional Director on April 02, 2025 and regularized w.e.f., September 30, 2025.
Other Interests & Directorships:	**Companies:** NIL **Limited Liability Partnership:** NIL **HUF:** NIL **Proprietorship firm:** Kataria Vision **Partnership firm:** NIL **Trust:** NIL

	**Mr. Nitin Jagannath Phirake– Whole-time Director** Mr. Nitin Jagannath Phirake, aged 53 years is one of our Promoters and Whole-time Director of our Company. For the complete profile of Mr. Nitin Jagannath Phirake along with details of his date of birth, personal address, educational qualifications, professional experience, position/ posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see "Our Management – Board of Directors" on page 204. As on date of this Draft Red Herring Prospectus, Mr. Nitin Jagannath Phirake holds 8,00,000 Equity Shares of face value of ₹10 each, representing 10.00% of the issued, subscribed and paid-up equity share capital of our Company.
Date of Birth	June 14, 1973
PAN	ARUPP2133L
Educational Qualification	He completed Diploma in Mechanical Engineering from Board of Technical Examinations, Maharashtra in April 1994.
Present Residential Address	401/A, Pranit Building, Barave Road, Sai Chowk, Khadakpada, Kalyan West, Thane– 421301, Maharashtra, India
Positions/posts held in the past	He was appointed as Executive Director on August 19, 2014.
Other Interests & Directorships:	NIL

DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card numbers and Driving Licence numbers of our Promoters are being submitted to the BSE, i.e. stock exchange on which the specified securities are proposed to be listed along with filing of this Draft Red Herring Prospectus with the Stock Exchange.

CORPORATE PROMOTERS

Our Company does not have any corporate entity or alternative investment fund as a promoter. The promoters of our Company are individuals only, and there are no institutional or corporate promoters associated with our Company.

CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

INTEREST OF OUR PROMOTERS

- Our Promoters are interested in the promotion of our Company and also to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. As on the date of this Draft Red Herring Prospectus, our Promoters, Mr. Kailash Vishnu Nasta, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake collectively hold 79,99,960 Equity Shares of face value of ₹10/- each in our Company i.e., 99.99% of the pre offer paid up Equity Share Capital of our Company.

- Except as stated in *"Annexure- J - Restated Related Party Transactions"* under section *"Restated Financial Information"* beginning from page no. 230 of this Draft Red Herring Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment, our Promoter do not have any other interest in our business.

- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payments to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer to *"Annexure- J - Restated Related Party Transactions"* under section *"Restated Financial Information"* beginning from page no. 230 of this Draft Red Herring Prospectus.

- Our Promoters, Directors or Group Entities do not have any interest in any property taken by our Company in the preceding three years before filing this Draft Red Herring Prospectus.

- Our Promoters may be considered interested to the extent of personal guarantees given, against loans availed by our Company. For details, please see "*Statement of Financial Indebtedness*" on page 232 of this DRHP.

- Our Promoters do not have any interest in any property to be acquired by our Company till the date of this Draft Red Herring Prospectus or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

- No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

PAYMENT OR BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING LAST 2 YEARS

Except as stated in the section *"Annexure-J - Restated Related Party Transactions"* under section *"Restated Financial Information"* beginning from page no. 230 of this Draft Red Herring Prospectus, there has been no amount or payment of benefits made to our Promoters or member of promoter group in the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or any of the members of the Promoter Group other than in the ordinary course of business. Further, our Company may enter into transactions with or make payments of benefits to the Promoter Directors or Promoters' Group, towards remuneration as decided by the Board of Directors.

CONFIRMATIONS

Our Company and Promoters have confirmed that they have not 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 and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, Promoter group or directors have not been directly or indirectly, 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 or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, Promoter group or directors do not have direct or indirect relation with the companies, their Promoter and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies that are debarred from accessing the capital market by the Board.

Also, our Promoters or directors have not been declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

We and Our Promoters, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks and FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section title *"Outstanding Litigation and Material Developments"* appearing on page no. 255 of this Draft Red Herring Prospectus.

DISASSOCIATION BY OUR PROMOTERS IN THE LAST THREE YEARS

None of our Promoters have disassociated himself from any Company during the preceding three years

MATERIAL GUARANTEES GIVEN BY OUR PROMOTERS TO THIRD PARTIES WITH RESPECT TO EQUITY SHARES OF OUR COMPANY:

Except as stated in the "*Statement of financial indebtedness*" and "*Restated financial information*" of the company beginning on page 232 and 230 of this Draft Red Herring Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

RELATIONSHIP OF PROMOTERS WITH EACH OTHER AND WITH OUR DIRECTORS

Except as mentioned below, none of our Promoter(s) are related to any of our Company's Directors and KMP within the meaning of Section 2 (77) of the Companies Act, 2013.

Name and Designation of the Promoter	Name of relative	Relationship with Promoter
Mr. Kailash Vishnu Nasta (Chairman cum Managing Director)	Mrs. Rhea Kailash Nasta	Wife
Mrs. Rhea Kailash Nasta (Whole-Time Director)	Mr. Kailash Vishnu Nasta	Husband

EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS

Our Promoters, Mr. Kailash Vishnu Nasta and Mr. Nitin Jagannath Phirake hold an experience of around 32 and 30 years respectively. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

OUR PROMOTER GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoter's Group:

a. Natural persons who are part of our Promoter Group:

Relationship with Promoter	Mr. Kailash Vishnu Nasta	Mrs. Rhea Kailash Nasta	Mr. Nitin Jagannath Phirake
Father	Mr. Nasta Vishnu Newandram	Mr. Madan Arjandas Kataria	Late Jagannath Bhagwan Phirake
Mother	Mrs. Veena Vishnu Nasta	Mrs. Bharati Madan Kataria	Late Nalini Jagannath Firake
Spouse	Mrs. Rhea Kailash Nasta	Mr. Kailash Vishnu Nasta	Mrs. Dipali Nitin Phirake
Brother/s	Mr. Nikhil V Nasta	Mr. Rajiv Madan Kataria	Mr. Firake Pravin Jagannath
Sister/s	-	-	Mrs. Tanuja Vikram Gajare
Daughter/s	Ms. Meher Kailash Nasta	Ms. Meher Kailash Nasta	-
Son/s	Mr. Hriday Kailash Nasta	Mr. Hriday Kailash Nasta	Mr. Navnit Nitin Phirake Mr. Varad Nitin Phirake
Spouse's Father	Mr. Madan Arjandas Kataria	Mr. Nasta Vishnu Newandram	Late Madhav Tapiram Bendale
Spouse's Mother	Mrs. Bharati Madan Kataria	Mrs. Veena Vishnu Nasta	Late Rohini Madhav Bendale
Spouse's Brother/s	Mr. Rajiv Madan Kataria	Mr. Nikhil V Nasta	-
Spouse's Sister/s	-	-	-

b. Corporate Entities or Firms forming part of the Promoter Group:

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

i. Companies related to our Promoter Company: Not Applicable as we do not have any promoter company

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	-
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital and/or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	-

ii. Companies, Proprietary concerns, HUFs related to our Promoters

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member.	I Sight Eyecare and Surgery Private Limited
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	-
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than twenty percent.	Kataria Vision (Proprietorship Firm) Madan Arjandas Kataria HUF I Sight Eyecare and Surgery (Proprietorship Firm)

iii. Person whose shareholding is aggregated under the heading "Shareholding of the Promoters Group"

Name of Entities / Person
-

DIVIDEND POLICY

The declaration and payment of dividends 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 applicable law, including the Companies Act, 2013 together with the applicable rules issued thereunder. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode. Our Board may also declare interim dividend from time to time. The dividend distribution policy of our Company was adopted and approved by our Board in their meeting held on September 23, 2026.

The dividend shall be decided by our Board and may be based on the following financial/ internal parameters, among other factors, while declaring or recommending dividend to Shareholders: (i) our Company's net profits earned during the Financial Year after tax; (ii) retained earnings; (iii) working capital requirement and repayment of debts, if any, (iv) contingent liabilities; (v) earnings outlook for at least next three years; (vi) current and expected future capital/liquidity requirements including expansion, modernization, investment in group companies and acquisitions; (vii) buyback of shares or any other profit distribution measure; (viii) stipulations/covenants of any agreement to which our Company is a party (including; financing documents, investment agreements and shareholders agreement); (ix) applicable legal restrictions; (x) overall financial position of our Company; and (xi) any other factors and material events considered relevant by our Board, including those set out in any annual business plan and budget of our Company.

Our Board may also consider the following external parameters while declaring or recommending dividend to Shareholders: (i) the applicable legal requirements, regulatory conditions or restrictions; (ii) dividend pay-out ratios of companies in similar industries; (iii) financing costs; (iv) the prevailing economic environment; and (v) any other relevant factors and material events to our Company.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

The details of the dividend, including interim dividend paid by our Company on the Equity Shares during the last three Fiscals are given below:

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Number of Equity Shares	80,00,000	50,000	50,000
Face Value of Equity Share (per share) (₹)	10	100	100
Final/Interim Dividend on each Equity Share excluding Dividend Distribution Tax (₹)*	2.5*	40	30
Dividend Rate for each Equity Share (%)	25%*	40%	30%
Dividend Distribution Tax (%)	Nil	Nil	Nil
Mode of payment of Dividend	Banking Channel	Banking Channel	Banking Channel

**Company have paid 40% per share as interim dividend per share for 50000 share & final Dividend @22.50% per share as final dividend for 8000000 shares.*

The amount of dividend paid in the past is not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid or the amount thereof will be decreased in the future. For details in relation to the risk involved, please refer section titled *"Risk Factors"* beginning on Page No. 24 of this Draft Red Herring Prospectus.

SECTION V – FINANCIAL INFORMATION OF OUR COMPANY

RESTATED FINANCIAL INFORMATION

Sr. No	Particulars	Page Nos.
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INDEPENDENT AUDITORS' REPORT ON RESTATED FINANCIAL INFORMATION

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,

The Board of Directors,

Ace Furnaces Limited

(Formally Known As Ace Furnaces Private Limited)

Office No. 130, 1st Floor, Lodha Supremus II,

Road No. 22, Wagle Estate,

Thane - 400604, Maharashtra, India.

Dear Sirs,

We have examined the attached Restated Financial Statement of **Ace Furnaces 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 & Loss and the Restated Cash Flow Statement for the financial years ended on March 31, 2026, March 31, 2025, March 31, 2024, the Summary statement of Significant Accounting Policies and other explanatory Information (**Collectively "the Restated Financial Information")** as approved by the Board of Directors in their meeting held on September 29, 2026 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:

i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") as amended (ICDR Regulations"); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note").

The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus to be filed with BSE Limited ("Stock Exchange"), in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024 on the basis of preparation stated in Annexure D to the Restated Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

We have examined such Restated Financial Information taking into consideration:

a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 15, 2026 in connection with the proposed IPO of equity shares of the Company;
b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidences supporting the Restated Financial Information; 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 IPO.

This Restated Financial Information has been compiled by the management from:

The Audited financial statements of the company as at and for the financial year ended on March 31, 2026, audited by us and which have been approved by the Board of Directors at the meeting held on September 01, 2026. The audited financial statements of the company as at and for the financial year ended on March 31, 2025 and March 31, 2024 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2021, as amended, audited by Ashwini Singh & Associates, which have been approved by the Board of Directors at their meeting held on August 24, 2025 and August 24, 2024 respectively.

For the purpose of our examination, we have relied on:

a. Auditors' Report issued by us for the year ended on March 31, 2026. Further Auditors Report issued by Ashwini Singh & Associates; Chartered Accountants for the financial years ended on March 31, 2025 & March 31, 2024.
b. The audit was conducted by us for year ended on March 31, 2026. Audit for financial years ended on March 31, 2025 & March 31, 2024 was conducted by Ashwini Singh & Associates., accordingly reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the **Audited Financial Statement**").

The modification in restated financials were carried out based on the modified reports, if any, issued by us which is giving rise to modifications on the financial statements as at and for the year ended on March 31, 2026 and issued by previous auditors for financial year ended on March 31, 2025 and March 31. There are no qualification by us on the Financial Statement for the year ended on March 31, 2026 and no qualification of previous auditors for financial years ended on March 31, 2025 and March 31, 2024 respectively.

The audit reports on the financial statements were modified and included following matter(s) giving rise to modifications on the financial statements for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024:

a) The Restated Financial Information have been made after incorporating adjustments for the changes in accounting estimates retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting estimates for all reporting periods, if any;

b) The Restated Financial Information have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;

c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;

d) There are no qualifications in the Audit Reports issued by us for the year ended on March 31, 2026, also no qualifications in the Audit Reports issued by Ashwini Singh & Associates.; Chartered Accountants for the financial year ended on March 31, 2025 & March 31, 2024 which would require adjustments in this Restated Financial Statements of the Company;

e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE - D to this report;

f) Adjustments in Restated Financial Information have been made in accordance with the correct accounting policies;

g) There were no changes in accounting policies, which needs to be adjusted in the Restated Financial Information;

h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Information;

i) The related party transaction for purchase & sales of Goods entered by the company are at arm's length price;

j) The Company has paid an interim dividend of ₹20 Lakhs during FY 2025-26, ₹20 Lakhs during FY 2024-25 and ₹15 Lakhs during FY 2023-24. Further, a final dividend of ₹180 Lakhs for FY 2025-26 has been approved at the Annual General Meeting.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

a. The "Restated Statement of Assets and Liabilities" as set out in ANNEXURE – A to this report, of the Company for the financial year as at March 31, 2026, March 31, 2025 and March 31, 2024 is

prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

b. The "Restated Statement of Profit and Loss" as set out in ANNEXURE – B to this report, for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

c. The "Restated Statement of Cash Flow" as set out in ANNEXURE – C to this report for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – D to this Report.

Audit for financial year ended on March 31, 2026 was conducted by us, for financial year ended on March 31, 2025 & March 31, 2024 was conducted by Ashwini Singh & Associates.; and accordingly reliance has been placed on the financial statement examined by them for the said year. Financial Reports included for said years are solely based on report submitted by them.

We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024 proposed to be included in the Draft Prospectus / Prospectus ("Draft Red Herring Prospectus /Red Herring Prospectus/ Prospectus") for the proposed IPO.

Restated Statement of Share Capital	Annexure – A.1
Restated Statement of Reserves and Surplus	Annexure – A.2
Restated Statement of Long Term Borrowing	Annexure – A.3
Restated Statement of Long Term Provisions	Annexure – A.4
Restated Statement of Deferred Tax Liabilities (Net)	Annexure – A.10
Restated Statement of Short Term Borrowing	Annexure – A.5
Restated Statement of Trade Payables	Annexure – A.6
Restated Statement of Other Current Liabilities	Annexure – A.7
Restated Statement of Short Term Provisions	Annexure – A.8

Restated Statement of Property, Plant and Equipment	Annexure – A.9
Restated Statement of Deferred Tax Assets (Net)	Annexure – A.10
Restated Statement of Other Non Current Assets	Annexure – A.11
Restated Statement of Inventories	Annexure – A.12
Restated Statement of Trade Receivables	Annexure – A.13
Restated Statement of Cash & Cash Equivalents	Annexure – A.14
Restated Statement of Short Term Loans & Advances	Annexure – A.15
Restated Statement of Other Current Assets	Annexure – A.16
Restated Statement of Revenue from Operations	Annexure – B.1
Restated Statement of Other Income	Annexure – B.2
Restated Statement of Cost of Material Consumed	Annexure – B.3
Restated Statement of Changes in Inventories of Finished Goods and WIP	Annexure – B.4
Restated Statement of Employee Benefit Expenses	Annexure – B.5
Restated Statement of Finance Cost	Annexure – B.6
Restated Statement of Depreciation & Amortisation	Annexure – B.7
Restated Statement of Other Expenses	Annexure – B.8
Restated Statement of Deferred Tax Expenses	Annexure – B.9
Restated Statement of Cash Flows	Annexure – C
Restated Significant Accounting Policies and Notes	Annexure – D
Statement of Material Adjustment To The Restated Financial Statement	Annexure – E
Restated Statement of Tax shelter	Annexure – F
Restated Statement of Capitalization	Annexure – G
Restated Statement of Contingent Liabilities	Annexure – H
Restated Statement of Accounting Ratios	Annexure – I
Restated Statement of Related Party Transaction	Annexure – J
Restated Statement of Ratios	Annexure – K

In our opinion and to the best of information and explanation provided to us, the Restated Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – D are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, Abhishek Kumar & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements and Thus we have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above financial information contained in ANNEXURE – A to J of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in ANNEXURE – D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

Our report is intended solely for use of the management and for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For, Abhishek Kumar & Associates
Chartered Accountants
Firm Registration Number: 130052W

CA Abhishek Agrawal
Proprietor
Membership Number: 132305
Peer Review Certificate No: 021459

UDIN : 26132305CPHFXP3950

Date: September 29, 2026
Place: Ahmedabad

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

ANNEXURE – A : RESTATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
A	**Equity and Liabilities**				
1	**Shareholders' Funds**				
	Share Capital	A.1	50.00	50.00	50.00
	Reserves & Surplus	A.2	1,720.03	882.23	397.88
2	**Share Application Money Pending Allotment**		-	-	-
2	**Non-Current Liabilities**				
	Long-Term Borrowings	A.3	166.29	234.24	243.93
	Long-Term Provisions	A.4	110.59	93.61	95.87
	Deferred Tax Liabilities (Net)	A.10	20.34	-	-
	Other Non-Current Liabilities		-	-	-
3	**Current Liabilities**				
	Short Term Borrowings	A.5	525.36	222.80	265.69
	Trade Payables :				
	(A) total outstanding dues of micro enterprises and small enterprises; and	A.6	334.90	421.00	505.28
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		711.02	1,014.12	751.53
	Other Current Liabilities	A.7	735.03	1,000.25	1,019.04
	Short Term Provisions	A.8	14.11	27.33	62.21
	Total		**4,387.68**	**3,945.59**	**3,391.42**
B	**Assets**				
1	**Non-Current Assets**				
	Property, Plant and Equipment				
	Tangible Assets	A.9	257.14	259.78	195.32
	Intangible Assets		1.58	4.15	0.34
	Capital WIP		-	-	-
	Non-Current Investments		-	-	-
	Deferred Tax Assets	A.10	-	24.53	33.22
	Other Non Current Assets	A.11	354.12	19.71	25.41
2	**Current Assets**				
	Current Investments		-	-	-
	Inventories	A.12	508.81	1,096.45	339.78
	Trade Receivables	A.13	2,687.47	1,785.14	2,139.39
	Cash and Cash Equivalents	A.14	286.65	574.39	366.25
	Short-Term Loans and Advances	A.15	288.55	176.63	268.00
	Other Current Assets	A.16	3.35	4.80	23.71
	Total		**4,387.68**	**3,945.59**	**3,391.42**

Note 1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

Note 2: Balances stated above has been rounded off in nearest Rs. 10 to remove the fractional differences from the balances as mentioned in Balance sheet.

As per our Report of Even Date

FOR, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO : 130052W

CA ABHISHEK AGRAWAL
PROPRIETOR
M. NO. 132305
UDIN : 26132305CPHFXP3950

DATE : SEPTEMBER 29, 2026
PLACE : AHMEDABAD

FOR & ON BEHALF OF BOARD OF DIRECTORS
ACE FURNACES LIMITED

KAILASH VISHNU NASTA
MANAGING DIRECTOR
DIN :01966871

NITIN JAGANNATH PHIRAKE
WHOLE-TIME DIRECTOR
DIN :06956475

MUKTA BHANSALI
COMPANY SECRETARY
ACS.NO: 53040

GANESH SHANKAR SRIVASTAV
CHIEF FINANCIAL OFFICER
PAN: GAAPS9284J

DATE : SEPTEMBER 29, 2026
PLACE : THANE

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

ANNEXURE – B : RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs except Units in Actual Numbers)

Sr. No	Particulars	Note No.	For Year Ended March 31, 2026	For Year Ended March 31, 2025	For Year Ended March 31, 2024
A.	**Revenue:**				
	Revenue from Operations	**B.1**	10,080.00	8,764.90	8,115.23
	Other income	**B.2**	41.15	35.52	33.19
	Total Revenue		**10,121.16**	**8,800.42**	**8,148.42**
B.	**Expenses:**				
	Cost of Material Consumed	**B.3**	6,594.96	6,088.60	5,583.56
	Purchase of Stock in Trade		-	-	-
	Change in Inventories of Finished Goods and Work-in-Progress	**B.4**	126.89	-215.46	280.95
	Employees Benefit Expenses	**B.5**	584.88	717.43	502.74
	Finance Costs	**B.6**	80.78	66.97	48.82
	Depreciation and Amortization	**B.7**	68.56	50.20	30.97
	Other Expenses	**B.8**	1,488.37	1,372.86	1,286.82
	Total Expenses		**8,944.44**	**8,080.60**	**7,733.87**
	Profit Before Exceptional And Extraordinary Items And Tax		**1,176.71**	**719.82**	**414.55**
	Exceptional Items		-	-	-
	Profit before extraordinary items and tax		**1,176.71**	**719.82**	**414.55**
	Extraordinary Items		-	-	-
	Profit Before Tax		**1,176.71**	**719.82**	**414.55**
	Tax Expense :				
	Current Tax		-274.04	-206.79	-141.39
	Excess/Shortage of Taxes Paid		-	-	-
	Deferred Tax	**B.9**	-44.87	-8.69	30.17
	Profit (Loss) After Tax for the period from continuing operations		**857.80**	**504.35**	**303.32**
	Earning Per Equity Share :				
	Basic & Diluted EPS		1,715.59	1,008.70	606.65
	Adjusted Basic & Diluted EPS		10.72	6.30	3.79

Note : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

As per our Report of Even Date

FOR, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO : 130052W

FOR & ON BEHALF OF BOARD OF DIRECTORS
ACE FURNACES LIMITED

CA ABHISHEK AGRAWAL
PROPRIETOR
M. NO. 132305
UDIN : 26132305CPHFXP3950

KAILASH VISHNU NASTA
MANAGING DIRECTOR
DIN :01966871

NITIN JAGANNATH PHIRAKE
WHOLE-TIME DIRECTOR
DIN :06956475

MUKTA BHANSALI
COMPANY SECRETARY
ACS.NO: 53040

GANESH SHANKAR SRIVASTAV
CHIEF FINANCIAL OFFICER
PAN: GAAPS9284J

DATE : SEPTEMBER 29, 2026
PLACE : AHMEDABAD

DATE : SEPTEMBER 29, 2026
PLACE : THANE

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

ANNEXURE – C: RESTATED STATEMENT OF CASH FLOWS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before tax	**1,176.71**	**719.82**	**414.55**
Adjustments for:			
Depreciation	68.56	50.20	30.97
Finance Cost	80.78	66.97	48.82
Adjustment of Non Cash Items	19.45	(0.35)	8.05
Interest Income	(20.07)	(31.88)	(13.41)
Operating profit before working capital changes	**1,325.44**	**804.77**	**488.99**
Movements in working capital :			
(Increase)/Decrease in Inventories	587.65	(756.68)	354.21
(Increase)/Decrease in Trade Receivables	(902.32)	354.25	(846.13)
(Increase)/Decrease in Loans & Advances	(111.92)	91.37	(274.06)
(Increase)/Decrease in Other Current Assets	1.45	18.92	68.62
Increase/(Decrease) in Trade Payables	(389.20)	178.31	(700.76)
Increase/(Decrease) in Other Current Liabilities	(265.68)	(19.55)	884.79
(Increase)/Decrease in Other Non Current Assets	(334.41)	5.70	(25.41)
Increase/(Decrease) in Long Term Provisions	0.00	(0.00)	-
Increase/(Decrease) in Short Term Provisions	(15.25)	(36.02)	0.30
Cash generated from operations	**(104.25)**	**641.06**	**(49.45)**
Adjustment on Account of Income Tax Expense	(274.04)	(206.79)	(141.39)
Net cash from operating activities (A)	**(378.30)**	**434.27**	**(190.84)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Sale/(Purchase) of Investments	-	-	153.99
Interest Income	20.07	31.88	13.41
Sale/(Purchase) of Fixed Assets	(63.36)	(118.47)	(42.68)
Net cash from investing activities (B)	**(43.29)**	**(86.59)**	**124.71**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Interest/Other expenses paid on borrowings	(80.78)	(66.97)	(48.82)
Repayment of Long Term Borrowings	(67.95)	(9.68)	(90.24)
Repayment in Short Term Borrowings	-	(42.89)	-
Proceeds from Short Term Borrowings	302.56	-	151.12
Payment of Dividend	(20.00)	(20.00)	(15.00)
Net cash from financing activities (C)	**133.84**	**(139.54)**	**(2.94)**
Net increase in cash and cash equivalents (A+B+C)	**(287.74)**	**208.15**	**(69.07)**
Cash and cash equivalents at the beginning of the year	**574.39**	**366.25**	**435.32**
Cash and cash equivalents at the end of the year	**286.65**	**574.39**	**366.25**

Note : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

As per our Report of Even Date

FOR, ABHISHEK KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO : 130052W

CA ABHISHEK AGRAWAL
PROPRIETOR
M. NO. 132305
UDIN : 26132305CPHFXP3950

DATE : SEPTEMBER 29, 2026
PLACE : AHMEDABAD

FOR & ON BEHALF OF BOARD OF DIRECTORS
ACE FURNACES LIMITED

KAILASH VISHNU NASTA
MANAGING DIRECTOR
DIN :01966871

NITIN JAGANNATH PHIRAKE
WHOLE-TIME DIRECTOR
DIN :06956475

MUKTA BHANSALI
COMPANY SECRETARY
ACS.NO: 53040

GANESH SHANKAR SRIVASTAV
CHIEF FINANCIAL OFFICER
PAN: GAAPS9284J

DATE : SEPTEMBER 29, 2026
PLACE : THANE

ANNEXURE – D

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS

A. COMPANY INFORMATION

The company was originally incorporated as a private limited company under the name "Ace Furnaces *Private Limited"* on 24/02/2014, under the provisions of the Companies Act, 2013. The Certificate of Incorporation was issued by the Registrar of Companies, Mumbai, bearing Corporate Identification Number (CIN): U29242MH2021PTC253538.

Subsequently, the Company was converted into a public limited company pursuant to a special resolution passed by the shareholders at an Extraordinary General Meeting held on August 31, 2026. Accordingly, the name of the Company was changed from *Ace Furnaces Private Limited* to "*Ace Furnaces Limited"* and a fresh Certificate of Incorporation bearing CIN: U29242MH2021PLC253538 was issued by the Central Processing Centre, Registrar of Companies, on September 18, 2026, reflecting the change in status.

The company engaged in the design and manufacturing of industrial furnaces and heat-treatment equipment. Its product range includes industrial furnaces, heat-treatment systems, and related equipment..

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statement is prepared under the historical cost convention on the "Accrual Concept" and Going Concern assumptions of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2021 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

The Restated Statement of Assets and Liabilities of the Company for the year ending as on March 31, 2026, March 31, 2025, March 31, 2024 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the financial year ended on March 31, 2026, March 31, 2025, March 31, 2024 and the annexure thereto (collectively, the "**Restated Financial Statements**") have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s S.133 read with S.469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/ materialized.

3. Inventories

Inventories consist of Raw Materials & bought out item, Semi-Finished Goods and Stores & Consumables are valued at Cost or Net Realizable Value, whichever is lower.

4. Cash & cash Equivalents

Cash comprises Cash on hand and Demand Deposits with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

5. Property, Plant and Equipment & Intangible Assets

a) Tangible Assets:

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction is included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

b) Intangible Assets:

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

c) Capital Work in Progress (CWIP)

Capital Work in Progress (CWIP) represents costs incurred on fixed assets that are under construction or not yet ready for use. It's recognized when expenditure is incurred that will bring the asset to a usable condition. CWIP is typically measured at cost and is capitalized upon completion.

6. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

7. Depreciation

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets and depreciation rates as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

8. Accounting for Investments

Investments are classified into current investments and non-current investments.

Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

9. Revenue Recognition

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of goods is recognized at the point of dispatch of goods to customers, sales are exclusive of Sales tax, Vat, GST and Freight Charges if any. The revenue and expenditure are accounted on a going concern basis.

The capital gains on sale of investment if any are recognized on completion of transaction. No notional profits/losses are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

Dividend from investments in shares / units is recognized when the Companies right to receive payment is established.

Other items of Income are accounted as and when the right to receive arises.
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10. Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying property, plants and equipment's are capitalized as a part of cost of that property, plants and equipment's. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 "Borrowing Costs".

Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

11. Retirement Benefits

a) Short-term employee benefits:

Short term employee benefits are recognized as an expense at the undiscounted amounted in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognized as expenses in the period in which the employee renders the related service

b) Post-Employment benefits:

Post-employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

12. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax.

Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act.

13. Deferred Tax -Assets / Liabilities

As per the Prudence Concept, Deferred Tax asset are recognized and carried forward only to the extent that there is reasonable certainty of their realization.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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 tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income realized against future taxable profits. In the situations where the Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognized in respect of timing 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.

At each balance sheet date, the Company re-assesses recognized and unrecognized deferred tax assets. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The Company recognizes unrecognized deferred tax asset 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. Company has not recognized the deferred tax assets in view of prudence as set out in paragraphs L5 to L8 of "AS 22".

14. Foreign Currency Transaction

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the yearend are restated at closing rate.

b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

A. Additional Information to the Financial Statements: -

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
1. CIF/FOB Value of Imports			
- Raw Materials, Stores & Spares Parts	161.93 (Euro : 1,52,513	268.97 (Euro : 2,92,400)	158.27 (Euro: 1,73,938)
2. Expenditure in Foreign Currency			
-In respect of Foreign Travelling	3.15 (AED:2033.41) (USD:3055.34)	4.26 (AED:22.72) (EURO: 1228.80) (USD:5103.00)	6.84 (AED: 2059.00) (EURO:9465.81) (USD:730.00)
3. Earnings in Foreign Currency			
Exports (Freely Convertible Currency)	961.67 (USD :10.96.206)	441.60 (USD: 5,25,626.71)	394.36 (USD: 4,28,340) (EURO: 47,625)
Exports (In Indian Rupees to Nepal)	4.35	-	115.99
Total	**1131.91**	**714.83**	**675.46**

B. Disclosure regarding derivative instruments and unhedged foreign currency exposure.

(₹ in Lakhs)

Disclosure of unhedged balances	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Trade Receivables	168.52 (USD:1,78,038.69)	90.18 (USD : 1,03,473.04)	130.23 (INR: 11,60,975.08) (USD: 1,44,150)
Advance Paid to Suppliers	138.98 (EURO:1,27,500)	6.70 (EURO:7,500)	137.53 (EURO: 1,52,500)
Advance Received From Customers	114.45 (USD:1,20,916)	240.42 (USD:2,83,303)	198.77 (INR: 48,262) (USD: 2,30,701)

15. Provision, Contingent Liabilities and Contingent Assets

A provision is recognized when there exists a present obligation as a result of past events and 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. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

a) Provisions:

A provision is recognized if, as a result of a past event, the Group has a present legal obligation that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.

b) Use of Estimate:

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known / materialize. There is no contingent liabilities at balance sheet date except Bank Guarantees Outstanding amounting to Rs. 248.64 Lakh

16. Events Occurring After Balance Sheet Date

Material events occurring after the balance sheet are considered up to the date of approval of the accounts by the board of directors.

17. Earnings Per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potentially equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

18. Cash Flow:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS

There have been no changes in the accounting policies of the company for the period covered under audit except change in provision for gratuity which needs to be adjusted in the Restated Financial Statement.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. Rupees (₹) are in lakhs except units are in actual numbers wherever required considered accordingly for respective computations.

2. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

3. **Segment Reporting**

   Company engaged in the design and manufacturing of industrial furnaces and heat-treatment equipment. Its product range includes industrial furnaces, heat-treatment systems, and related equipment.

4. **Disclosure under AS - 15 Employee Benefits**

   The benefits payable under this plan are governed by "Gratuity Act 1972". Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the member's length of services and salary at retirement age.

   The following table's summaries the components of net benefit expense recognized in the summary statement of profit or loss and the funded status and amounts recognized in the statement of assets and liabilities for the respective plans:

   The Company has valued its obligations related to Gratuity as follows:

(₹ in Lakhs except units are in actual numbers)

I. ASSUMPTIONS	For the Year Ended on March 31, 2026	For the Year Ended on March 31, 2025	For the Year Ended on March 31, 2024
Discount Rate	6.65 % p.a.	7.19 % p.a.	7.41 % p.a.
Expected Rate of Salary Increase	10.00% p.a.	10.00% p.a.	10.00% p.a.
Attrition Rate	10%	10%	10%
Mortality Rate	IALM (2012-14) ULT	IALM (2012-14) ULT	IALM (2012-14) ULT
Retirement	60 Years	60 Years	60 Years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS	For the Year Ended on	For the Year Ended on	For the Year Ended on

	March 31, 2026	March 31, 2025	March 31, 2024
Defined Benefit Obligation at beginning of the year	80.49	82.52	74.88
Current Service Cost	9.28	7.45	12.15
Interest cost	5.35	5.93	5.55
Liability Transferred			3.10
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(3.31)	2.62	1.15
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Experience Adjustments	2.10	(17.26))	(11.21)
Benefits paid by the company	(0.45)	(0.77)	(3.10)
Defined Benefit Obligation as at end of the year	**93.45**	**80.49**	**82.52**

III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:	**For the Year Ended on March 31, 2026**	**For the Year Ended on March 31, 2025**	**For the Year Ended on March 31, 2024**
Net liability as at beginning of the year	80.49	82.52	74.88
Net expense recognized in the Statement of Profit and Loss	13.42	(1.26)	7.64
Liability Transferred			3.10
Expected Return on Plan Assets	-	-	-
Benefit Directly paid by the Employer	(0.45)	(0.77)	(3.10)
Net liability as at end of the year	**93.45**	**80.49**	**82.52**

IV. EXPENSE RECOGNIZED:	**For the Year Ended on March 31, 2026**	**For the Year Ended on March 31, 2025**	**For the Year Ended on March 31, 2024**
Current Service Cost	9.28	7.45	12.15
Interest Cost	5.35	5.93	5.55
Return on Plan Assets	-	-	-
Actuarial (Gains)/Losses on Obligations	(1.21)	(14.64)	(10.06)
Expense charged to the Statement of Profit and Loss	**13.42**	**(1.26)**	**7.64**

V. BALANCE SHEET RECONCILIATION:	**For the Year Ended on March 31, 2026**	**For the Year Ended on March 31, 2025**	**For the Year Ended on March 31, 2024**

Opening net liability	80.49	82.52	74.88
Expense as above	13.42	(2.03)	7.64
Provision Related to Previous Year booked as Prior Period Items	-	-	-
Return on Plan Assets	-	-	-
Liability Transferred			3.10
Benefits Paid	(0.45)	2.97	(3.10)
Net liability/(asset) recognized in the balance sheet	**93.45**	**80.48**	**82.52**

5. **Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

There are no contingent liabilities as on March 31, 2026 except as mentioned in Annexure-H, for any of the years covered by the statements.

6. **Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2021, as amended, in the Annexure – J of the enclosed Restated financial statements.

7. **Accounting For Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard – 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under.

(₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
WDV as per Companies Act, 2013 (A)	258.72	263.92	195.66
WDV as per Income tax Act, 1961 (B)	290.19	280.13	204.76
Difference in WDV (A-B)	31.47	16.21	9.10
Deferred Tax Asset/(Liability) '(C)	**7.92**	**4.08**	**2.29**
Gratuity and Leave Encashment as per Books (D)	19.58	0.00	13.97
Gratuity and Leave Encashment as per Income Tax Act, 1961 (E)	2.39	2.14	5.62
Difference Gratuity (D-E)	17.19	-2.14	8.35
Deferred Tax Asset/(Liability) '(F)	**4.31**	**-0.54**	**2.10**
Disallowable under section 43B & 36 as per Books (G)	63.92	193.42	114.54
Disallowable under section 43B & 36 as per Income Tax Act, 1961 (H)	193.35	110.04	-
Difference Gratuity (G-H)	-129.43	83.38	114.54
Deferred Tax Asset/(Liability) '(I)	**-32.58**	**20.99**	**28.83**
Restated Closing Balance of Deferred Tax Asset/(Liability)	**-20.34**	**24.53**	**33.22**
Deferred Tax Asset/(Liability) as per Balance sheet of Previous Year	24.53	33.22	3.05
Deferred Tax Asset/(Liability) charged to Profit & Loss	**-44.87**	**-8.69**	**30.17**

8. **Earnings Per Share (AS 20):**
Earnings per Share have been reported below.

(₹ in Lakhs 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
Profit After Tax (PAT)	857.80	504.35	303.32
Less: Preference Dividend	0.00	0.00	0.00
Profit attributable to Equity Shareholders	857.80	504.35	303.32
Number of Equity Shares at the end of year	50,000	50,000	50,000
Number of Equity Shares at the end of year after sub division	5,00,000	5,00,000	5,00,000
Adjustment for Bonus Issue	75,00,000	75,00,000	75,00,000
Adjusted Weighted Average Number of Equity Shares	80,00,000	80,00,000	80,00,000
Basic & Diluted EPS	1,715.59	1,008.70	606.65
Adjusted EPS	10.72	6.30	3.79

9. **MSME**

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
a) The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period - Principle amount - Interest due thereon	334.90	421.00	505.28
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting period;*	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;*	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting period;*	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.*	-	-	-

* The Company has identified and bifurcated its vendors into Micro, Small, and Medium Enterprises (MSMEs) based on information available with the management. However, the Company does not maintain standard granular system logs or an invoice-wise historical tracking mechanism to identify:
(a) The specific principal amounts paid beyond the appointed date/stipulated timelines during the financial year and after the financial year.
(b) The exact amount of statutory compound interest due and payable under Section 16 of the MSMED Act, 2006 for such periods of delay.
(c) The exact amount of interest accrued and remaining unpaid at the end of the financial year.

In the absence of a comprehensive tracking mechanism and invoice-level aging calculations tailored to statutory limits, no provision for interest on delayed payments to MSME vendors has been recognized in the financial statements. The potential financial impact of such interest liabilities remains unquantified as of March 31, 2026, March 31, 2025 and March 31, 2024.

10. **Tittle deeds of immovable property: -**

According to the information and explanations given to us, the records examined by us, the title deed / lease deed of immovable properties included in Property Plant and Equipment are held in the name of company.

11. **Revaluation of property, plants and equipment's and Intangible assets: -**

The company has not revalued its Property, Plant and Equipment and Intangible assets during the reporting periods. The disclosure as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable.

12. **Details of Benami property held: -**

The company does not hold any benami property under the Benami Transaction (prohibition) act, 1988 and the rules there made under. Hence any proceeding has not been initiated or pending against the company for holding any benami property under the Benami Transaction (prohibition) act, 1988 and rules made there under.

13. **Borrowings from bank or financial institution on the basis of current assets: -**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are not in agreement with the books of accounts.

14. **Willful Defaulter: -**

The company has not been declared as willful defaulter by any bank or financial institution or government or government authority during the year reporting period.

15. **Relationship with struck off companies: -**

The company does not have transaction with the struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

16. **Registration of charges or satisfaction with Registrar of companies: -**

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

17. **Compliance with number of layers of companies: -**

The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

18. **Compliance with approved scheme of Arrangements/ Amalgamations: -**

Company does not have made any arrangements/ amalgamations in terms of section 230 to 237 of Companies Act 2013, and hence there is no deviation to be disclosed.

19. **Utilization of borrowed funds and share premium: -**

During the year ended on March 31, 2026, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

i) 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

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

During the year ended on March 31, 2026, 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:

i) 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

ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

20. **Corporate social responsibility (CSR).**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects.

A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
I.	Amount required to be Spent by Company During the Year	8.72	-	-
II.	Amount of Expenditure Incurred	11.1	-	-
III.	(Excess)/ Shortfall at the End of Year	(2.38)	-	-
IV.	Total Previous Year Shortfall	NA	NA	NA
V.	Reason of Shortfall	NA	NA	NA
VI.	Nature of CSR Activities	Donation to CSR Trust / School	NA	NA
VII.	Details of Related Party Transactions, e.g., Contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA	NA
VIII.	Where a provision is made with respect to plexity incurred by entering into a contractual	NA	NA	NA

21. **Undisclosed income**

The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the years 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), unless there is immunity for disclosure under any scheme.

22. **Details of crypto currency and virtual currency.**

The company has not traded or invested in crypto currency or virtual currency during the period.

23. **Intangible assets under development: -**

There are no Intangible assets under development in the current period.

24. **Amounts in the financial statements**

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

25. **Auditors Qualifications –**

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements-NIL

b) Qualification which does not require adjustment in restated financial statements – NIL

26. **Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

27. **Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

ANNEXURE-E

MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

1 Material Regrouping:

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments:

The Summary of results of restatement made in the Audited Financial Statements for the respective period/years and its impact on the profit/(loss) of the Company is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net Profits After Tax as per audited financial statements (A)	**858.61**	**529.10**	**322.53**
Add/(Less) : Adjustments on account of -			
1) Difference on Account of Calculation in Deferred Tax	53.09	10.14	(30.67)
2) Difference on Account of Change in Provision for Tax	(52.29)	17.07	41.80
3) Difference on Account of Change in Provision of Gratuity & Leave Encashment	-	(2.46)	8.08
Total Adjustments (B)	**0.81**	**24.75**	**19.21**
Restated Profit/ (Loss) (A+B)	**857.80**	**504.35**	**303.32**

3. Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

(1) Difference on Account of Calculation in Deferred Tax

Deferred tax was previously calculated in the audited financial statements solely on the temporary differences arising from depreciation on fixed assets.

However, for the purpose of the Restated Financial Statements, deferred tax has been recomputed comprehensively. The revised computation accounts for temporary differences arising between the book values and tax bases of fixed assets (Written Down Value), provisions for gratuity and leave encashment, as well as other allowable and disallowed expenses under the provisions of the Income Tax Act. Consequently, the differential impact of these deferred tax assets and liabilities has been appropriately adjusted in the respective years to which they relate, with a corresponding impact recognized in the restated profits and reserves.

(2) Difference on Account of Change in Provision for Current Tax

Provision for current tax in the previously audited financial statements was estimated on an ad-hoc basis.

For the purpose of the Restated Financial Statements, the provision for current tax has been recomputed accurately for all the respective periods. This calculation is based on the actual taxable income determined in accordance with the provisions of the Income Tax Act, 1961. Consequently, the differential impact of the corrected tax provisions has been appropriately adjusted in the restated profits and reserves of the respective financial years.

(3 Difference on Account of Change in Provision of Gratuity & Leave Encashment

Expenses relating to gratuity and leave encashment were previously recognized in the audited financial statements on a payment basis.

For the purpose of the Restated Financial Statements, these employee benefit obligations have been re-measured on an accrual basis in accordance with the actuarial valuation report as at the end of each respective financial period. Accordingly, the necessary provisions for gratuity and leave encashment have been created for all the periods. The differential impact has been duly adjusted in the restated financial statement of the respective financial years to which the expenses relate.

Reconciliation of Equity

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Equity Share Capital & Reserves & Surplus as per Audited financial Statement	1,807.86	1,071.63	562.53
Add/(Less) : Adjustments on account of change in Profit/Loss	0.81	(24.75)	(19.21)
Add/(Less) : Adjustments on account of change in Restated Adjustments in Capital & Reserves	(37.02)	(114.65)	(95.44)
Total Adjustments	37.83	139.40	114.65
Equity Share Capital & Reserves & Surplus as per Restated Financial Statement	**1770.03**	**932.23**	**447.88**

4. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

a. **Material Regrouping:**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

For, Abhishek Kumar & Associates
Chartered Accountants
Firm Registration Number: 130052W

CA Abhishek Agrawal
Proprietor
Membership Number: 132305

Date: September 29, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
Ace Furnaces Limited
CIN: U29242MH2014PLC253538

Kailash Vishnu Nasta
Director
DIN :01966871

Nitin Jagannath Phirake
Director
DIN :06956475

Mukta Bhansali
Company Secretary
ACS.No: 53040

Ganesh Shankar Srivastav
Chief Financial Officer
PAN: GAAPS9284J

Date: September 29, 2026
Place: Thane

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

ANNEXURE - A.1 : Restated Statement of Share Capital

(₹ in Lakhs except Units in Actual Numbers)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Share Capital			
Authorised Share Capital			
50000 Equity Shares of Rs.100 Each as at March 31, 2026, March 31, 2025 and March 31, 2024	50.00	50.00	50.00
Total	**50.00**	**50.00**	**50.00**
Issued, Subscribed & Fully Paid Up Share Capital			
50000 Equity Shares of Rs.100 Each as at March 31, 2026, March 31, 2025 and March 31, 2024	50.00	50.00	50.00
Total	**50.00**	**50.00**	**50.00**

Note A.1.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

A.1.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period **(₹ in Lakhs except Units in Actual Numbers)**

Name of Shareholder	31-Mar-26		31-Mar-25		31-Mar-24	
	Nos	Amount	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year	50,000	50.00	50,000	50.00	50,000	50.00
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	50000	50.00	50000	50.00	50000	50.00

A.1.2 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Mar-26		31-Mar-25		31-Mar-24	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Kailash Vishnu Nasta	25,000	50.00%	25,000	50.00%	25,000	50.00%
Amjad Ahmed Sheikh	-	0.00%	20,000	40.00%	20,000	40.00%
Nitin Jagannath Phirake	5,000	10.00%	2,500	5.00%	2,500	5.00%
Prashant Dattatray Patil	-	0.00%	2,500	5.00%	2,500	5.00%
Rhea Kailash Nasta	20,000	40.00%	-	0.00%	-	0.00%
Total	**50,000**	**100.00%**	**50,000**	**100.00%**	**50,000**	**100.00%**

Note A.1.2.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

Note A.1.2.2 : As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

A.1.3 Shareholding of Promotors & Promoter Group

Name of Shareholder	31-Mar-26		31-Mar-25		31-Mar-24	
	Nos	% of Holding	Nos	% of Holding	Nos	% of Holding
Kailash Vishnu Nasta	25,000	50.00%	25,000	50.00%	25,000	50.00%
Nitin Jagannath Phirake	5,000	10.00%	2,500	5.00%	2,500	5.00%
Rhea Kailash Nasta	20,000	40.00%	-	0.00%	-	0.00%
Total	**50,000**	**100.00%**	**27,500**	**55.00%**	**27,500**	**55.00%**

Note A.1.3.1 : The above statements should be read with the significant accounting policies and notes to restated summary, profits and losses and cash flows appearing in Annexure A,B,C,D.

A.1.4 % Change in Shareholding of Promotors & Promoter Group during the year

Name of Shareholder	31-Mar-26		31-Mar-25		31-Mar-24	
	Nos	% change during the year	Nos	% change during the year	Nos	% change during the year
Kailash Vishnu Nasta	25,000	0.00%	25,000	0.00%	25,000	0.00%
Nitin Jagannath Phirake	5,000	5.00%	2,500	0.00%	2,500	0.00%
Rhea Kailash Nasta	20,000	40.00%	-	-	-	0.00%
Total	50,000	45.00%	27,500	0.00%	27,500	0.00%

Terms and rights attached to equity shares

Note A.1.1.1 : The company has only one class of equity share having a par value of Rs.100 per share. Each equity share is entitled to one vote per share. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting shall be payable in Indian Rupees. For the year ended March 31, 2026 and March 31, 2025 the amount of per share dividend paid is Rs 40/- and for the year ended March 31, 2023 the amount of per share dividend paid is Rs. 30/- to equity shareholders.

Note A.1.1.2 : 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 the shareholders.

Note A.1.1.3 : Nil equity shares (PY Nil) are held by holding company/ or their subsidiaries/ associates.

Note A.1.1.4 : The Company, vide EGM as on June 01, 2026, has subdivided its 1 equity share having a face value of Rs. 100 each into 10 equity shares having a face value of Rs. 10 each. Consequently, the number of equity shares has increased from 50,000 equity shares to 5,00,000 equity shares. The said sub-division has not resulted in any change in the aggregate paid-up equity share capital of the Company.

Note A.1.1.5 : The Company has, on June 30, 2026, increased its authorized share capital from Rs. 50,00,000 (Rupees Fifty Lakhs only), comprising 50,000 equity shares of Rs. 100 each, to Rs. 15,00,00,000 (Rupees Fifteen Crore only), comprising 1,50,00,000 equity shares of Rs. 10 each.

Note A.1.1.6 : The Company, vide Board meeting as on July 22, 2026, has allotted 75,00,000 (Seventy-Five Lakhs) fully paid-up bonus equity shares of Rs. 10 (Rupees Ten only) each, aggregating to Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakh only), in the ratio of 15:1 [i.e., 15 (Fifteen) fully paid-up equity shares of Rs. 10 (Rupees Ten only) each for every 1 (One) existing fully paid-up equity share of Rs. 10 (Rupees Ten only) each held].
The said bonus issue has resulted in an increase in the aggregate paid-up equity share capital of the Company from Rs. 50,00,000 to Rs. 8,00,00,000.

Note A.1.1.7 : Nil equity shares (PY Nil) are held by holding company/ or their subsidiaries/ associates.

Note A.1.1.8 : The Company has issued Nil shares of Rs 100/- as fully paid up pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the date as at which Balance Sheet is prepared.

Note A.1.1.9 : There are no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

Note A.1.1.10 : There are no securites convertible into equity/preference shares.

Note A.1.1.11 : There are no calls unpaid on any equity shares.

Note A.1.1.12 : Ther are nil no. of shares been forfeited by the company as at the date of Balance Sheet.

ANNEXURE – A.2 : Restated Statement of Reserves and Surplus

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balance in Statement of Profit & Loss			
Balance as at the beginning of the year	882.23	397.88	205.00
Add: Profit for the year	857.80	504.35	303.32
(Less) : Transfer To / From Reserves	-	-	-95.44
(Less) : Issued for Bonus Issue	-	-	-
(Less): Dividend paid	-20.00	-20.00	-15.00
Balance as at the end of the year	**1,720.03**	**882.23**	**397.88**
Total	**1,720.03**	**882.23**	**397.88**

Note A.2.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.3 : Restated Statement of Long Term Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured Loans:			
From Banks & Financial Institutions	190.82	191.81	172.90
From Others	-	-	-
Unsecured Loans:			
From Banks & Financial Institutions	-	87.48	7.10
From Promoters/ Directors/ Promoters Group/ Associates/ Relative of Directors/ Group Companies	-	-	99.00
Less : Current Maturity of Long Term Borrowings	-24.52	-45.04	-35.08
Total	**166.29**	**234.24**	**243.93**

Note A.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

Note A.3.2 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.4 : Restated Statement of Long-Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision For Gratuity	82.66	71.73	74.89
Provision For Leave Encashment	27.92	21.89	20.98
Total	**110.59**	**93.61**	**95.87**

Note A.4.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.5 : Restated Statement of Short Term Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Secured Loans:			
(i) Working Capital Loans	**500.84**	**177.76**	**230.61**
From Banks	500.84	177.76	230.61
Add : Current Maturity of Long Term Borrowings	24.52	45.04	35.08
Total	**525.36**	**222.80**	**265.69**

Note A.5.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.6 : Restated Statement of Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade Payables due to :			
- Micro and Small Enterprises	**334.90**	**421.00**	**505.28**
- Others than Micro and Small Enterprises	**711.02**	**1,014.12**	**751.53**
Others	711.02	1,014.12	751.53
Total	**1,045.92**	**1,435.12**	**1,256.82**

Note A.6.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

Note A.6.2 : Trade payables due to other parties, from the respective invoice dates, are subject to third-party confirmatio

ANNEXURE – A.7 : Restated Statement of Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Statutory Payables	184.54	16.69	174.02
Advance Received from Customer	542.82	972.87	787.85
Expenses Payables	7.67	10.69	57.16
Total	**735.03**	**1,000.25**	**1,019.04**

Note A.7.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.8 : Restated Statement of Short Term Provisions

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity	10.80	8.77	7.63
Provision for Income Tax	3.31	18.56	54.58
Total	**14.11**	**27.33**	**62.21**

Note A.8.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.10 : Restated Statement of Deferred Tax (Assets)/Liabilities (Net)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Deferred Tax Asset			
Related to Fixed Assets	7.92	4.08	2.29
Related to Gratuity and Leave Encashment	4.31	-	2.10
Related to Disallowable under section 43B & 36	-	20.99	28.83
Total (a)			
Deferred Tax Liabilities			
Related to Fixed Assets	-	-	-
Related to Gratuity and Leave Encashment	-32.58	-0.54	-
Related to Disallowable under section 43B & 36	-	-	-
Total (b)			
Net Deferred Tax (Asset)/Liability	**-20.34**	**24.53**	**33.22**

Note A.10.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.11 : Restated Statement of Other Non Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Security Deposits	26.04	19.71	25.41
FD with Bank held as security (Maturity after 12 months)	328.08	-	-
Total	**354.12**	**19.71**	**25.41**

Note A.11.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.12 : Restated Statement of Inventories

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Stock of Raw Material and Boughtout Items	335.66	764.85	175.05
Stock of Semi Finished Goods	150.12	277.01	61.55
Stock of Stores & Conumables	23.03	54.60	103.19
Total	**508.81**	**1,096.45**	**339.78**

Note A.12.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.13 : Restated Statement of Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Outstanding for a period exceeding six months (Unsecured and considered Good)	**518.28**	**648.33**	**667.64**
- From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.			
- Others	518.28	648.33	667.64
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)	**2,169.19**	**1,136.81**	**1,471.75**
- From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.			
- Others	2,169.19	1,136.81	1,471.75
Total	**2,687.47**	**1,785.14**	**2,139.39**

Note A.13.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

Note A.13.2 : Trade Receivables are subject to Third Party Confirmation.

Note A.13.3 : The balance of Trade Receivables has been determined after offsetting the outstanding bill discounting amounts recorded in the Company's books.

ANNEXURE – A.14 : Restated Statement of Cash and Cash Equivalents

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Cash & Cash Equivalents			
Cash in hand	0.73	1.80	0.41
FD with Bank held as security (Maturity within 3 months)	-	105.69	161.88
Balances with Banks:			
In Current Accounts	1.04	0.70	50.72
Other Bank Balances			
FD with Bank held as security	284.88	466.20	153.24
(Maturity more than 3 months but less than 12 months)			
Total	**286.65**	**574.39**	**366.25**

Note A.14.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.15 : Restated Statement of Short Term Loans and Advances

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Advance to suppliers	279.53	176.63	266.17
Advance to Staff	9.02	-	1.83
Total	**288.55**	**176.63**	**268.00**

Note A.15.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – A.16 : Restated Statement of Other Current Assets

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balances With Revenue Authorities	0.35	3.47	6.29
Balances Receivable from Banks	-	0.44	16.17
Preliminary Expense	0.16	0.18	0.20
Prepaid expenses	2.84	0.70	1.05
Fixed Deposit with bank			
Total	**3.35**	**4.80**	**23.71**

Note A.16.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.1: Restated Statement of Revenue from Operations

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Revenue From Operations:			
Export	966.02	546.17	510.34
Domestic	9,113.98	8,218.73	7,604.89
Total	**10,080.00**	**8,764.90**	**8,115.23**

Note B.1.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

SUB ANNEXURE – B.1.A: Bifurcation of Revenue Main Product Wise

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Export	**966.02**	**546.17**	**510.34**
Bell Furnace	-	89.88	169.31
Bell Spare	-	11.62	117.59
Reheat Furnace	-	-	-
Reheating spare	15.18	5.01	71.46
Heat-Treatment Furnace	874.00	425.41	104.95
Heat-Treatment Spares	-	-	28.36
Services for bell	-	9.08	-
Services for reheat	76.84	-	5.14
Services for Heat-Treatment Furnace	-	5.17	13.53
Domestic	**9,113.98**	**8,218.73**	**7,604.89**
Bell Furnace	3,344.94	2,274.25	2,454.56
Bell Spare	407.33	287.12	241.14
Reheating Furnace	2,213.15	861.14	498.92
Reheating spare	46.59	148.10	301.38
Heat-Treatment Furnace	1,364.40	4,252.10	3,495.44
Heat-Treatment Spares	43.15	206.60	451.04
Scrap	2.59	5.18	8.85
Soaking Pit Furnace	1,338.25	-	-
Services for bell	71.17	101.32	40.29
Services for reheat	278.83	39.70	53.19
Services for Heat-Treatment Furnace	3.58	43.22	60.10
Total	**10,080.00**	**8,764.90**	**8,115.23**

Note B.1.A.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

SUB ANNEXURE – B.1.B: Bifurcation of Revenue Area Wise

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Export	**966.02**	**546.17**	**510.34**
USA	840.58	-	143.13
Dubai	-	425.41	133.58
Egypt	-	-	13.25
Nepal	4.36	104.57	115.99
Turkey	-	-	13.27
Malyasia	-	8.10	17.41
Western Africa (Ghana)	-	3.08	-
South Africa	121.08	5.01	73.71
Domestic	**9,113.98**	**8,218.73**	**7,604.89**
Maharashtra	3,391.88	2,742.21	1,664.00
Gujarat	163.36	1,009.97	722.65
Uttar Pradesh	270.17	517.31	978.64
Karnataka	276.12	-	290.50
Tamilnadu	273.61	256.40	958.29
West Bengal	381.78	1,026.01	400.46
Telangana	11.31	135.61	21.92
Chhattisgarh	513.12	7.63	391.41
Jharkhand	57.56	8.94	12.34
Haryana	2,149.41	2,015.09	1,285.64
Rajasthan	0.32	64.94	82.99
Odisha	80.41	221.80	309.95
Punjab	1,062.41	189.29	486.10
Madhya Pradesh	394.14	7.10	-
Uttarakhand	-	16.43	-
Himachal Pradesh	6.30	-	-
Tripura	82.08	-	-
Total	**10,080.00**	**8,764.90**	**8,115.23**

Note B.1.B.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.2 : Restated Statement of Other Income

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest Income	20.07	31.88	13.41
Foreign Exchange Fluctuations	6.58	0.64	12.95
Export Incentive Receipt	14.50	3.00	6.83
Total	**41.15**	**35.52**	**33.19**

Note B.2.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

Note B.2.2 : Othe incomes does not include the write off balances.

ANNEXURE – B.3 : Restated Statement of Cost of Material Consumed

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Stock of Raw Material and Boughtout Items	764.85	175.05	340.49
Add: Purchases of Raw Material and Boughtout Items During the Period	6,072.68	6,474.21	5,414.26
Less: Closing Stock of Raw Material and Boughtout Items	-335.66	-764.85	-175.05
Subtotal (A)	**6,501.86**	**5,884.40**	**5,579.71**
Opening Stock of Stores & Consumables	54.60	103.19	11.00
Add: Purchases of Stores & Consumables During the Period	61.53	155.61	96.04
Less: Closing Stock of Stores & Consumables	-23.03	-54.60	-103.19
Subtotal (B)	**93.10**	**204.19**	**3.85**
Grand Total	**6,594.96**	**6,088.60**	**5,583.56**

Note B.3.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.4 : Restated Statement of Change in Inventories of Finished Goods and Work-in-Progress

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Stock of WIP	277.01	61.55	342.50
Closing Stock of WIP	150.12	277.01	61.55
Total	**-126.89**	**215.46**	**-280.95**

Note B.4.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.5 : Restated Statement of Employee Benefit Expense

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(i) Salaries and Wages	388.54	477.36	333.54
(ii) PF/ESIC	20.54	22.19	16.93
(iii) Gratuity	13.42	-1.26	7.63
(iv) Director Remuneration	150.18	216.96	132.24
(v) Staff welfare expenses	6.16	1.27	6.34
(vi) Leave Encashment	6.04	0.91	6.06
Total	**584.88**	**717.43**	**502.74**

Note B.5.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.6 : Restated Statement of Finance costs

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(i) Interest Expense	35.67	37.80	27.17
Interest on Bank CC/OD	15.55	9.91	7.97
Interest Expenses - Term Loan/ Others	20.12	27.89	19.20
(ii) Bank Charges / Other Finance Charges	45.11	29.17	21.65
Total	**80.78**	**66.97**	**48.82**

Note B.6.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

Note B.6.2 : Other financial charges include the interest expense paid to the suppliers for the delayed payments.

ANNEXURE – B.7 : Restated Statement of Depreciation & Amortization

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Depreciation & Amortization	68.56	50.20	30.97
Total	**68.56**	**50.20**	**30.97**

Note B.7.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.8 : Restated Statement of Other Expenses

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Direct Expenses	**698.80**	**743.92**	**639.57**
Factory Expense	6.48	4.25	3.10
Custom Duty Charge	21.79	22.87	23.10
Electricity expense - Factory	8.00	9.74	15.76
Installation & Material Expenses	29.36	48.55	55.60
Freight Inward Charges	26.54	29.45	34.03
Labour Expenses	606.64	629.05	507.98
Indirect Expenses	**789.56**	**628.94**	**647.25**
Advertisement & Business Promotion Expenses	34.08	19.12	15.51
Printing and Stationary Expenses	2.55	3.42	-
Travelling & Conveyance Expenses	76.37	158.20	129.24
CSR Expenditure	8.72	-	-
Commission expenses	82.29	76.60	119.54
Insurance Expenses	7.04	6.61	7.33
Security charges	5.24	-	-
Factory-Repair & Maintenance	3.13	10.69	3.05
Rent Expenses-Factory	55.30	39.33	39.24
Telephone and Internet Expenses	3.92	6.27	6.14
Loading & Unloading Expense	11.36	1.83	-
Freight Outward Charges	153.95	98.83	94.86
Import Export Expenses	9.22	14.86	32.81
Legal & Professional Expenses	73.27	67.33	53.83
Office Expenses	36.39	50.11	59.03
Rates & Taxes	10.21	9.72	12.80
Repair & Maintenance-Vehicle	14.98	11.28	14.47
Rent Expenses-Office	4.50	18.00	14.08
Discount & Written off Balances	190.41	29.87	21.32
Electricity Expenses - Office	1.17	1.58	1.49
Audit Fees	5.00	2.50	2.50
Interest & Late Payment Fees	0.46	2.79	20.02
Grand Total	**1,488.37**	**1,372.86**	**1,286.82**

Payments to the auditor			
Particulars	**As at March 31, 2026**	**As at March 31, 2025**	**As at March 31, 2024**
1. Payments for Statutory Audit	5.00	2.50	2.50
2. For Taxation matters	-	-	-
3. For Company law matters	-	-	-
4. For Management Services			
5. For other services	-	-	-
6. For Reimbursement of expenses	-	-	-

Note B.8.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ANNEXURE – B.9 : Restated Statement of Deferred Tax (Assets)/Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
WDV as per Companies Act, 2013 (A)	258.72	263.92	195.66
WDV as per Income tax Act, 1961 (B)	290.19	280.13	204.76
Difference in WDV (A-B)	31.47	16.21	9.10
Deferred Tax Asset/(Liability) '(C)	**7.92**	**4.08**	**2.29**
Gratuity and Leave Encashment as per Books (D)	19.58	0.00	13.97
Gratuity and Leave Encashment as per Income Tax Act, 1961 (E)	2.39	2.14	5.62
Difference Gratuity (D-E)	17.19	-2.14	8.35
Deferred Tax Asset/(Liability) '(F)	**4.31**	**-0.54**	**2.10**
Disallowable under section 43B & 36 as per Books (G)	63.92	193.42	114.54
Disallowable under section 43B & 36 as per Income Tax Act, 1961 (H)	193.35	110.04	-
Difference Gratuity (G-H)	-129.43	83.38	114.54
Deferred Tax Asset/(Liability) '(I)	**-32.58**	**20.99**	**28.83**
Restated Closing Balance of Deferred Tax Asset/(Liability)	**-20.34**	**24.53**	**33.22**
Deferred Tax Asset/(Liability) as per Balance sheet of Previous Year	24.53	33.22	3.05
Deferred Tax Asset/(Liability) charged to Profit & Loss	**-44.87**	**-8.69**	**30.17**

Note B.9.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ACE FURNACES PRIVATE LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)

(CIN –U29242MH2014PLC253538)

ANNEXURE – 9 Property, Plant and Equipment (₹ in Lakhs)

As at March 31, 2026

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2025	Additions	Deletion	As at March 31, 2026	As at April 1, 2025	Depreciation for the period	Deletion	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026
Tangible Assets	**576.91**	**81.28**	**17.93**	**640.27**	**317.13**	**65.99**	**-**	**383.12**	**259.78**	**257.14**
Air Conditioner	14.27	0.36	-	14.63	10.40	1.01	-	11.41	3.87	3.21
CCTV Camera	1.92	1.36	-	3.28	0.28	0.58	-	0.87	1.63	2.41
Computers & Accessories	93.36	10.75	-	104.11	76.99	12.15	-	89.14	16.37	14.97
Cooler	0.06	-	-	0.06	0.04	0.00	-	0.04	0.02	0.01
DSLR Camera	1.00	-	-	1.00	0.72	0.07	-	0.79	0.28	0.21
Furniture & Fixtures	42.73	0.53	-	43.26	35.32	2.03	-	37.35	7.41	5.92
Inverter & Batteries	-	0.39	-	0.39	-	0.06	-	0.06	-	0.33
Mobile Phone	11.38	3.38	-	14.76	4.28	1.95	-	6.24	7.10	8.52
Motor Bike	0.61	-	-	0.61	0.58	0.01	-	0.59	0.03	0.02
Motor Car	213.52	54.63	17.93	250.22	117.89	39.97	-	157.86	95.62	92.36
Office Cabin & Container	2.08	2.99	-	5.07	0.48	0.56	-	1.04	1.61	4.03
Office Equipments	1.31	-	-	1.31	1.28	0.01	-	1.29	0.03	0.01
Office Premises (At Wagle Estate Lodha)	174.88	-	-	174.88	56.10	5.78	-	61.89	118.77	112.99
Plant And Machinery	16.08	6.72	-	22.80	10.28	1.46	-	11.74	5.80	11.06
Refrigerator	0.64	-	-	0.64	0.47	0.04	-	0.51	0.17	0.13
Television	2.73	0.18	-	2.92	1.81	0.26	-	2.06	0.93	0.85
Washing Machine	0.28	-	-	0.28	0.20	0.02	-	0.22	0.08	0.06
Water Dispesner	0.07	-	-	0.07	0.00	0.02	-	0.02	0.06	0.05
Intangible Assets	**10.15**	**-**	**-**	**10.15**	**6.00**	**2.57**	**-**	**8.57**	**4.15**	**1.58**
Solidworks- Software	5.65	-	-	5.65	1.71	2.49	-	4.20	3.94	1.45
Servers And Networks-Office	4.50	-	-	4.50	4.29	0.08	-	4.37	0.21	0.13
Total	**587.05**	**81.28**	**17.93**	**650.41**	**323.13**	**68.56**	**-**	**391.69**	**263.92**	**258.72**

As at March 31, 2025										
Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2024	Additions	Deletion	As at March 31, 2025	As at April 1, 2024	Depreciation for the period	Deletion	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025
Tangible Assets	**464.09**	**114.17**	**1.35**	**576.91**	**268.77**	**48.36**	**-**	**317.13**	**195.32**	**259.78**
Air Conditioner	14.04	0.23	-	14.27	9.06	1.34	-	10.40	4.98	3.87
CCTV Camera	-	1.92	-	1.92	-	0.28	-	0.28	-	1.63
Computers & Accessories	74.32	19.04	-	93.36	63.96	13.03	-	76.99	10.36	16.37
Cooler	0.06	-	-	0.06	0.03	0.01	-	0.04	0.02	0.02
DSLR Camera	1.00	-	-	1.00	0.62	0.10	-	0.72	0.38	0.28
Furniture & Fixtures	39.90	2.83	-	42.73	33.72	1.60	-	35.32	6.19	7.41
Mobile Phone	10.04	1.35	-	11.38	2.48	1.81	-	4.28	7.56	7.10
Motor Bike	0.61	-	-	0.61	0.57	0.01	-	0.58	0.04	0.03
Motor Car	130.87	83.99	1.35	213.52	95.80	22.09	-	117.89	35.07	95.62
Office Cabin & Container	-	2.08	-	2.08	-	0.48	-	0.48	-	1.61
Office Equipments	1.31	-	-	1.31	1.26	0.02	-	1.28	0.05	0.03
Office Primises (At Wagle Estate Lodha)	174.88	-	-	174.88	50.02	6.08	-	56.10	124.85	118.77
Plant And Machinery	13.42	2.66	-	16.08	9.19	1.09	-	10.28	4.23	5.80
Refrigerator	0.64	-	-	0.64	0.41	0.06	-	0.47	0.23	0.17
Television	2.73	-	-	2.73	1.48	0.32	-	1.81	1.25	0.93
Washing Machine	0.28	-	-	0.28	0.17	0.03	-	0.20	0.11	0.08
Water Dispesner	-	0.07	-	0.07	-	0.00	-	0.00	-	0.06
Intangible Assets	**4.50**	**5.65**	**-**	**10.15**	**4.15**	**1.84**	**-**	**6.00**	**0.34**	**4.15**
Solidworks- Software	-	5.65	-	5.65	-	1.71	-	1.71	-	3.94
Servers And Networks-Office	4.50	-	-	4.50	4.15	0.13	-	4.29	0.34	0.21
Total	**468.58**	**119.82**	**1.35**	**587.05**	**272.93**	**50.20**	**-**	**323.13**	**195.66**	**263.92**

As at March 31, 2024										
	Gross Block				Accumulated Depreciation				Net Block	
Particulars	Balance as at April 1, 2023	Additions	Deletion/Sale	As at March 31, 2024	Balance as at April 1, 2023	Depreciation charge for the period	Deletion-Sale/Loss	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024
Tangible Assets	**421.41**	**42.68**	**-**	**464.09**	**238.03**	**30.75**	**-**	**268.77**	**183.39**	**195.32**
Air Conditioner	14.04	-	-	14.04	7.32	1.74	-	9.06	6.72	4.98
Computers & Accessories	67.33	6.99	-	74.32	54.85	9.11	-	63.96	12.48	10.36
Cooler	0.06	-	-	0.06	0.03	0.01	-	0.03	0.031	0.02
Dslr Camera	1.00	-	-	1.00	0.49	0.13	-	0.62	0.51	0.38
Furniture & Fixtures	39.90	-	-	39.90	31.56	2.16	-	33.72	8.35	6.19
Mobile Phone	4.67	5.36	-	10.04	1.49	0.99	-	2.48	3.18	7.56
Motor Bike	0.61	-	-	0.61	0.56	0.01	-	0.57	0.05	0.04
Motor Car	100.87	30.00	-	130.87	87.10	8.71	-	95.80	13.78	35.07
Office Equipments	1.31	-	-	1.31	1.22	0.04	-	1.26	0.09	0.05
Office Primises (At Wagle Estate Lodha)	174.88	-	-	174.88	43.63	6.39	-	50.02	131.25	124.85
Plant And Machinery	13.42	-	-	13.42	8.26	0.93	-	9.19	5.16	4.23
Refrigerator	0.64	-	-	0.64	0.33	0.08	-	0.41	0.31	0.23
Television	2.41	0.33	-	2.73	1.08	0.40	-	1.48	1.33	1.25
Washing Machine	0.28	-	-	0.28	0.13	0.04	-	0.17	0.14	0.11
Intangible Assets	4.50	-	-	4.50	3.93	0.22	-	4.15	0.56	0.34
Servers And Networks-Office	4.50	-	-	4.50	3.93	0.22	-	4.15	0.56	0.34
Total	**425.91**	**42.68**	**-**	**468.58**	**241.96**	**30.97**	**-**	**272.93**	**183.95**	**195.66**

ACE FURNACES LIMITED
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ANNEXURE – A.3.3

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS (₹ in Lakhs)

Name of Lender	Purpose	Sanctioned Amount	Securities offered	Rate of Interest (Per Annum)	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.03.2026
Mercedes Benz Financial Services India Private Limited	Car Loan	₹ 115.05	**Collateral Securities:** The Company has availed two car loans from Mercedes-Benz Financial Services India Private Limited, aggregating to₹115.05 lakh. The loans are secured by hypothecation of the respective vehicles and are repayable in monthly instalments as follows: A loan of ₹48.05 lakh is repayable in 60 monthly instalments of ₹98,017 each. A loan of ₹67.00 lakh is repayable in 84 monthly instalments of ₹1,06,774 each.	7.77%	60 monthly instalments of Rs.98,017/-, starting from 04/06/2025	NA	₹ 98.51
				8.69%	84 monthly instalments of Rs.1,06,774/-, starting from 04/12/2024	NA	
ICICI Bank	Overdraft	Fund Based Facility- 650.00	**Primary Security for facilities** Exclusive charge over the Current Assets of Ace Furnaces Private Limited. **Collateral Security for all facilities** Immovable Fixed Assets: Exclusive charge over Office No. 130, First Floor, MIDC Wagle Estate, Road No. 22, Lodha Supremus 2, Thane, Maharashtra – 400604	9.00%	Repayable on Demand	NA	₹ 500.84
	Packing credit in Foreign Currency Sublimit of Overdraft				90 Days	NA	
	Post shipment credit in Foreign Currency Sublimit of Overdraft		Fixed Deposit: Exclusive charge over Fixed Deposit (Others) of Ace Furnaces Private Limited; however, specific FD details are not mentioned in the security schedule.		90 Days	NA	
	Export credit in Foreign Currency Sublimit of Overdraft		Personal Guarantees: Personal guarantees of Rhea Kailash Nasta, Nitin Jagannath Phirake and Kailash Vishnu Nasta are to be provided upfront.		90 Days	NA	
	Bank Guarantee (Performance)		For the Rupee Term Loan specifically: the document shows an exclusive charge over the Office/immovable fixed asset at Thane and the Lonavala flat. The Current Assets and Fixed Deposit are also shown in the overall security schedule against other facilities.	1.15% p.a	48 months	NA	
	Bank Guarantee (Financial) Sublimit of Overdraft	Non Fund Based Facility 900.00		1.15% p.a	48 months	NA	
	Bank Guarantee (Financial) 1 Sublimit of Bank Guarantee (Performance)			1.15% p.a	60 months	NA	
	Counter Bank Guarantee Sublimit of Bank Guarantee (Performance)			Rs.25000 plus applicable taxes	60 months	NA	
	Derivative			10% of LEV limit	12 Months	NA	
	Rupee Term Loan	₹ 92.90		9.25%	156 monthly instalments	NA	₹ 92.31

Note A.3.3.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ACE FURNACES LIMITED
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ANNEXURE – E : STATEMENT OF MATERIAL ADJUSTMENT TO THE RESTATED FINANCIAL STATEMENT

1 Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2. Material Adjustments :

The Summary of results of restatement made in the Audited Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net Profits After Tax as per audited financial statements (A)	**858.61**	**529.10**	**322.53**
Add/(Less) : Adjustments on account of -			
1) Difference on Account of Calculation in Deferred Tax	53.09	10.14	(30.67)
2) Difference on Account of Change in Provision for Tax	(52.29)	17.07	41.80
3) Difference on Account of Change in Provision of Gratuity & Leave Encashment	-	(2.46)	8.08
Total Adjustments (B)	**0.81**	**24.75**	**19.21**
Restated Profit/ (Loss) (A+B)	**857.80**	**504.35**	**303.32**

3. Notes on Material Adjustments pertaining to prior years

(1) Difference on Account of Calculation in Deferred Tax

Deferred tax was previously calculated in the audited financial statements solely on the temporary differences arising from depreciation on fixed assets. However, for the purpose of the Restated Financial Statements, deferred tax has been recomputed comprehensively. The revised computation accounts for temporary differences arising between the book values and tax bases of fixed assets (Written Down Value), provisions for gratuity and leave encashment, as well as other allowable and disallowed expenses under the provisions of the Income Tax Act.Consequently, the differential impact of these deferred tax assets and liabilities has been appropriately adjusted in the respective years to which they relate, with a corresponding impact recognized in the restated profits and reserves.

(2) Difference on Account of Change in Provision for Current Tax

Provision for current tax in the previously audited financial statements was estimated on an ad-hoc basis.For the purpose of the Restated Financial Statements, the provision for current tax has been recomputed accurately for all the respective periods. This calculation is based on the actual taxable income determined in accordance with the provisions of the Income Tax Act, 1961. Consequently, the differential impact of the corrected tax provisions has been appropriately adjusted in the restated profits and reserves of the respective financial years.

(3 Difference on Account of Change in Provision of Gratuity & Leave Encashment

Expenses relating to gratuity and leave encashment were previously recognized in the audited financial statements on a payment basis.
For the purpose of the Restated Financial Statements, these employee benefit obligations have been re-measured on an accrual basis in accordance with the actuarial valuation report as at the end of each respective financial period. Accordingly, the necessary provisions for gratuity and leave encashment have been created for all the periods.The differential impact has been duly adjusted in the restated financial statement of the respective financial years to which the expenses relate.

E2. Reconciliation Statement between Restated Reserve & Surplus affecting Equity due to Adjustment made in Restated Financial Statements:

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Equity Share Capital & Reserves & Surplus as per Audited financial Statement	1,807.86	1,071.63	562.53
Add/(Less) : Adjustments on account of change in Profit/Loss	0.81	(24.75)	(19.21)
Add/(Less) : Adjustments on account of change in Restated Adjustments in Capital & Reserves	(37.02)	(114.65)	(95.44)
Total Adjustments	37.83	139.40	114.65
Equity Share Capital & Reserves & Surplus as per Restated Financial Statement	**1,770.03**	**932.23**	**447.88**

ACE FURNACES LIMITED

(Formerly, ACE FURNACES PRIVATE LIMITED)
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ANNEXURE - F : RESTATED STATEMENT OF TAX SHELTERS

(₹ in Lakhs)

Sr. No	Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31,2024
1	**Restated Profit before tax**	1,176.71	719.82	414.55
	Short Term Capital Gain at special rate	0.00	0.00	0.00
	Normal Corporate Tax Rates (%)	25.17%	25.17%	25.17%
	Short Term Capital Gain at special rate	0.00%	0.00%	0.00%
	MAT Tax Rates (%)	0.00%	0.00%	0.00%
2	**Tax thereon (including surcharge and education cess)**			
	Tax on normal profits	296.16	181.17	104.33
	Short Term Capital Gain at special rate	0.00	0.00	0.00
	Total	**296.16**	**181.17**	**104.33**
	Adjustments:			
3	**Permanent Differences**			
	Deduction allowed under Income Tax Act	0.00	0.00	0.00
	Exempt Income	0.00	0.00	0.00
	Allowance of Expenses under the Income Tax Act Section 35	0.00	0.00	0.00
	Disallowance of Income under the Income Tax Act	0.00	0.00	0.00
	Disallowance of Expenses under the Income Tax Act	0.00	0.00	0.00
	Total Permanent Differences	**0.00**	**0.00**	**0.00**
4	**Timing Differences**			
	Difference between Depreciation as per Income tax, 1961 and Companies Act 2013	15.25	5.75	-1.97
	Expense disallowed u/s 36 & 43B	64.38	193.43	114.54
	Expense disallowed u/s Section 43B(f)	6.04	0.91	6.06
	Expense disallowed u/s Section 40A(7)	13.42	-1.26	7.63
	Expense disallowed u/s Section 37(1)	8.72	0.00	0.00
	Expense allowed u/s Section 43B(b)	-0.45	-1.34	-3.10
	Expense allowed u/s Section 43B(f)	-1.94	-0.80	-2.52
	Expense allowed u/s Section 43B	-193.35	-110.04	0.00
	Total Timing Differences	**-87.94**	**86.65**	**120.64**
5	**Net Adjustments 5= (3+4)**	**-87.94**	**86.65**	**120.64**
6	**Tax expense/(saving) thereon**	-22.13	21.83	30.37
7	**Total Income/(loss) (1+5)**	**1,088.77**	**806.47**	**535.19**
	Taxable Income/ (Loss) as per MAT	0.00	0.00	0.00
8	**Income Tax as per normal provision**	274.04	202.99	134.71
9	**Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act**	0.00	0.00	0.00
	Net Tax Expenses (Higher of 8,9)	274.04	202.99	134.71
10	Relief u/s 90/91	0.00	0.00	0.00
	Total Current Tax Expenses	**274.04**	**202.99**	**134.71**
11	Adjustment for Interest on income tax/ others	0.00	3.80	6.69
	Total Current Tax Expenses	**274.04**	**206.79**	**141.39**

Note F.1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

ACE FURNACES LIMITED
(Formerly, ACE FURNACES PRIVATE LIMITED)

CIN: U29242MH2014PLC253538

ANNEXURE - G : RESTATED STATEMENT OF CAPITALISATION

(₹ in Lakhs excepts ratios)

Sr. No	Particulars	Pre issue *	Post issue
1	**Non-current borrowings (including current maturities of long-term debt):**		
	Secured	166.29	[●]
	Unsecured	-	[●]
	Non-current borrowings	**166.29**	[●]
	Add: Current Maturities of Long-term Borrowings	24.52	[●]
(A)	**Total Non-current borrowings (incl. current maturities of long-term debt)**	**190.82**	[●]
2	**Current borrowings**		
	Secured	525.36	[●]
	Unsecured	-	[●]
	Current borrowings	**525.36**	[●]
	Less: Current Maturities of Long-term Borrowings	24.52	[●]
(B)	**Total Current borrowings**	**500.84**	[●]
(C)	**Total Debt (C = A + B)**	**691.66**	[●]
3	**Shareholders' funds:**		
I	Equity Share Capital	50.00	[●]
II	Other Equity	1,720.03	[●]
(D)	**Total Equity**	**1,770.03**	[●]
	Total Capitalisation (C + D)	**2,461.69**	[●]
	Key Ratios:		
	Non-current borrowings / Total Equity (A / D)	0.11	[●]
	Total Debt / Total Equity (C / D)	0.39	[●]

Notes :

1. The amounts are considered outstanding as on March 31, 2026

2. The Company, as on June 01, 2026, has subdivided its 1 equity share having a face value of Rs. 100 each into 10 equity shares having a face value of Rs. 10 each. Consequently, the number of equity shares has increased from 50,000 equity shares to 5,00,000 equity shares. The said sub-division has not resulted in any change in the aggregate paid-up equity share capital of the Company.

3 : As on July 22, 2026, the Company has allotted 75,00,000 (Seventy-Five Lakhs) fully paid-up bonus equity shares of Rs. 10 (Rupees Ten only) each, aggregating to Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakh only), in the ratio of 15:1 [i.e., 15 (Fifteen) fully paid-up equity shares of Rs. 10 (Rupees Ten only) each for every 1 (One) existing fully paid-up equity share of Rs. 10 (Rupees Ten only) each held].
The said bonus issue has resulted in an increase in the aggregate paid-up equity share capital of the Company from Rs. 50,00,000 to Rs. 8,00,00,000.

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ANNEXURE - H : RESTATED STATEMENT OF CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Bank Guarantees Outstanding*	259.24	398.60	287.60
2. Income Tax Demand	1.70	1.70	1.70
3. TDS Demands**	8.83	4.45	4.14
4. GST Demand***	-	-	-
Total	**269.77**	**404.75**	**293.44**

Note: * Subsequent to the balance sheet date, the Company has been issued fresh Bank Guarantees amounting to ₹ 327.62 Lakh between April 1, 2026, and the date of approval of these Restated Financial Statements, in the ordinary course of business. There is no financial impact of this event on the financial statements for the year ended March 31, 2026.

** TDS demand includes short payment/Non payment alongwith interest and penalty for FY 2026-27 amounts to Rs 3.40 Lakhs which is not included.

*** The Company has received notices from the GST Department under Form ASMT-10 for FY 2023-24, proposing tax liabilities, including interest, of ₹7.43 lakhs and ₹6.00 lakhs respectively and Form DRC 01 for FY 2021-22, proposing tax liabilities of ₹ 0.20 Lakh. The Company has furnished its replies to the notices and is awaiting further communication from the department.

ANNEXURE - I : RESTATED STATEMENT OF ACCOUNTING RATIOS

(Amount in Lakhs except Units in Actual Numbers)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Restated PAT as per P& L Account	**857.80**	**504.35**	**303.32**
Add: Depreciation	68.56	50.20	30.97
Add: Finance Cost	80.78	66.97	48.82
Add: Income Tax/Deferred Tax	318.92	215.47	111.23
(Less): Other Non Operating Income	20.07	31.88	13.41
EBITDA	**1,305.99**	**805.12**	**480.93**
EBITDA Margin (%)	**12.96%**	**9.19%**	**5.93%**
Net Worth	**1,769.86**	**932.05**	**447.68**
Return on Net Worth (%)	**48.47%**	**54.11%**	**67.75%**
Actual No. of Equity Shares outstanding at the end of the period	50,000	50,000	50,000
Weighted Average Number of Equity Shares at the end of the Period - Pre Bonus	**5,00,000**	**5,00,000**	**5,00,000**
Weighted Average Number of Equity Shares at the end of the Period (Note - I.2) - Post Bonus	**80,00,000**	**80,00,000**	**80,00,000**

Earnings Per Share:			
Basic EPS & Diluted EPS (Pre Bonus)*	1,715.59	1,008.70	606.65
Basic EPS & Diluted EPS (Post Bonus)*	1,715.59	1,008.70	606.65
Adjusted EPS (Pre Bonus post sub division)	171.56	100.87	60.66
Adjusted EPS (Post Bonus)	10.72	6.30	3.79
Actual No. of Equity Shares outstanding - Pre Bonus	**5,00,000**	**5,00,000**	**5,00,000**
Actual No. of Equity Shares outstanding- Post Bonus	**80,00,000**	**80,00,000**	**80,00,000**
Net Asset Value Per Share			
Actual No. of Equity Shares outstanding at the end of the period	3,539.73	1,864.10	895.36
Actual No. of Equity Shares outstanding at the end of the period (after considering Bonus & Subdivision impact with retrospective effect)	22.12	11.65	5.60
Nominal Value per Equity share (Rs.)	**100.00**	**100.00**	**100.00**

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

I.1 The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

I.2 Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares.

I.3 Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

I.4 Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Preliminary Expenses to the extent not written-off.

I.5 The figures disclosed above are based on the Restated Financial Statements of the Company.

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ANNEXURE - J(i) : RESTATED STATEMENT OF RELATED PARTY DISCLOSURES

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2014, following are details of transactions during the year with related parties of the company as defined in AS 18.

i. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties	Nature of Relationship
Key Management Personnel's / Related Party	Mr. Kailash Vishnu Nasta	Managing Director
	Mr. Nitin Jagannath Phirake	Whole-Time Director
	Mrs. Rhea Kailash Nasta	Whole-Time Director (Appointed as on April 02, 2025)
	Mr. Hriday Nasta	Relative of Director
	Ms. Meher Nasta	Relative of Director
	Mr. Navneet Phirake	Relative of Director

Note J(i).1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E.

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ANNEXURE - J(ii) - Transactions carried out with related parties referred to in (i) above, in ordinary course of business:

Nature of Transactions	Name of Related Parties	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Directors Remuneration	Mr. Kailash Vishnu Nasta	91.80	79.20	48.00
	Mr. Amjad Ahmed Sheikh	-	79.20	48.00
	Mr. Nitin Jagannath Phirake	28.38	24.18	18.12
	Mr. Prashant Dattatray Patil	-	34.38	18.12
	Mrs. Rhea Kailash Nasta	30.00	-	-
	Total	**150.18**	**216.96**	**132.24**
2. Commission Expenses	Mr. Kailash Vishnu Nasta	-	-	40.58
	Mr. Amjad Ahmed Sheikh	-	-	32.46
	Mr. Nitin Jagannath Phirake	-	-	4.06
	Mr. Prashant Dattatray Patil	-	-	4.06
	Total	**-**	**-**	**81.15**
3. Reimburesement of Expenses	Mr. Kailash Vishnu Nasta	-	14.93	21.79
	Mr. Amjad Ahmed Sheikh	-	3.32	12.02
	Mr. Nitin Jagannath Phirake	-	5.78	17.09
	Mr. Prashant Dattatray Patil	-	10.73	18.85
	Total	**-**	**34.77**	**69.75**
4. Salary paid to KMP / Relative of KMP	Mr Hriday Nasta	12.00	-	-
	Ms. Meher Nasta	1.50	-	-
	Mr. Navneet Phirake	2.16	-	-
	Total	**15.66**	**-**	**-**
5. Loan Received (Paid) to Directors during the Year	**Mr. Kailash Vishnu Nasta**			
	Opening Balance	-	47.00	70.00
	Loan Received during the year	-	2.50	-
	Loan Paid during the year	-	(49.50)	(23.00)
	Closing Balance	**-**	**-**	**47.00**
	Mr. Amjad Ahmed Sheikh			
	Opening Balance	-	42.60	56.00
	Loan Received during the year	-	-	5.00
	Loan Paid during the year	-	(42.60)	(18.40)
	Closing Balance	**-**	**-**	**42.60**
	Mr. Nitin Jagannath Phirake			
	Opening Balance	-	4.70	7.00
	Loan Received during the year	-	0.12	
	Loan Paid during the year	-	(4.82)	(2.30)
	Closing Balance	**-**	**-**	**4.70**
	Mr. Prashant Dattatray Patil			
	Opening Balance	-	4.70	7.00
	Loan Received during the year	-	0.12	
	Loan Paid during the year	-	(4.82)	2.30
	Closing Balance	**-**	**-**	**4.70**
6. Outstanding Balances of Directors	Mr. Kailash Vishnu Nasta	-	-	74.94
	Mr. Amjad Ahmed Sheikh	-	-	64.96
	Mr. Nitin Jagannath Phirake	-	-	7.52
	Mr. Prashant Dattatray Patil	-	-	12.22
	Total	**-**	**-**	**159.64**

Note J(ii).1 : The above Annexure should be read with Significant Accounting Policies and Notes forming part of Restated Financial Information in Annexure D and Statement of adjustments to Restated Financial Information in Annexure E..

Note J(ii).2 : List of the related parties and all related party transactions of the entities (whether eliminated or not), which require disclosure under AS 18 and/ or covered under section 188(2) of the Companies Act, 2013 (as amended), as disclosed separately in Restated Financial Statement.

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ANNEXURE - K : Ratio

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024	Variation between F.Y 26 & F.Y 25	Variation between F.Y 25 & F.Y 24	Reason for Variation between FY 25 -26 & FY 24 -25 and FY 24 -25 & F.Y 23-24
Current Ratio	**Current assets:-** inventories + trade receivables + cash & cash equipments + short term loans & advances + other current assets	**Current liabilities:-** short term borrowings + trade payables + other current liabilities + short term provisions	1.63	1.35	1.20	20.10%	12.42%	The Ratio is increased due to increase in the current assets of the company.
Debt-Equity Ratio	**Debt:-** Total Outside Liabilities	**Equity:-** equity attributable to equity holders	0.39	0.49	1.14	-20.30%	-56.91%	The Ratio is increased due to increase in the equity of the company
Debt Service Coverage Ratio	**Earning available for debt services :-** Earning before interest and tax (attributable to long-term borrowing) and depreciation	**Interest + Principal :-** interest expenses on borrowings and principal amount of borrowings due during the current year.	21.70	9.72	7.73	123.24%	25.79%	The Debt Service Coverage Ratio increase because the strategic use of new borrowings significantly boosted operating profits.
Return on Equity Ratio	**Net Profit after taxes - Preference Dividend (if any) :-** Profit/(Loss) for the year attributable to equity holders of the parent	**Equity shareholders' fund :-** equity attributable to equity holders of the parent. Average Equity shareholders' fund = (Opening equity shareholders' fund + closing equity shareholders' fund) / 2	63.49%	73.09%	86.31%	-13.14%	-15.32%	Reason for movement is not required since movement is not more than 25%
Inventory turnover ratio (in times)	**Cost of good sold :-** purchases + manufacturing expenses + changes in inventories of stock-in-trade	**Average Inventory**	9.25	9.21	12.58	0.34%	-26.77%	The inventory turnover ratio has increase significanly due to decreased in COGS in FY 2023-24
Trade Receivables turnover ratio (in times	Revenue from operations	**Average Trade Receivables**	4.51	4.47	4.73	0.91%	-5.53%	Reason for movement is not required since movement is not more than 25%
Trade payables turnover ratio (in times)	**Purchase :-** Purchases	**Average Trade Payables**	4.94	4.93	3.43	0.39%	43.67%	The Trade Payables Turnover Ratio increased significantly in FY 2024-25 due to faster payments made to suppliers compared to FY 2023-24, and it remained stable in FY 2025-26.

Net capital turnover ratio (in times)	Revenue from operations	**Average working capital**	8.38	11.80	30.43	-29.01%	-61.21%	Net Capital Turnover Ratio is increased in FY 2022-23 due to increase in Average working Capital
Net profit ratio	Net profit after tax	Revenue from operations	8.51%	5.75%	3.74%	47.89%	53.95%	Net Profit Ratio is increased due to Decrese in Expenses and increase in Net Profit
Return on Capital employed	**Earning before interest & taxes (EBIT) :-** Profit/(loss) before interest (attributable to long-term borrowing) and tax	**Capital employed:** - Total Equity + Minority Interest + Long Term Borrowing (including current maturity) + Short Term Borrowing + Deffered Tax Liability - Intangible Asset.	50.30%	54.50%	47.01%	-7.71%	15.93%	Reason for movement is not required since movement is not more than 25%
Return on investment.	Net profit after tax	**Capital employed**: - total equity + Minority Interest + long term borrowing (including current maturity) + short term borrowing + Deffered Tax Liability - Intangible Asset.	34.87%	36.41%	31.69%	-4.24%	14.90%	Reason for movement is not required since movement is not more than 25%
Note: If variance is more then 25% then reason is specified.								

SUB ANNEXURE – A.13.1 : Ageing of Restated Statement of Trade Receivables

(₹ in Lakhs)

Particulars	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 180 Days	> 180 Days	Total
As at March 31, 2026	**1,666.45**	**221.95**	**138.03**	**142.77**	**518.28**	**2,687.47**
Undisputed Trade receivables- considered doubtful	-	-	-	-	-	-
Undisputed Trade Receivables- considered good	1,666.45	221.95	138.03	142.77	518.28	2,687.47
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Unbilled dues - considered doubtful	-	-	-	-	-	-
Unbilled dues - considered good	-	-	-	-	-	-
As at March 31, 2025	**577.27**	**258.22**	**26.44**	**274.89**	**648.33**	**1,785.14**
Undisputed Trade receivables- considered doubtful	-	-	-	-		-
Undisputed Trade Receivables- considered good	577.27	258.22	26.44	274.89	648.33	1,785.14
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Unbilled dues - considered doubtful	-	-	-	-	-	-
Unbilled dues - considered good	-	-	-	-	-	-
As at March 31, 2024	**1,073.01**	**23.78**	**97.90**	**277.06**	**667.64**	**2,139.39**
Undisputed Trade receivables- considered doubtful	-	-	-	-		-
Undisputed Trade Receivables- considered good	1,073.01	23.78	97.90	277.06	667.64	2,139.39
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Unbilled dues - considered doubtful	-	-	-	-	-	-
Unbilled dues - considered good	-	-	-	-	-	-

SUB ANNEXURE – A.6.1 : Ageing of Restated Statement of Trade Payables

(₹ in Lakhs)

Particulars	< 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2026	**972.00**	**73.93**	**-**	**-**	**1,045.92**
Trade Payables due to					
- Micro and Small Enterprises	**334.90**	**-**	**-**	**-**	**334.90**
- Others	637.10	73.93	**-**	**-**	**711.02**
As at March 31, 2025	**1,428.27**	**6.86**	**-**	**-**	**1,435.12**
Trade Payables due to					
- Micro and Small Enterprises	419.83	1.17	-	-	**421.00**
- Others	1,008.44	5.69	-	-	**1,014.12**
As at March 31, 2024	**1,223.12**	**27.14**	**6.55**	**-**	**1,256.82**
Trade Payables due to					
- Micro and Small Enterprises	482.66	22.52	0.11	-	**505.28**
- Others	740.47	4.62	6.45		**751.53**

OTHER FINANCIAL INFORMATION

(₹ in Lakhs except per share data and unless specified otherwise)

Particulars		For the Year Ended 31st March		
		March 31, 2026	**March 31, 2025**	**March 31, 2024**
A	Profit after tax as Restated	857.80	504.35	303.32
B	EBITDA	1,305.99	805.12	480.93
C	Current Assets	3774.83	3637.42	3137.14
D	Current Liabilities	2320.43	2685.50	2603.75
E	Equity Share at the end of year (in Nos.)	50,000	50,000	50,000
F	Weighted Average Number of Equity Shares outstanding at the end of the Year Post Subdivision	5,00,000	5,00,000	5,00,000
G	Weighted Average Number of Equity Shares outstanding at the end of the Year (considering Bonus impact with retrospective effect)	80,00,000	80,00,000	80,00,000
H	Weighted Average number of equity shares used as denominator for calculating Basic &Diluted EPS	50,000	50,000	50,000
I	Weighted Average number of equity shares used as denominator for calculating Basic& Diluted EPS (Post Bonus& Post Subdivision)	80,00,000	80,00,000	80,00,000
J	Net Worth	1,769.86	932.05	447.68
	Accounting Ratios			
	Basic Earnings per Share based on Weighted Average Number of Shares (A/H)	1,715.59	1,008.70	606.65
	Basic Earnings per Share based on adjusted Weighted Average Number of Equity Shares outstanding at the end of the Year (A/I)	10.72	6.30	3.79
	Return on Net Worth (%) (A/J)	48.47%	54.11%	67.75%
	Net Asset Value Per Share (Rs) (J/E)	3,539.73	1,864.10	895.36
	Net Asset Value per Equity share as Restated after considering Bonus & Subdivision Impact Effect (J/G)	22.12	11.65	5.60
	Current Ratio (C/D)	1.63	1.35	1.20

Notes-

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (₹) — *Restated Profit after Tax* / *Weighted Average Number of Equity Shares at the end of the year*

Return on Net Worth (%) — *Restated Profit after Tax* / *Restated Net Worth of Equity Shareholders*

Net Asset Value per equity share (₹) — *Restated Net Worth of Equity Shareholders* / *Number of Equity Shares outstanding at the end of the year*

STATEMENT OF FINANCIAL INDEBTEDNESS

(₹ in lakhs, unless stated otherwise)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on March 31, 2026	Amount outstanding as on August 31, 2026
Borrowings of Company			
Secured:			
Car Loan	115.05	98.51	92.16
Working capital facilities			
Fund based	650.00	500.84	439.31
Non-fund based	900.00	259.24	888.79
*Credit Guarantee Scheme**	100.17	-	100.17
Term loans	92.90	92.31	89.10
Sub-total (A)	**1858.12**	**950.90**	**1609.53**
Loans from Related Parties	-	-	
Sub-total (B)	**-**	**-**	
Total (A+B)	**1858.12**	**950.90**	**1609.53**
Fund Based	***958.12***	***691.66***	***720.74***
Non-Fund Based	***900.00***	***259.24***	***888.79***

** The Emergency Credit Line Guarantee Scheme (ECLGS) facility was sanctioned to the Company on June 16, 2026.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated financial statements included in this Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 24, which discusses several factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and is based on our Restated financial statements, which have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 24 and 22 respectively, and elsewhere in this Draft Red Herring Prospectus Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information depend entirely on such potential investor's level of familiarity with Indian accounting practices. Please also refer to section titled "Certain Convention, Presentation of Financial, Industry and Market data" beginning on page 19 of this Draft Red Herring Prospectus.

OVERVIEW

We are an engineering company engaged in the business of designing, engineering, manufacturing, supplying, installing, commissioning, modernizing and maintaining thermal processing systems which includes customised industrial furnaces, and related equipment for various industrial applications. Our industrial furnaces are primarily used for reheating and heat treatment of ferrous and non-ferrous metals and other metal components. The Company provides customized industrial heating and heat treatment solutions catering to the operational requirements of customers across diverse industries. The company offers a broad portfolio of industrial furnace systems, with its principal product categories comprising Bell Furnaces, Reheat Furnaces and Heat-Treatment Furnaces and Soaking Pit Furnaces. (Source: D&B Report, September, 2026). The Products are designed and manufactured to meet specific industrial applications and customer requirements. Our furnaces are available in different configurations and capacities and are designed according to the technical requirements, production parameters and intended applications of our customers.

We undertake activities across various stages of project execution, including understanding customer requirements, preparation of engineering designs, procurement of components and materials, fabrication and assembly, quality inspection, installation and commissioning. Our solutions are customised based on, among other factors, the type and dimensions of material to be processed, desired production capacity, operating temperature, heating medium, required furnace atmosphere, fuel efficiency and the configuration of the customer's manufacturing facility.

We were incorporated in the year 2014 with the objective of providing customised industrial furnaces and related thermal processing solutions. Since our incorporation, we have developed capabilities in designing, engineering, manufacturing, supplying, installing and commissioning industrial furnaces and continuous processing lines used for reheating and heat treatment of ferrous and non-ferrous metals. Our Registered & Corporate Office including our Branch office are located in Thane, Maharashtra, and our manufacturing facility is situated at Chikhloli MIDC, Ambernath West, Maharashtra. Our manufacturing operations are supported by facilities for welding, rolling, grinding, cutting, machining, material handling, assembly, sandblasting, painting, packing and storage. We also engage third-party facilities for certain specialised manufacturing and machining activities, as may be required.

In addition to manufacturing standard and customized industrial furnace systems, the Company provides turnkey engineering solutions encompassing design, engineering, fabrication, supply, installation and commissioning of furnace systems. The Company undertakes projects on a turnkey as well as customized basis, depending upon customer requirements and technical specifications. The Company also undertakes furnace modernization, revamping and retrofitting projects to enhance the operational efficiency, productivity and service life of existing furnace systems. Further, it provides preventive maintenance services, engineering consultancy, technical support, and the supply of spare parts and furnace components to ensure the efficient operation and continued performance of its installed systems. Through its integrated product and service offerings, the Company seeks to provide comprehensive thermal processing solutions throughout the lifecycle of its furnace systems.

Backed by its technical and industry experience, the Company focuses on delivering customized thermal processing solutions

which includes customised industrial furnaces, and related equipment for various industrial applications in accordance with customer specifications and applicable industry standards. The Company also provides maintenance and modernization services for existing furnace systems to improve operational performance, extend equipment life and support the evolving requirements of its customers.

Our company has successfully executed projects and supplied industrial furnace solutions to customers across domestic and international markets. Our business model involves working closely with customers from the consultation and design stage through manufacturing, installation and commissioning of industrial furnace systems. Since many of our products are engineered-to-order, the design, technical specifications and execution methodology are customized based on customer requirements. Our successful overseas installations demonstrate our engineering capabilities, quality standards, and commitment to customer satisfaction.

We have over the years, expanded our customer base spread across many countries around the globe. Further, because of our commitment towards customer satisfaction and performance of our industrial furnace solutions in different sectors and different industry have helped us increase our revenues and operations. We export our products to USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc. for Fiscals 2026, 2025 and 2024, our exports were Rs. 966.02 lakhs, Rs. 546.17 lakhs and Rs. 510.34 lakhs which constituted 9.58%, 6.23% and 6.29% of our revenue from operations respectively.

India's industrial-furnace industry is expected to maintain a positive, steady growth trajectory over the medium term, supported by capacity expansion and technology upgrades across metal-intensive manufacturing industries. Demand should arise both from new industrial projects and from the replacement or modernisation of older furnaces that are relatively fuel-intensive, manually controlled or unable to meet tighter product-quality requirements. (Source: D&B Report, September, 2026) We believe that our comprehensive portfolio of industrial furnaces and related thermal processing solutions positions us to address these emerging requirements.

Our manufacturing infrastructure is supported by comprehensive quality assurance systems and safety standards designed to ensure the manufacture of quality industrial furnaces and thermal processing systems. We have established standardized quality control procedures across the manufacturing process, commencing from the procurement of raw materials through fabrication, assembly, testing and final inspection, to ensure that our products conform to customer specifications and applicable industry standards. Our commitment to quality management and continuous improvement is evidenced by our ISO 9001:2015 certification, which reflects our adherence to internationally recognized quality management standards.

In addition to manufacturing products at our in-house Manufacturing Facility, we also engage third-party manufacturing units on a job-work basis. Such outsourcing is undertaken primarily during periods of increased order volumes or when our existing manufacturing capacity is substantially utilized. This enables us to efficiently manage production schedules, ensure timely execution of customer orders, and maintain operational flexibility without compromising on quality standards. Given the customized and engineered-to-order nature of our products, quality assurance forms an integral part of our manufacturing process. In addition to our internal quality checks, certain customers, particularly those operating in industries such as steel, engineering and other industrial sectors, may undertake stage-wise or final inspections of the products, either at our manufacturing facility prior to dispatch or at the project site during installation and commissioning, depending on the contractual requirements. Such inspections enable customers to verify that the products meet the agreed technical specifications and performance parameters before acceptance.

The Company is led by a qualified and experienced management team with significant industry knowledge in the design, engineering, manufacturing and execution of industrial furnace and thermal processing projects. The Promoters and Directors, including the Managing Director, Mr. Kailash Vishnu Nasta, and the Whole-time Directors, Mrs. Rhea Kailash Nasta and Mr. Nitin Jagannath Phirake collectively possess experience in the industrial furnace industry and have been instrumental in the Company's growth and operations. Their experience spans engineering design, project execution, manufacturing, customer relationship management, business development and strategic decision-making. The management team's technical expertise and industry experience enable the Company to undertake customized turnkey projects, strengthen its operational capabilities, and support its long-term growth strategy

FINANCIAL KPIs OF OUR COMPANY

The financial performance of the company for last three years as per Restated Financial Information is as follows:

Particulars	31 March 2026	31 March 2025	31 March 2024
Financial KPIs	-	-	-
Revenue from Operations (₹ in lakhs)	10,080.00	8,764.90	8,115.23

EBITDA (₹ in lakhs)	1,305.98	805.12	480.93
EBITDA Margin (%)	12.96%	9.19%	5.93%
Profit after tax (PAT) (₹ in lakhs)	857.80	504.35	303.32
PAT Margin (%)	8.51%	5.75%	3.74%
Return on Equity (ROE) (%)	63.49%	73.09%	86.31%
Return on Capital Employed (%)	50.30%	54.50%	47.01%
Debt-Equity Ratio (times)	0.39	0.49	1.14
Net fixed asset turnover ratio (times)	38.57	38.14	42.76
Current ratio(times)	1.63	1.35	1.20
Operating Cash Flows (₹ in Lakhs)	(378.30)	434.28	(190.84)
Operational KPIs			
Export Revenue (₹ in Lakhs)	966.02	546.17	510.34
Top 5 customer Contribution % to sales	42.60%	34.09%	44.00%
Average value per order (₹ in Lakhs)	70.31	70.69	37.90
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%
Number of repeat customers	25	26	18

*Based on certificate by Statutory Auditor, M/s Abhishek Kumar & Associates. (FRN: **131052W**), pursuant to a certificate dated September 29, 2026.*

Notes:

1. *Revenue from Operations means addition of revenue from customers.*
2. *EBITDA = Restated profit after tax for the year/ period before exceptional items + finance costs + total tax expense/(credit) + depreciation and amortization expense – Other non-operating Income.*
3. *EBITDA Margin (%) = EBITDA / Revenue from Operations.*
4. *PAT means profit for the year / period provides information regarding the overall profitability of the business.*
5. *PAT Margin (%) = PAT / Revenue from Operations.*
6. *Return on Equity is calculated as restated profit after tax for the year divided by average total equity.*
7. *Return on Capital Employed (%) is calculated as earnings before interest and tax (EBIT) / Capital Employed. EBIT is calculated as "Profit before tax + Interest expenses" and Capital Employed is calculated as "Total Equity + Non-Current Borrowings + Current Borrowing+ deferred tax liabilities-intangible assets*
8. *Debt-Equity Ratio (times)= Total debt/ total shareholder's fund*
9. *Net fixed asset turnover ratio (times)= Net sales/ Average Net fixed asset*

Current ratio(times)= Current assets/current liabilities

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Restated Financial Statements under chapter titled **"**Restated Financial Statements**"** beginning on page 230 of this Draft Red Herring Prospectus.

Changes in the accounting policy, if any, in the last three years and their effect on our profits and reserves

There have been no changes in accounting policies of the Company during year ended 2026,2025and 2024.

Significant Factors affecting our Financial Condition and Results of Operations

Our results of operations have been, and will continue to be, affected by number of events and actions, some of which are beyond our control. However, there are some specific items that we believe have impacted our results of operations and, in some cases, will continue to impact our results. We believe that the following factors, amongst others, have, or could have an impact on these results, the manner in which we generate income and incur the expenses associated with generating this income:

***Raw material and input cost volatility*:**

Our business requires the procurement of raw materials, bought-out items, stores and consumables for the manufacture and

execution of industrial furnaces and related services. Accordingly, fluctuations in the prices of raw materials, bought-out items, stores and consumables, as well as changes in the quantity of inputs consumed, may affect our cost structure and profitability. As per our Restated Financial Information, the cost of materials consumed was ₹6,594.96 lakhs in FY2025-26, ₹6,088.60 lakhs in FY2024-25 and ₹5,583.56 lakhs in FY2023-24. The cost of materials consumed comprises raw material and bought-out items as well as stores and consumables.

The following table sets forth the cost of materials consumed as a percentage of our total expenses and revenue from operations for the periods indicated:

Particulars	For the Year Ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Cost of materials consumed (₹ in lakhs)	6,594.96	6,088.60	5,583.56
Total expenses (₹ in lakhs)	8,944.44	8,080.60	7,733.87
Revenue from operations (₹ in lakhs)	10,080.00	8,764.90	8,115.23
Cost of materials consumed as % of total expenses	73.73%	75.35%	72.20%
Cost of materials consumed as % of revenue from operations	65.43%	69.47%	68.80%

The above figures demonstrate that the cost of materials consumed constitutes a significant component of our overall cost structure.

The detailed composition of cost of materials consumed is set out below:

(₹ in Lakhs)

Particulars	For the Year Ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Opening stock of raw material and bought-out items	764.85	175.05	340.49
Add: Purchases of raw material and bought-out items during the period	6,072.68	6,474.21	5,414.26
Less: Closing stock of raw material and bought-out items	(335.66)	(764.85)	(175.05)
Subtotal (A)	**6,501.86**	**5,884.40**	**5,579.71**
Opening stock of stores & consumables	54.60	103.19	11.00
Add: Purchases of stores & consumables during the period	61.53	155.61	96.04
Less: Closing stock of stores & consumables	(23.03)	(54.60)	(103.19)
Subtotal (B)	**93.10**	**204.19**	**3.85**
Grand Total – Cost of materials consumed	**6,594.96**	**6,088.60**	**5,583.56**

Accordingly, any increase in the prices of raw materials, bought-out items, stores and consumables, or any inability to pass on such increases to customers through pricing or contractual mechanisms, could increase our cost of materials consumed and adversely affect our margins, profitability and results of operations.

Employee Benefit Expenses

Employee benefit expenses include salaries, wages, bonuses, staff welfare expenses, and statutory contributions. The following table sets forth Employee Benefit Expenses as a percentage of total expenses and revenue from operations for the last three financial years and stub period:

(₹ in Lakhs)

Particulars	For the Year Ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Employee benefits expenses (₹ in lakhs)	584.88	717.43	502.74
% of Total Expenses	6.54%	8.88%	6.50%
% of Revenue from operation	5.80%	8.19%	6.20%

***Established Track Record in Delivering Customised Industrial Furnaces and End-to-End Project Execution Capabilities*:**

Since our incorporation in 2014, we have developed experience in designing, engineering, manufacturing, supplying, installing and commissioning customised industrial furnaces and related thermal processing systems. Industrial furnace projects are technically complex and require coordination across multiple stages, including assessment of customer requirements, detailed

engineering, procurement of project-specific materials and components, fabrication, assembly, inspection, dispatch, erection, integration with existing facilities, testing and commissioning. Our ability to undertake and coordinate these activities enables us to provide end-to-end solutions and retain oversight over the quality and progress of each project. Over the years, we have developed technical expertise in executing customized industrial furnace projects and have established long-standing relationships with customers across diverse industrial sectors.

Our execution capabilities span the entire project lifecycle, including design, engineering, manufacturing, fabrication, supply, installation, commissioning, testing. Our ability to execute projects in accordance with customer-specific technical requirements, while adhering to quality standards and project timelines, has enabled us to undertake projects across a wide range of industrial applications and maintain long-term relationships with our customers. Our project-execution capabilities are supplemented by our aftermarket offerings, including the supply of spare parts, refurbishment, relining, capacity enhancement, fuel conversion and installation of heat-recovery systems. These services require an understanding of existing furnace configurations and operating conditions and allow us to continue supporting customers following the commissioning of the original equipment.

We have supplied our industrial furnaces and thermal processing solutions to customers in India and international markets, including USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc. The execution of overseas projects requires us to address additional requirements relating to export packaging, logistics, documentation, local site conditions, deployment of technical personnel and coordination with customers and service providers across different geographies.

For the Fiscal 2026, 2025 and 2024, the details of completed and commissioned industrial furnace projects across various industries are as follows:

(Rs in Lakhs)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of Project executed	40	47	35
Aggregated contract value	9211.16	7902.75	8115.25

We believe that our established track record, technical and engineering capabilities, project-management experience, quality-control systems and ability to execute projects from concept to commissioning enable us to meet diverse customer requirements and undertake projects involving varying levels of complexity.

***Export and foreign exchange exposure*:**

Our Company has exposure to foreign currency transactions arising from imports, foreign currency expenditure and export earnings. The details of our foreign currency transactions for the periods indicated are set out below:

Particulars	FY2025-26	FY2024-25	FY2023-24
CIF/FOB value of imports – Raw materials, stores & spare parts (₹ in lakhs)	161.93	268.97	158.27
Expenditure in foreign currency – Foreign travelling (₹ in lakhs)	3.15	4.26	6.84
Earnings in foreign currency – Exports (Freely Convertible Currency) (₹ in lakhs)	961.67	441.60	394.36
Earnings in foreign currency – Exports in Indian Rupees to Nepal (₹ in lakhs)	4.35	–	115.99
Total earnings in foreign currency (₹ in lakhs)	**1,131.91**	**714.83**	**675.46**

The Company records transactions denominated in foreign currencies at the exchange rate prevailing at the date of the transaction, while monetary assets and liabilities denominated in foreign currency are restated at the closing rate. Any exchange difference arising on settlement or restatement is recognized in the Statement of Profit and Loss. Accordingly, fluctuations in foreign exchange rates may impact our export realizations, foreign currency expenditure and profitability.

Trends in the Indian Industrial Furnace Industry

As of 2026, India's industrial-furnace industry is a steadily evolving engineering segment supported by the expansion and modernisation of steel, automotive, foundry, aluminium, engineering, construction and other metal-processing industries. Demand has gradually moved beyond conventional melting and heating equipment towards application-specific systems for annealing, hardening, tempering, normalising, reheating and other controlled thermal processes. Customers increasingly evaluate furnaces not only by purchase cost and production capacity, but also by temperature uniformity, product consistency, energy consumption, operating reliability and the ability to integrate with existing production lines. Consequently, the industry has become more technically sophisticated and solution-oriented, with furnace manufacturers expected to provide customised designs, automation,

process controls, commissioning and long-term technical support rather than merely supplying standalone equipment.

Over the years, the most visible change has been the transition from relatively basic, manually operated and fuel-intensive furnaces towards automated, energy-efficient and environmentally responsible thermal-processing systems. Manufacturers and industrial users are increasingly adopting PLC-based controls, real-time monitoring, waste-heat recovery, improved insulation, advanced combustion systems and tighter control over furnace atmosphere and temperature. Electrically heated, induction-based and cleaner fuel-fired furnaces are gaining attention, although conventional fuel-based equipment remains important because of power costs, infrastructure limitations and the large installed base of older plants. Sustainability pressures, energy-price volatility, stricter quality expectations and industrial decarbonisation are now accelerating furnace upgrades and retrofits; however, adoption remains uneven, particularly among smaller manufacturers facing capital and technical constraints.

Overall, the Indian furnaces industry in 2026 is shifting from supplying heavy heating equipment to delivering intelligent, efficient and process-integrated thermal solutions, with competitiveness increasingly determined by lifecycle cost, energy performance, automation and emissions reduction.

***Strong and Established Customer Relationships Resulting in Repeat Business*:**

Our Company has established and maintained long-standing relationships with customers across various industries by consistently delivering customized industrial furnace and thermal processing solutions tailored to their technical specifications and operational requirements. Given the engineered-to-order nature of our products, we engage closely with customers throughout the project lifecycle, including design, engineering, manufacturing, installation, commissioning and after-sales support. This collaborative approach enables us to understand customer requirements, deliver solutions in accordance with agreed specifications and provide ongoing technical assistance, where required.

We have established relationships with our customers by providing customised industrial furnaces and related thermal processing solutions in accordance with their specific technical and operational requirements. Industrial furnaces are critical to our customers' manufacturing operations and require a detailed understanding of their production processes, plant configuration, capacity requirements, operating temperatures, furnace atmosphere and energy-efficiency objectives. Our involvement across the project lifecycle from designing and engineering to manufacturing, installation and commissioning enables us to develop an in-depth understanding of our customers' requirements and provide solutions suited to their operations. Further, our ability to provide spare parts, refurbishment, relining, capacity enhancement, fuel conversion and heat-recovery solutions allows us to support customers throughout the operational lifecycle of their furnace systems. We believe that our technical capabilities, product quality, project-execution experience and aftermarket support have contributed to customer satisfaction and enabled us to receive repeat orders from existing customers for new furnaces, modernisation of existing systems, capacity enhancement, spare parts and related services.

Our focus on product quality, timely execution of projects, technical expertise and post-installation support has enabled us to secure repeat orders from a number of existing customers. Repeat business from existing customers contributes to the stability of our order book, reduces customer acquisition costs and reflects our ability to maintain long-term business relationships. The following table sets out the details of our repeat customers and the revenue generated from such customers during the last three Fiscal Years:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of repeat customers	25.00	26.00	18.00
Revenue from repeat customers (₹ in lakhs)	2,218.00	1,490.41	1,051.50
Percentage of revenue contributed by repeat customers (%)	22.00%	18.37%	13.14%

We also focus on maintaining customer relationships and generating a significant proportion of our revenue from repeat business. We export our products to various international markets, including the USA, Dubai, Nepal, South Africa, Egypt, Turkey, Malaysia, Western Africa, etc.

Key Components of Company's Profit and Loss Statement

Total Income

Our total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations:

Revenue from operations primarily consists of income generated from the sale, servicing and supply of industrial furnace systems and related equipment. The Company's core offerings include Bell Furnaces, Reheat Furnaces, Heat Treatment Furnaces and Soaking Pit Furnaces, together with related services and spare parts, which collectively constitute the principal sources of the Company's revenue from operations.

Products wise revenue Bifurcation

(Rs. in Lakhs)

Particulars	2026		2025		2024	
	Amount (₹ Lakhs)	% of revenue from operation	Amount (₹ Lakhs)	% of revenue from operation	Amount (₹ Lakhs)	% of revenue from operation
Bell Furnaces	3,148.92	31.24%	1,014.25	11.57%	871.76	10.74%
Reheat Furnaces	3,754.86	37.25%	2,668.05	30.44%	2,991.45	36.86%
Heat Treatment Furnace	1,407.55	13.96%	4,884.11	55.72%	4,079.78	50.27%
Soaking Pit Furnace	1,338.25	13.28%	-	0.00%	-	0.00%
TOTAL	**9,649.58**	**95.73%**	**8,566.41**	**97.73%**	**7,942.99**	**97.87%**

Revenue bifurcation Across India and International Markets

(₹ in Lakhs)

Particulars	As at March 31, 2026	% of Total revenue from operation	As at March 31, 2025	% of Total revenue from operation	As at March 31, 2024	% of Total revenue from operation
Outside India	**966.02**	**9.58%**	**546.17**	**6.23%**	**510.34**	**6.29%**
USA	840.58	8.34%	-	0.00%	143.13	1.76%
Dubai	-	0.00%	425.41	4.85%	133.58	1.29%
Egypt	-	0.00%	-	0.00%	13.25	0.16%
Nepal	4.36	0.04%	104.57	1.19%	115.99	1.43%
Turkey	-	0.00%	-	0.00%	13.27	0.16%
Malaysia	-	0.00%	8.10	0.09%	17.41	0.21%
Western Africa (Ghana)	-	0.00%	3.08	0.04%	-	0.00%
South Africa	121.08	1.20%	5.01	0.06%	73.71	0.91%
India	**9,113.98**	**90.42%**	**8,218.73**	**93.77%**	**7,604.89**	**93.71%**
Maharashtra	3,391.88	33.65%	2,742.21	31.29%	1,664.00	20.50%
Gujarat	163.36	1.62%	1,009.97	11.52%	722.65	8.90%
Uttar Pradesh	270.17	2.68%	517.31	5.90%	978.64	12.06%
Karnataka	276.12	2.74%	-	0.00%	290.50	3.58%
Tamilnadu	273.61	2.71%	256.40	2.93%	958.29	11.81%
West Bengal	381.78	3.79%	1,026.01	11.71%	400.46	4.93%
Telangana	11.31	0.11%	135.61	1.55%	21.92	0.27%
Chhattisgarh	513.12	5.09%	7.63	0.09%	391.41	4.82%
Jharkhand	57.56	0.57%	8.94	0.10%	12.34	0.15%
Haryana	2,149.41	21.32%	2,015.09	22.99%	1,285.64	15.84%
Rajasthan	0.32	0.00%	64.94	0.74%	82.99	1.02%
Odisha	80.41	0.80%	221.80	2.53%	309.95	3.82%
Punjab	1,062.41	10.54%	189.29	2.16%	486.10	5.99%
Madhya Pradesh	394.14	3.91%	7.10	0.08%	-	0.00%
Uttarakhand	-	0.00%	16.43	0.19%	-	0.00%
Himachal Pradesh	6.30	0.06%	-	0.00%	-	0.00%
Tripura	82.08	0.81%	-	0.00%	-	0.00%
Total	**10,080.00**	**100.00%**	**8,764.90**	**100.00%**	**8,115.23**	**100.00%**

Other Income:

Other income mainly comprises interest income earned from financial deposits and balances, foreign exchange fluctuation gains and export incentive receipts, along with other non-operating income, if any, net of expenses directly attributable to such sources. This includes incidental earnings not arising from the Company's core business of manufacturing and servicing industrial furnaces but contributing to the overall financial results.

Total Expenses:

Company's expenses include employee benefit expenses, finance costs, other operating expenses, and depreciation and amortization charges.

Set out below is a breakdown of our total expenses, for the periods indicated

(₹ in Lakhs)

Particulars	For the period/Year Ended					
	March 31, 2026		March 31, 2025		March 31, 2024	
	Amount (₹ in lakhs)	% of total expenses	Amount (₹ in lakhs)	% of total expenses	Amount (₹ in lakhs)	% of total expenses
Purchase of Stock in Trade	0.0	0.00%	0.0	0.00%	0.0	0.00%
Cost of Material Consumed	6,594.96	73.73%	6,088.60	75.35%	5,583.56	72.20%
Change in Inventories	126.89	1.42%	-215.46	-2.67%	280.95	3.63%
Employee benefit expense	584.88	6.54%	717.43	8.88%	502.74	6.50%
Finance costs	80.78	0.90%	66.97	0.83%	48.82	0.63%
Depreciation and amortization expenses	68.56	0.77%	50.20	0.62%	30.97	0.40%
Other expenses	1,488.37	16.64%	1,372.86	16.99%	1,286.82	16.64%
Total	8944.4	100.00%	8080.6	100.00%	7733.87	100.00%

Cost of Material Consumed

Cost of material consumed comprises the difference between the opening and closing balances of raw materials and bought-out items, after considering purchases during the year, along with the consumption of stores and consumables during the year.

Changes in inventories of work-in-progress and finished goods

Changes in inventories of work-in-progress and finished goods comprise the difference between the closing balance and opening balance of work-in-progress and finished goods during the respective year**.**

Employee Benefits Expense:

Employee benefit expenses comprise salaries and wages, director's remuneration, Bonus & Incentive Expenses, gratuity expenses, and contributions to provident and other employee welfare funds.

Finance Cost:

Finance costs include interest expenses on borrowings, interest and late fees on statutory dues, and other borrowing-related charges incurred during the year.

Depreciation and Amortization Expense:

We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Other Expenses:

Other expenses include expenses such as business promotion, computer and software maintenance expenses, CSR expenditure, power, electricity and water charges, rates and taxes, legal and professional charges, local conveyance and freight charges, factory and office rent, general office expenses, repairs and maintenance, traveling expenses, site operational expenses, bad debts written

off, and other miscellaneous operational expenses.

RESULTS OF OUR OPERATION

(Rs.in Lakhs)

PARTICULARS	For The period/Year Ended					
	March 31, 2026	**% of Total Revenue**	**March 31, 2025**	**% of Total Revenue**	**March 31, 2024**	**% of Total Revenue**
INCOME						
Revenue from Operations	10080.00	99.59%	8764.90	99.60%	8115.23	99.59%
Other income	41.15	0.41%	35.52	0.40%	33.19	0.41%
Total Income	**10121.15**	**100.00%**	**8800.42**	**100.00%**	**8148.42**	**100.00%**
EXPENSES						
Purchase of Stock in Trade	0.00	0.00%	0.00	0.00%	0.00	0.00%
Cost of Material Consumed	6594.96	65.16%	6088.60	69.19%	5583.56	68.52%
Change in Inventories of Finished Goods and Work-in-Progress	126.89	1.25%	-215.46	-2.45%	280.95	3.45%
Employees Benefit Expenses	584.88	5.78%	717.43	8.15%	502.74	6.17%
Finance Costs	80.78	0.80%	66.97	0.76%	48.82	0.60%
Depreciation and Amortization	68.56	0.68%	50.20	0.57%	30.97	0.38%
Other Expenses	1488.37	14.71%	1372.86	15.60%	1,286.82	15.79%
Total Expenses	**8944.44**	**88.37%**	**8,080.60**	**91.82%**	**7,733.87**	**94.91%**
Profit Before Tax	**1176.71**	**11.63%**	**719.83**	**8.18%**	**414.55**	**5.09%**
Tax Expenses:						
Current Tax	-274.04	-2.71%	-206.79	-2.35%	-141.39	-1.74%
Excess/Shortage of Taxes Paid	-	-	-	0.00%	-	0.00%
Deferred Tax	-44.87	-0.44%	-8.69	-0.10%	30.17	0.37%
Total tax	**-318.92**	**-3.15%**	**-215.47**	**-2.13%**	**-111.22**	**-1.37%**
Profit for the year	**857.80**	**8.48%**	**504.35**	**5.73%**	**303.32**	**3.72%**

Comparison of FY 2025-26 to FY 2024-25

Total Income

Our total income increased by 15.01% to ₹10,121.15 lakhs in FY 2025-26 from ₹8,800.42 lakhs in FY 2024-25, representing an increase of ₹1,320.73 lakhs. The increase was primarily attributable to revenue from operations, which increased by 15.00% to ₹10,080.00 lakhs from ₹8,764.90 lakhs, representing an increase of ₹1,315.10 lakhs. Other income also increased by 15.85% to ₹41.15 lakhs from ₹35.52 lakhs, representing an increase of ₹5.63 lakhs.

Revenue from Operations

Our revenue from operations increased by 15.00% to ₹10,080.00 lakhs in FY 2025-26 from ₹8,764.90 lakhs in FY 2024-25. The increase reflects the scale and timing of customised furnace projects executed during the respective financial years. The increase in revenue is due to following factors:

Change in Product Mix:

Particulars	**2026**		**2025**	
	Amount (₹ Lakhs)	**% of total products sold**	**Amount (₹ Lakhs)**	**% of total products sold**
Bell Furnaces	3,148.92	31.24%	1,014.25	11.57%
Reheat Furnaces	3,754.86	37.25%	2,668.05	30.44%
Heat Treatment Furnace	1,407.55	13.96%	4,884.11	55.72%
Soaking Pit Furnace	1,338.25	13.28%	-	0.00%
TOTAL	**9,649.58**	**95.73%**	**8,566.41**	**97.73%**

Further, during Fiscal 2026, the Company significantly expanded its presence in the export market, with export revenue increasing

by 73.21%, from ₹546.17 lakhs in Fiscal 2025 to ₹946.02 lakhs in Fiscal 2026. This growth reflects the Company's increasing penetration in international markets and its ability to secure a higher volume of export orders during the year. The increase was supported by higher sales of reheating furnaces and related services, along with other furnace equipment and spares, indicating growing acceptance of the Company's products and technical capabilities in overseas markets.

The Company intends to continue focusing on expanding its international customer base and leveraging opportunities in export markets, which may provide avenues for geographical diversification and support the Company's overall revenue growth.

Furthermore during the Fiscal 2026 revenue from States in India such as Maharashtra, Haryana & Punjab has also been increased significantly contributing to higher revenue during Fiscal 2026 amounting to ₹ 6,603.70 Lakhs as compared to ₹4,946.59 Lakhs in Fiscal 2025 which was partially set off by decrease in state of West Bengal from ₹ 1026.01 Lakhs in Fiscal 2025 to ₹ 381.78 Lakhs in Fiscal 2026.

The Revenue bifurcation of our company in India & Outside India is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2026	% of Total revenue from operation	As at March 31, 2025	% of Total revenue from operation
Outside India	**966.02**	**9.58%**	**546.17**	**6.23%**
USA	840.58	8.34%	-	0.00%
Dubai	-	0.00%	425.41	4.85%
Egypt	-	0.00%	-	0.00%
Nepal	4.36	0.04%	104.57	1.19%
Turkey	-	0.00%	-	0.00%
Malaysia	-	0.00%	8.10	0.09%
Western Africa (Ghana)	-	0.00%	3.08	0.04%
South Africa	121.08	1.20%	5.01	0.06%
India	**9,113.98**	**90.42%**	**8,218.73**	**93.77%**
Maharashtra	3,391.88	33.65%	2,742.21	31.29%
Gujarat	163.36	1.62%	1,009.97	11.52%
Uttar Pradesh	270.17	2.68%	517.31	5.90%
Karnataka	276.12	2.74%	-	0.00%
Tamilnadu	273.61	2.71%	256.40	2.93%
West Bengal	381.78	3.79%	1,026.01	11.71%
Telangana	11.31	0.11%	135.61	1.55%
Chhattisgarh	513.12	5.09%	7.63	0.09%
Jharkhand	57.56	0.57%	8.94	0.10%
Haryana	2,149.41	21.32%	2,015.09	22.99%
Rajasthan	0.32	0.00%	64.94	0.74%
Odisha	80.41	0.80%	221.80	2.53%
Punjab	1,062.41	10.54%	189.29	2.16%
Madhya Pradesh	394.14	3.91%	7.10	0.08%
Uttarakhand	-	0.00%	16.43	0.19%
Himachal Pradesh	6.30	0.06%	-	0.00%
Tripura	82.08	0.81%	-	0.00%
Total	**10,080.00**	**100.00%**	**8,764.90**	**100.00%**

Other Income

Other income increased by 15.85% to ₹41.15 lakhs in FY 2025-26 from ₹35.52 lakhs in FY 2024-25. The increase in other income is primarily attributable to Foreign Exchange Fluctuation which got increased from ₹ 0.64 Lakhs in Fiscal 2025 to ₹ 6.58 Lakhs in Fiscal 2026 & Export Incentive which got from ₹ 3.00 Lakhs in Fiscal 2025 to ₹ 14.50 Lakhs in Fiscal 2026. Further the other income was partially set off by decrease in Interest Income from ₹ 31.88 Lakhs in Fiscal 2025 to ₹ 20.07 Lakhs in Fiscal 2026.

Total Expenses

Total expenses increased by 10.69% to ₹8,944.44 lakhs in FY 2025-26 from ₹8,080.60 lakhs in FY 2024-25. The increase was primarily attributable to higher cost of materials consumed, change in inventories of finished goods and work-in-progress, other expenses, finance costs and depreciation and amortisation, partly offset by a decrease in employee benefit expenses. The movement in the major components of total expenses is set out below:

- Cost of materials consumed increased by 8.32% to ₹6,594.96 lakhs in FY 2025-26 from ₹6,088.60 lakhs in FY 2024-25, representing an increase of ₹506.36 lakhs. The increase was primarily attributable to the higher consumption of materials in line with the Company's manufacturing and project execution activities and the increase in revenue from operations during the year.
- Change in inventories of finished goods and work-in-progress increased to ₹126.89 lakhs in FY 2025-26 from a credit of ₹215.46 lakhs in FY 2024-25. The movement of ₹342.35 lakhs reflects the change in inventory levels of finished goods and work-in-progress during the respective periods and contributed to the increase in total expenses.
- Employee benefit expenses decreased by 18.48% to ₹584.88 lakhs in FY 2025-26 from ₹717.43 lakhs in FY 2024-25, representing a decrease of ₹132.55 lakhs.
- Finance costs increased by 20.62% to ₹80.78 lakhs in FY 2025-26 from ₹66.97 lakhs in FY 2024-25, representing an increase of ₹13.81 lakhs. The increase was attributable to higher financing costs incurred during the year.
- Depreciation and amortisation increased by 36.57% to ₹68.56 lakhs in FY 2025-26 from ₹50.20 lakhs in FY 2024-25, representing an increase of ₹18.36 lakhs. The increase was primarily attributable to the depreciation and amortisation charge on the Company's assets during the year.
- Other expenses increased by 8.42% to ₹1,488.37 lakhs in FY 2025-26 from ₹1,372.86 lakhs in FY 2024-25, representing an increase of ₹115.51 lakhs.

Cost of Materials Consumed

Cost of materials consumed increased by 8.32% to ₹6,594.96 lakhs in FY 2025-26 from ₹6,088.60 lakhs in FY 2024-25, representing an increase of ₹506.36 lakhs. As a percentage of total income, cost of materials consumed decreased to 65.16% in FY 2025-26 from 69.19% in FY 2024-25, reflecting the change in the composition of the Company’s products and projects during the respective periods. The increase in cost of materials consumed was primarily attributable to higher consumption of raw materials and bought-out items, which increased to ₹6,501.86 lakhs in FY 2025-26 from ₹5,884.40 lakhs in FY 2024-25. This increase was mainly due to higher opening stock of raw materials and bought-out items of ₹764.85 lakhs in FY 2025-26 as compared to ₹175.05 lakhs in FY 2024-25, partly offset by lower purchases during the year of ₹6,072.68 lakhs as compared to ₹6,474.21 lakhs and the corresponding movement in closing stock. In contrast, consumption of stores and consumables decreased to ₹93.10 lakhs in FY 2025-26 from ₹204.19 lakhs in FY 2024-25, primarily due to lower purchases of stores and consumables, which decreased to ₹61.53 lakhs from ₹155.61 lakhs. Accordingly, the overall increase in cost of materials consumed was mainly driven by higher consumption of raw materials and bought-out items, partly offset by lower consumption of stores and consumables.

Change in Inventories of Finished Goods and Work-in-Progress

The Company recorded a decrease in inventories of ₹126.89 lakhs in FY 2025-26, compared with an increase in inventories of ₹215.46 lakhs in FY 2024-25. The decrease in FY 2025-26 was primarily attributable to the movement in work-in-progress, with opening stock of WIP of ₹277.01 lakhs and closing stock of WIP of ₹150.12 lakhs, resulting in a net decrease of ₹126.89 lakhs. In comparison, the Company had an opening stock of WIP of ₹61.55 lakhs and closing stock of ₹277.01 lakhs in FY 2024-25, resulting in an increase in inventories of ₹215.46 lakhs.

Employee Benefits Expenses

Employee benefit expenses decreased by 18.48% to ₹584.88 lakhs in FY 2025-26 from ₹717.43 lakhs in FY 2024-25, representing a decrease of ₹132.55 lakhs. The decrease was primarily attributable to lower salaries and wages, PF/ESIC and director remuneration, partly offset by an increase in gratuity, staff welfare expenses and leave encashment. Salaries and wages decreased to ₹388.54 lakhs in FY 2025-26 from ₹477.36 lakhs in FY 2024-25, representing a decrease of ₹88.82 lakhs, while PF/ESIC decreased to ₹20.54 lakhs from ₹22.19 lakhs. Director remuneration decreased to ₹150.18 lakhs from ₹216.96 lakhs, representing a decrease of ₹66.78 lakhs. In contrast, gratuity increased to ₹13.42 lakhs in FY 2025-26 from a credit of ₹1.26 lakhs in FY 2024-25, while staff welfare expenses increased to ₹6.16 lakhs from ₹1.27 lakhs and leave encashment increased to ₹6.04 lakhs from

₹0.91 lakhs. Overall, the reduction in employee benefit expenses was mainly driven by lower salaries and wages and director remuneration during FY 2025-26.

Finance Costs

Finance costs increased by 20.62% to ₹80.78 lakhs in FY 2025-26 from ₹66.97 lakhs in FY 2024-25, representing an increase of ₹13.81 lakhs. The increase was primarily attributable to higher bank charges and other finance charges, which increased to ₹45.11 lakhs in FY 2025-26 from ₹29.17 lakhs in FY 2024-25, representing an increase of ₹15.94 lakhs. Interest expense, however, decreased to ₹35.67 lakhs in FY 2025-26 from ₹37.80 lakhs in FY 2024-25, mainly due to a decrease in interest on bank CC/OD, which declined to ₹15.55 lakhs from ₹9.91 lakhs, while interest on term loans and other borrowings decreased to ₹20.12 lakhs from ₹27.89 lakhs. Overall, the increase in finance costs was mainly driven by higher bank charges and other finance charges, partly offset by lower interest expenses.

Depreciation and Amortisation

Depreciation and amortisation expense increased by 36.57% to ₹68.56 lakhs in FY 2025-26 from ₹50.20 lakhs in FY 2024-25, representing an increase of ₹18.36 lakhs. The increase was primarily attributable to higher depreciation on tangible assets, which increased to ₹65.99 lakhs in FY 2025-26 from ₹48.36 lakhs in FY 2024-25, mainly due to additions to property, plant and equipment during FY 2025-26. The Company recorded additions to tangible assets of ₹81.28 lakhs during FY 2025-26, including additions to motor car of ₹54.63 lakhs, computers and accessories of ₹10.75 lakhs, furniture and fixtures of ₹0.53 lakhs and plant and machinery of ₹6.72 lakhs. Further, depreciation on intangible assets increased to ₹2.57 lakhs in FY 2025-26 from ₹1.84 lakhs in FY 2024-25, primarily on account of the amortisation of software and other intangible assets. Accordingly, the overall increase in depreciation and amortisation expense was mainly due to the increase in the Company's asset base during FY 2025-26.

Other Expenses

Our other expenses increased by 8.41% to ₹1,488.37 lakhs in FY 2025-26 from ₹1,372.86 lakhs in FY 2024-25. Such increase was primarily due to higher discount and written-off balances, higher freight outward charges, increased factory rent, and higher advertisement and business promotion expenses, alongside the introduction of CSR expenditure. This increase was partly offset by lower travelling and conveyance expenses, reduced labor costs, and lower office expenses.

Direct Expenses

- Direct Expenses decreased by 6.06% to ₹698.80 lakhs in FY 2025-26 from ₹743.92 lakhs in FY 2024-25.
- Factory Expenses increased by 52.47% to ₹6.48 lakhs in FY 2025-26 from ₹4.25 lakhs in FY 2024-25.
- Custom Duty Charges decreased by 4.72% to ₹21.79 lakhs in FY 2025-26 from ₹22.87 lakhs in FY 2024-25.
- Electricity Expenses – Factory decreased by 17.86% to ₹8.00 lakhs in FY 2025-26 from ₹9.74 lakhs in FY 2024-25.
- Installation & Material Expenses decreased by 39.53% to ₹29.36 lakhs in FY 2025-26 from ₹48.55 lakhs in FY 2024-25.
- Freight Inward Charges decreased by 9.88% to ₹26.54 lakhs in FY 2025-26 from ₹29.45 lakhs in FY 2024-25.
- Labour Expenses decreased by 3.56% to ₹606.64 lakhs in FY 2025-26 from ₹629.05 lakhs in FY 2024-25.

Indirect Expenses

- Indirect Expenses increased by 25.54% to ₹789.56 lakhs in FY 2025-26 from ₹628.94 lakhs in FY 2024-25.
- Printing and Stationery Expenses decreased by 25.44% to ₹2.55 lakhs in FY 2025-26 from ₹3.42 lakhs in FY 2024-25.
- Travelling & Conveyance Expenses decreased by 51.73% to ₹76.37 lakhs in FY 2025-26 from ₹158.20 lakhs in FY 2024-25.
- Factory – Repair & Maintenance decreased by 70.72% to ₹3.13 lakhs in FY 2025-26 from ₹10.69 lakhs in FY 2024-25.

- Telephone and Internet Expenses decreased by 37.48% to ₹3.92 lakhs in FY 2025-26 from ₹6.27 lakhs in FY 2024-25.
- Loading & Unloading Expenses increased by 520.77% to ₹11.36 lakhs in FY 2025-26 from ₹1.83 lakhs in FY 2024-25.
- Freight Outward Charges increased by 55.77% to ₹153.95 lakhs in FY 2025-26 from ₹98.83 lakhs in FY 2024-25.
- Import Export Expenses decreased by 37.95% to ₹9.22 lakhs in FY 2025-26 from ₹14.86 lakhs in FY 2024-25.
- Legal & Professional Expenses increased by 8.82% to ₹73.27 lakhs in FY 2025-26 from ₹67.33 lakhs in FY 2024-25.
- Office Expenses decreased by 27.38% to ₹36.39 lakhs in FY 2025-26 from ₹50.11 lakhs in FY 2024-25.
- Rates & Taxes increased by 5.04% to ₹10.21 lakhs in FY 2025-26 from ₹9.72 lakhs in FY 2024-25.
- Repair & Maintenance – Vehicle increased by 32.80% to ₹14.98 lakhs in FY 2025-26 from ₹11.28 lakhs in FY 2024-25.
- Rent Expenses – Office decreased by 75.00% to ₹4.50 lakhs in FY 2025-26 from ₹18.00 lakhs in FY 2024-25.
- Electricity Expenses – Office decreased by 25.95% to ₹1.17 lakhs in FY 2025-26 from ₹1.58 lakhs in FY 2024-25.
- Interest & Late Payment Fees decreased by 83.51% to ₹0.46 lakhs in FY 2025-26 from ₹2.79 lakhs in FY 2024-25.
- Advertisement & Business Promotion Expenses increased by 78.24% to ₹34.08 lakhs in FY 2025-26 from ₹19.12 lakhs in FY 2024-25.
- CSR Expenditure increased to ₹8.72 lakhs in FY 2025-26 from nil in FY 2024-25.
- Commission Expenses increased by 7.43% to ₹82.29 lakhs in FY 2025-26 from ₹76.60 lakhs in FY 2024-25.
- Insurance Expenses increased by 6.51% to ₹7.04 lakhs in FY 2025-26 from ₹6.61 lakhs in FY 2024-25.
- Security Charges increased to ₹5.24 lakhs in FY 2025-26 from nil in FY 2024-25.
- Rent Expenses – Factory increased by 40.61% to ₹55.30 lakhs in FY 2025-26 from ₹39.33 lakhs in FY 2024-25.
- Discount & Written-off Balances increased by 537.46% to ₹190.41 lakhs in FY 2025-26 from ₹29.87 lakhs in FY 2024-25.
- Audit Fees increased by 100.00% to ₹5.00 lakhs in FY 2025-26 from ₹2.50 lakhs in FY 2024-25.

Profit Before Tax

Profit before tax increased by 63.47% to ₹1,176.71 lakhs in FY 2025-26 from ₹719.83 lakhs in FY 2024-25, representing an increase of ₹456.88 lakhs. The increase was primarily attributable to the increase in revenue from operations to ₹10,080.00 lakhs in FY 2025-26 from ₹8,764.90 lakhs in FY 2024-25, representing an increase of ₹1,315.10 lakhs, while employee benefit expenses decreased to ₹584.88 lakhs from ₹717.43 lakhs, representing a decrease of ₹132.55 lakhs. The increase in revenue from operations, together with the reduction in employee benefit expenses, contributed to the improvement in profit before tax during FY 2025-26.

Taxation

Current tax expense increased by 32.52% to ₹274.04 lakhs in FY 2025-26 from ₹206.79 lakhs in FY 2024-25, representing an increase of ₹67.25 lakhs. The increase in current tax expense was in line with the higher profit before tax, which increased to ₹1,176.71 lakhs in FY 2025-26 from ₹719.83 lakhs in FY 2024-25. Further, deferred tax expense increased to ₹44.87 lakhs in FY 2025-26 from ₹8.69 lakhs in FY 2024-25, representing an increase of ₹36.18 lakhs. Accordingly, the overall increase in tax expense during FY 2025-26 was attributable to higher current tax expense arising from the increase in profit before tax, together with an increase in deferred tax expense.

Profit for the Year

Profit after tax increased by 70.08% to ₹857.80 lakhs in FY 2025-26 from ₹504.35 lakhs in FY 2024-25, representing an increase of ₹353.45 lakhs. The increase was primarily attributable to the increase in revenue from operations to ₹10,080.00 lakhs in FY 2025-26 from ₹8,764.90 lakhs in FY 2024-25, representing an increase of ₹1,315.10 lakhs, while employee benefit expenses decreased to ₹584.88 lakhs from ₹717.43 lakhs, representing a decrease of ₹132.55 lakhs. The increase in revenue from operations, coupled with the reduction in employee benefit expenses, contributed to the improvement in profitability during FY 2025-26.

Comparison of FY 2024-25 to FY 2023-24

Total Income

Total income increased by 8.00% to ₹8,800.42 lakhs in FY 2024-25 from ₹8,148.42 lakhs in FY 2023-24, representing an increase of ₹652 lakhs. The increase was primarily attributable to the increase in revenue from operations to ₹8,764.90 lakhs in FY 2024-25 from ₹8,115.23 lakhs in FY 2023-24, representing an increase of ₹649.67 lakhs. Other income also increased marginally to ₹35.52 lakhs in FY 2024-25 from ₹33.19 lakhs in FY 2023-24, contributing to the overall increase in total income.

Revenue from Operations

Revenue from operations increased by 8.01% to ₹8,764.90 lakhs in FY 2024-25 from ₹8,115.23 lakhs in FY 2023-24, representing an increase of ₹649.67 lakhs. The increase was primarily attributable to higher revenue from Roller Furnaces and Reheating Furnaces, partly offset by a decrease in revenue from Bell Furnaces. Revenue from Roller Furnaces increased to ₹4,677.51 lakhs in FY 2024-25 from ₹3,600.39 lakhs in FY 2023-24, representing an increase of ₹1,077.12 lakhs. Revenue from Bell Furnaces decreased to ₹2,369.31 lakhs from ₹2,632.72 lakhs, representing a decrease of ₹263.41 lakhs, while revenue from Reheating Furnaces increased to ₹861.14 lakhs from ₹498.92 lakhs, representing an increase of ₹362.22 lakhs.

Products wise revenue Bifurcation

(Rs. in Lakhs)

Particulars	2025		2024	
	Amount (₹ Lakhs)	% of Total revenue from operation	Amount (₹ Lakhs)	% of Total revenue from operation
Bell Furnaces	1,014.25	11.57%	871.76	10.74%
Reheat Furnaces	2,668.05	30.44%	2,991.45	36.86%
Heat Treatment Furnace	4,884.11	55.72%	4,079.78	50.27%
Soaking Pit Furnace	-	0.00%	-	0.00%
TOTAL	**8,566.41**	**97.73%**	**7,942.99**	**97.87%**

Revenue bifurcation Across India and International Markets

(₹ in Lakhs)

Particulars	As at March 31, 2025	% of Total revenue from operation	As at March 31, 2024	% of Total revenue from operation
Outside India	**546.17**	**6.23%**	**510.34**	**6.29%**
USA	-	0.00%	143.13	1.76%
Dubai	425.41	4.85%	133.58	1.29%
Egypt	-	0.00%	13.25	0.16%
Nepal	104.57	1.19%	115.99	1.43%
Turkey	-	0.00%	13.27	0.16%
Malaysia	8.10	0.09%	17.41	0.21%
Western Africa (Ghana)	3.08	0.04%	-	0.00%
South Africa	5.01	0.06%	73.71	0.91%
India	**8,218.73**	**93.77%**	**7,604.89**	**93.71%**
Maharashtra	2,742.21	31.29%	1,664.00	20.50%
Gujarat	1,009.97	11.52%	722.65	8.90%
Uttar Pradesh	517.31	5.90%	978.64	12.06%
Karnataka	-	0.00%	290.50	3.58%

Tamilnadu	256.40	2.93%	958.29	11.81%
West Bengal	1,026.01	11.71%	400.46	4.93%
Telangana	135.61	1.55%	21.92	0.27%
Chhattisgarh	7.63	0.09%	391.41	4.82%
Jharkhand	8.94	0.10%	12.34	0.15%
Haryana	2,015.09	22.99%	1,285.64	15.84%
Rajasthan	64.94	0.74%	82.99	1.02%
Odisha	221.80	2.53%	309.95	3.82%
Punjab	189.29	2.16%	486.10	5.99%
Madhya Pradesh	7.10	0.08%	-	0.00%
Uttarakhand	16.43	0.19%	-	0.00%
Himachal Pradesh	-	0.00%	-	0.00%
Tripura	-	0.00%	-	0.00%
Total	**8,764.90**	**100.00%**	**8,115.23**	**100.00%**

Other Income

Other income increased by 7.02% to ₹35.52 lakhs in FY 2024-25 from ₹33.19 lakhs in FY 2023-24, representing an increase of ₹2.33 lakhs. The increase was primarily attributable to interest income, which increased by 137.73% to ₹31.88 lakhs in FY 2024-25 from ₹13.41 lakhs in FY 2023-24, representing an increase of ₹18.47 lakhs. This increase was partly offset by a decrease in foreign exchange fluctuations, which declined to ₹0.64 lakhs from ₹12.95 lakhs, representing a decrease of ₹12.31 lakhs, and export incentive receipts, which declined to ₹3.00 lakhs from ₹6.83 lakhs, representing a decrease of ₹3.83 lakhs. Overall, the increase in interest income more than offset the decrease in foreign exchange fluctuations and export incentive receipts, resulting in an increase in other income during FY 2024-25.

Total Expenses

Total expenses increased by 4.4833% to ₹8,080.60 lakhs in FY 2024-25 from ₹7,733.87 lakhs in FY 2023-24, representing an increase of ₹346.73 lakhs. The increase was primarily attributable to

- Cost of materials consumed increased to ₹6,088.60 lakhs from ₹5,583.56 lakhs, representing an increase of ₹505.04 lakhs or 9.05%.
- Employee benefit expenses increased to ₹717.43 lakhs from ₹502.74 lakhs, representing an increase of ₹214.69 lakhs or 42.70%.
- Finance costs increased to ₹66.97 lakhs from ₹48.82 lakhs, representing an increase of ₹18.15 lakhs or 37.18%.
- Depreciation and amortisation increased to ₹50.20 lakhs from ₹30.97 lakhs, representing an increase of ₹19.23 lakhs or 62.09%.
- Other expenses increased to ₹1,372.86 lakhs from ₹1,286.82 lakhs, representing an increase of ₹86.04 lakhs or 6.69%.
- Change in inventories of finished goods and work-in-progress represented a credit of ₹215.46 lakhs in FY 2024-25 as compared to an expense of ₹280.95 lakhs in FY 2023-24, resulting in a favourable movement of ₹496.41 lakhs, which partly offset the increase in other expense components.

Overall, the increase in total expenses was mainly driven by higher cost of materials consumed, employee benefit expenses, finance costs, depreciation and amortisation and other expenses, partly offset by the favourable movement in inventories.

Cost of Materials Consumed

Cost of materials consumed increased by 9.05% to ₹6,088.60 lakhs in FY 2024-25 from ₹5,583.56 lakhs in FY 2023-24, representing an increase of ₹505.04 lakhs. As a percentage of total income, cost of materials consumed increased to 69.19% in FY 2024-25 from 68.53% in FY 2023-24, reflecting the change in the material consumption requirements during the respective periods. The increase was primarily attributable to higher consumption of raw materials and bought-out items, which increased to ₹5,884.40 lakhs in FY 2024-25 from ₹5,579.71 lakhs in FY 2023-24, representing an increase of ₹304.69 lakhs. This was mainly due to an increase in purchases of raw materials and bought-out items to ₹6,474.21 lakhs from ₹5,414.26 lakhs, partly offset by the increase in closing stock to ₹764.85 lakhs from ₹175.05 lakhs. Further, consumption of stores and consumables increased to ₹204.19 lakhs in FY 2024-25 from ₹3.85 lakhs in FY 2023-24, primarily due to higher purchases of stores and consumables, which increased to ₹155.61 lakhs from ₹96.04 lakhs, along with the movement in opening and closing stock. Accordingly, the overall increase in cost of materials consumed was mainly driven by higher consumption of raw materials and bought-out items and stores and consumables during FY 2024-25.

Change in Inventories of Finished Goods and Work-in-Progress

The Company recorded an increase in inventories of ₹215.46 lakhs in FY 2024-25, compared with a decrease in inventories of ₹280.95 lakhs in FY 2023-24, representing an unfavourable movement of ₹496.41 lakhs. The increase in inventories during FY 2024-25 was primarily attributable to the increase in closing stock of work-in-progress to ₹277.01 lakhs from ₹61.55 lakhs, while the opening stock of WIP decreased to ₹61.55 lakhs from ₹342.50 lakhs. The movement in WIP reflects the stage of project execution and the timing of production and delivery schedules during the respective periods.

Employee Benefits Expenses

Employee benefit expenses increased by 42.70% to ₹717.43 lakhs in FY 2024-25 from ₹502.74 lakhs in FY 2023-24, representing an increase of ₹214.69 lakhs. The increase was primarily attributable to higher salaries and wages, which increased to ₹477.36 lakhs in FY 2024-25 from ₹333.54 lakhs in FY 2023-24, representing an increase of ₹143.82 lakhs, and higher director remuneration, which increased to ₹216.96 lakhs from ₹132.24 lakhs, representing an increase of ₹84.72 lakhs. PF/ESIC expenses also increased to ₹22.19 lakhs from ₹16.93 lakhs, representing an increase of ₹5.26 lakhs. These increases were partly offset by a decrease in gratuity expense, which represented a credit of ₹1.26 lakhs in FY 2024-25 compared with an expense of ₹7.63 lakhs in FY 2023-24, as well as decreases in staff welfare expenses, which declined to ₹1.27 lakhs from ₹6.34 lakhs, and leave encashment, which declined to ₹0.91 lakhs from ₹6.06 lakhs. Overall, the increase in employee benefit expenses was mainly driven by higher salaries and wages and director remuneration during FY 2024-25.

Finance Costs

Finance costs increased by 37.18% to ₹66.97 lakhs in FY 2024-25 from ₹48.82 lakhs in FY 2023-24, representing an increase of ₹18.15 lakhs. The increase was primarily attributable to higher interest expense, which increased to ₹37.80 lakhs in FY 2024-25 from ₹27.17 lakhs in FY 2023-24, representing an increase of ₹10.63 lakhs. Within interest expense, interest on Bank CC/OD increased to ₹9.91 lakhs from ₹7.97 lakhs, while interest expenses on term loans and others increased to ₹27.89 lakhs from ₹19.20 lakhs. Further, bank charges and other finance charges increased to ₹29.17 lakhs in FY 2024-25 from ₹21.65 lakhs in FY 2023-24, representing an increase of ₹7.52 lakhs. Overall, the increase in finance costs was driven by higher interest expense and higher bank charges and other finance charges during FY 2024-25.

Depreciation and Amortisation

Depreciation and amortisation expense increased by 62.09% to ₹50.20 lakhs in FY 2024-25 from ₹30.97 lakhs in FY 2023-24, representing an increase of ₹19.23 lakhs. The increase was primarily attributable to higher depreciation on tangible assets, which increased to ₹48.36 lakhs in FY 2024-25 from ₹30.75 lakhs in FY 2023-24, representing an increase of ₹17.61 lakhs. The increase in depreciation on tangible assets was mainly due to additions to property, plant and equipment during FY 2024-25, including additions to motor cars, computers and accessories, furniture and fixtures, office premises and plant and machinery. Further, amortisation/depreciation on intangible assets increased to ₹1.84 lakhs in FY 2024-25 from ₹0.22 lakhs in FY 2023-24, primarily due to the addition of software during FY 2024-25. Accordingly, the overall increase in depreciation and amortisation expense was mainly driven by the higher asset base and corresponding depreciation and amortisation charge during FY 2024-25.

Other Expenses

Direct Expenses

- Direct Expenses increased by 16.32% to ₹743.92 lakhs in FY 2024-25 from ₹639.57 lakhs in FY 2023-24.
- Factory Expenses increased by 37.10% to ₹4.25 lakhs in FY 2024-25 from ₹3.10 lakhs in FY 2023-24.
- Labour Expenses increased by 23.83% to ₹629.05 lakhs in FY 2024-25 from ₹507.98 lakhs in FY 2023-24.

Indirect Expenses

- Indirect Expenses decreased by 2.83% to ₹628.94 lakhs in FY 2024-25 from ₹647.25 lakhs in FY 2023-24.
- Advertisement & Business Promotion Expenses increased by 23.28% to ₹19.12 lakhs in FY 2024-25 from ₹15.51 lakhs in FY 2023-24.

- Printing and Stationery Expenses increased to ₹3.42 lakhs in FY 2024-25 from nil in FY 2023-24.
- Factory – Repair & Maintenance increased by 250.49% to ₹10.69 lakhs in FY 2024-25 from ₹3.05 lakhs in FY 2023-24.
- Rent Expenses – Factory increased by 0.23% to ₹39.33 lakhs in FY 2024-25 from ₹39.24 lakhs in FY 2023-24.
- Loading & Unloading Expenses increased to ₹1.83 lakhs in FY 2024-25 from nil in FY 2023-24.
- Freight Outward Charges increased by 4.19% to ₹98.83 lakhs in FY 2024-25 from ₹94.86 lakhs in FY 2023-24.
- Legal & Professional Expenses increased by 25.08% to ₹67.33 lakhs in FY 2024-25 from ₹53.83 lakhs in FY 2023-24.
- Audit Fees remained flat at ₹2.50 lakhs in FY 2024-25 and FY 2023-24.
- Repair & Maintenance – Vehicle decreased by 22.05% to ₹11.28 lakhs in FY 2024-25 from ₹14.47 lakhs in FY 2023-24.
- Discount & Written-off Balances increased by 40.10% to ₹29.87 lakhs in FY 2024-25 from ₹21.32 lakhs in FY 2023-24.
- Rent Expenses – Office increased by 27.84% to ₹18.00 lakhs in FY 2024-25 from ₹14.08 lakhs in FY 2023-24.
- Electricity Expenses – Office increased by 6.04% to ₹1.58 lakhs in FY 2024-25 from ₹1.49 lakhs in FY 2023-24.
- Travelling & Conveyance Expenses increased by 22.41% to ₹158.20 lakhs in FY 2024-25 from ₹129.24 lakhs in FY 2023-24.
- Commission Expenses decreased by 35.92% to ₹76.60 lakhs in FY 2024-25 from ₹119.54 lakhs in FY 2023-24.
- Insurance Expenses decreased by 9.82% to ₹6.61 lakhs in FY 2024-25 from ₹7.33 lakhs in FY 2023-24.
- Telephone and Internet Expenses increased by 2.12% to ₹6.27 lakhs in FY 2024-25 from ₹6.14 lakhs in FY 2023-24.
- Import Export Expenses decreased by 54.71% to ₹14.86 lakhs in FY 2024-25 from ₹32.81 lakhs in FY 2023-24.
- Office Expenses decreased by 15.11% to ₹50.11 lakhs in FY 2024-25 from ₹59.03 lakhs in FY 2023-24.
- Rates & Taxes decreased by 24.06% to ₹9.72 lakhs in FY 2024-25 from ₹12.80 lakhs in FY 2023-24.
- Interest & Late Payment Fees decreased by 86.06% to ₹2.79 lakhs in FY 2024-25 from ₹20.02 lakhs in FY 2023-24.

Profit Before Tax

Profit before tax increased by 73.64% to ₹719.83 lakhs in FY 2024-25 from ₹414.55 lakhs in FY 2023-24, representing an increase of ₹305.28 lakhs. The increase was primarily attributable to the increase in revenue from operations to ₹8,764.90 lakhs in FY 2024-25 from ₹8,115.23 lakhs in FY 2023-24, representing an increase of ₹649.67 lakhs. Further, other income increased to ₹35.52 lakhs in FY 2024-25 from ₹33.19 lakhs in FY 2023-24, contributing to the overall improvement in profitability during FY 2024-25.

Tax Expense

Tax expense increased to ₹215.47 lakhs in FY 2024-25 from ₹111.23 lakhs in FY 2023-24, representing an increase of ₹104.24 lakhs. The increase was primarily attributable to the increase in current tax expense to ₹206.79 lakhs in FY 2024-25 from ₹141.39 lakhs in FY 2023-24, representing an increase of ₹65.40 lakhs. Further, deferred tax represented an expense of ₹8.69 lakhs in FY 2024-25, as compared to a deferred tax credit of ₹30.17 lakhs in FY 2023-24, resulting in an unfavourable movement of ₹38.86 lakhs. Accordingly, the increase in tax expense was attributable to higher current tax expense and the movement from a deferred tax credit to a deferred tax expense.

Profit for the Year

Profit after tax increased by 66.28% to ₹504.35 lakhs in FY 2024-25 from ₹303.32 lakhs in FY 2023-24, representing an increase of ₹206.06 lakhs. The increase was primarily attributable to the increase in revenue from operations to ₹8,764.90 lakhs in FY 2024-25 from ₹8,115.23 lakhs in FY 2023-24, representing an increase of ₹649.67 lakhs. Further, other income increased to ₹35.52 lakhs in FY 2024-25 from ₹33.19 lakhs in FY 2023-24, contributing to the improvement in profitability during FY 2024-25.

CASH FLOWS

The table below summarises our cash flows for the periods indicated below.

Particulars	For the Financial Year ended March 31, 2026	For the Financial Year ended March 31, 2025	For the Financial Year ended March 31, 2024
Net Cash from Operating Activities (A)	(378.30)	434.28	(190.84)
Net Cash from Investing Activities (B)	(43.29)	(86.59)	124.71
Net Cash from Financing Activities (C)	133.84	(139.54)	(2.94)
Net Increase / (Decrease) in Cash and Cash Equivalents (D = A+B+C)	(287.74)	208.15	(69.07)
Cash and Cash equivalents at the end of the period	574.39	366.25	435.32
Cash and Cash equivalents at the beginning of the period	286.65	574.39	366.25

Operating activities

For FY2025-26

Net cash flow used in operating activities was ₹378.30 lakhs in FY 2025-26. Profit before tax was ₹1,176.71 lakhs, which, after adjustments for depreciation of ₹68.56 lakhs, finance costs of ₹80.78 lakhs and adjustment of non-cash items of ₹19.45 lakhs, partly offset by interest income of ₹20.07 lakhs, resulted in an operating profit before working capital changes of ₹1,325.44 lakhs. The working capital movements during FY 2025-26 primarily comprised an decrease in inventories of ₹587.65 lakhs, an increase in trade receivables of ₹902.32 lakhs, an increase in loans and advances of ₹111.92 lakhs, a decrease in trade payables of ₹389.20 lakhs, a decrease in other current liabilities of ₹265.68 lakhs, an increase in other non-current assets of ₹334.41 lakhs and a decrease in short-term provisions of ₹15.25 lakhs. These were partly offset by a decrease in other current assets of ₹1.45 lakhs. There was no movement in prior-period item adjustment or long-term provisions during the year.

After considering the above working capital movements, cash generated from operations was negative ₹104.25 lakhs, representing cash used in operations. After adjustment for income tax expense of ₹274.04 lakhs, the Company reported net cash used in operating activities of ₹378.30 lakhs in FY 2025-26.

For FY2024-25

Net cash flow generated from operating activities was ₹434.28 lakhs in FY 2024-25. Profit before tax was ₹719.83 lakhs, which, after adjustments for depreciation of ₹50.20 lakhs, finance costs of ₹66.97 lakhs and adjustment of non-cash items of ₹0.35 lakhs, partly offset by interest income of ₹31.88 lakhs, resulted in an operating profit before working capital changes of ₹804.77 lakhs. The working capital movements during FY 2024-25 primarily comprised an increase in inventories of ₹756.68 lakhs, a decrease in trade receivables of ₹354.25 lakhs, a decrease in loans and advances of ₹91.37 lakhs, an decrease in other current assets of ₹18.92 lakhs, an increase in trade payables of ₹178.31 lakhs, a decrease in other current liabilities of ₹19.55 lakhs, a decrease in other non-current assets of ₹5.70 lakhs and a decrease in short-term provisions of ₹36.02 lakhs. There was no movement in prior-period items or long-term provisions during the year.

After considering these working capital movements, cash generated from operations was ₹641.06 lakhs. After adjustment for income tax expense of ₹206.79 lakhs, the Company generated net cash flow from operating activities of ₹434.28 lakhs in FY 2024-25.

For FY2023-24

Net cash flow used in operating activities was ₹190.84 lakhs in FY 2023-24. Profit before tax was ₹414.55 lakhs, which, after adjustments for finance costs of ₹48.82 lakhs, depreciation of ₹30.97 lakhs and adjustment of non-cash items of ₹8.05 lakhs, partly offset by interest income of ₹13.41 lakhs, resulted in an operating profit before working capital changes of ₹488.99 lakhs.

The working capital movements during FY 2023-24 primarily comprised a decrease in inventories of ₹354.21 lakhs, a decrease in other current assets of ₹68.62 lakhs, an increase in other current liabilities of ₹884.79 lakhs and an increase in short-term provisions of ₹0.30 lakhs. These were partly offset by an increase in trade receivables of ₹846.13 lakhs, an increase in loans and advances of ₹274.06 lakhs, a decrease in trade payables of ₹700.76 lakhs and an increase in other non-current assets of ₹25.41 lakhs.

After considering the above working capital movements, cash generated from operations was negative ₹49.45 lakhs, representing cash used in operations. After adjustment for income tax expense of ₹141.39 lakhs, the Company reported net cash used in operating activities of ₹190.84 lakhs in FY 2023-24.

Investing activities

For FY2025-26

Net cash used in investing activities for FY2025-26 was ₹ (43.29) lakhs, which reflected purchase of fixed assets of ₹ 63.36 lakhs, partially set off by interest income of ₹ 20.07 lakhs.

For FY2024-25

Net cash used in investing activities for FY 2024-25 was ₹ (86.59) lakhs, which reflected purchase of fixed assets of ₹ 118.47 lakhs, partially set off by interest income of ₹ 31.88 lakhs

For FY2023-24

Net cash generated from investing activities for FY2023-24 was ₹ 124.71 lakhs, which reflected sale of investments of ₹ 153.99 lakhs and interest income of ₹ 13.41 lakhs, partially offset by purchase of fixed assets of ₹ 42.68 lakhs.

Financing activities

For FY2025-26

Net cash generated from financing activities for FY 2025-26 was ₹ 133.84 lakhs, which reflected proceeds from short-term borrowings of ₹ 302.56 lakhs, offset by repayment of long-term borrowings of ₹ 67.95 lakhs, interest and other expenses paid on borrowings of ₹ 80.78 lakhs, and payment of dividend of ₹ 20.00 lakhs

For FY2024-25

Net cash used in financing activities for FY 2024-25 was ₹ (139.54) lakhs, which reflected repayment of short-term borrowings of ₹ 42.89 lakhs, interest and other expenses paid on borrowings of ₹ 66.97 lakhs, repayment of long-term borrowings of ₹ 9.68 lakhs, and payment of dividend of ₹ 20.00 lakhs.

For FY2023-24

Net cash used in financing activities for FY2023-24 was ₹ (2.94) lakhs, which reflected proceeds from short-term borrowings of ₹ 151.12 lakhs, partially set off by interest and other expenses paid on borrowings of ₹ 48.82 lakhs, repayment of long-term borrowings of ₹ 90.24 lakhs and payment of dividend of ₹ 15.00 lakhs.

BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Long-Term Borrowings (₹ in Lakhs)	166.29	234.24	243.93
Short-Term Borrowings (₹ in Lakhs)	525.36	222.80	265.69
Total Borrowings (₹ in Lakhs)	**691.66**	**457.04**	**509.62**
Debt to Equity Ratio	0.39	0.49	1.14

Our total borrowings increased by 51.33% to ₹691.66 lakhs as at March 31, 2026 from ₹457.04 lakhs as at March 31, 2025, primarily due to higher short-term borrowings. Total borrowings had decreased by 10.32% as at March 31, 2025 compared with ₹509.62 lakhs as at March 31, 2024. Our Debt to Equity Ratio was 0.39 times, 0.49 times and 1.14 times as at March 31, 2026, March 31, 2025 and March 31, 2024, respectively.

For details of principal terms of the facilities sanctioned to our Company, see "Statement of Financial Indebtedness" on page 232.

CAPITAL EXPENDITURE

Our capital expenditure primarily comprises expenditure incurred towards Property, Plant and Equipment and Intangible Assets required for our manufacturing, engineering, project execution and support activities. As at March 31, 2026, March 31, 2025 and March 31, 2024, our capital expenditure amounted to ₹81.28 lakhs, ₹119.82 lakhs and ₹42.68 lakhs, respectively. The capital expenditure comprised expenditure on Property, Plant and Equipment of ₹81.28 lakhs, ₹114.17 lakhs and ₹42.68 lakhs, respectively, and expenditure on Intangible Assets of Nil, ₹5.65 lakhs and Nil, respectively. The level of capital expenditure may vary from year to year depending on our business requirements and planned investments in manufacturing and operational infrastructure.

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Property, Plant and Equipment	81.28	114.17	42.68
Intangible Assets	-	5.65	-
Total	**81.28**	**119.82**	**42.68**

Related party transactions

Except as disclosed in the Chapter "Summary of Related Party Transactions" on page 63, our Company has not entered into any other related party transactions.

OTHER QUANTITATIVE AND QUALITATIVE DISCLOSURES

Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 24 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

Status of any publicly announced New Products or Business Segment

Except as disclosed in the Chapter "Business Overview" on page 160, our Company has not announced any new product or service.

Future relationship between cost and income

Other than as described in the sections "Risk Factors", "Business Overview" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 24, 160 and 233 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

Total turnover of each major industry segment in which our Company operates

Except as disclosed in the Chapter "Business Overview" and "Restated Financial Statements" on page 160 and 230 we do not follow any other segment reporting. Seasonality of business

Significant economic changes that materially affected or are likely to affect income from continuing operations.

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

Statutory auditors' qualifications or adverse observations

There are no Statutory auditors' qualifications or adverse observations that may materially affect or likely to affect income from continuing operations.

Supplier or Customer Concentration

The percentage of contribution of our Company's customer vis-à-vis the total revenue from operations respectively for the indicated period on restated basis is as follows:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Top 1 Customer	11.99%	11.13%	18.03%
Top 3 Customers	28.01%	24.19%	34.06%
Top 5 Customers	42.60%	34.09%	44.00%
Top 10 Customers	64.68%	54.39%	58.64%

The percentage of contribution of our Company's supplier to total purchase respectively for the indicated period on restated basis is as follows:

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Top 1 Supplier	9.16%	9.57%	6.74%
Top 3 Suppliers	23.65%	22.32%	16.87%
Top 5 Suppliers	34.23%	30.72%	26.12%
Top 10 Suppliers	52.07%	44.75%	44.81%

Competitive conditions

Competitive conditions are as described under the Chapters "Industry Overview" and "Business Overview" beginning on pages 121 and 160 respectively of this Draft Red Herring Prospectus.

Seasonality of business

Our business is not seasonable in the nature

Material Developments after March 31, 2026 that may affect our future results of operations

After the date of last Balance sheet i.e., March 31, 2026, the following material events have occurred after the last audited period.

- The Company, as on June 01, 2026, has subdivided its 1 equity share having a face value of Rs. 100 each into 10 equity shares having a face value of Rs. 10 each. Consequently, the number of equity shares has increased from 50,000 equity shares to 5,00,000 equity shares. The said sub-division has not resulted in any change in the aggregate paid-up equity share capital of the Company.

- The Company has, on June 30, 2026, increased its authorized share capital from Rs. 50,00,000 (Rupees Fifty Lakhs only), comprising 50,000 equity shares of Rs. 100 each, to Rs. 15,00,00,000 (Rupees Fifteen Crore only), comprising 1,50,00,000 equity shares of Rs. 10 each.

- The company, as on July 22, 2026, has allotted 75,00,000 (Seventy-Five Lakhs) fully paid-up bonus equity shares of Rs. 10 (Rupee Ten Only) each aggregating to Rs. 7,50,00,000 (Rupees Seven Crore Fifty Lakh Only) in the ratio of 15:1 [i.e. 15 (Fifteen) fully paid-up equity share of Rs. 10 (Rupees Ten only) each for every 1 (One) existing fully paid-up equity shares of Rs. 10 (Rupees Ten only) each held].

- The Company was converted from a **Private Limited Company to a Public Limited Company** with effect from September 18, 2026, pursuant to the approval of the Registrar of Companies.

- The Company declared a Final dividend of ₹2.25 per equity share (i.e., 22.50% of the face value of ₹10 per equity share) on September 17, 2026.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2026, derived from our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Information" and "Risk Factors" on pages 233, 230 and 24, respectively.

(₹ in Lakhs excepts ratios)

Sr. No	Particulars	Pre issue (As at March 31, 2026)	Post issue
1	**Non-current borrowings:**		
	Secured	166.29	[●]
	Unsecured	-	[●]
	Total non-current borrowings	**166.29**	[●]
	Add: Current Maturities of Long-term Borrowings	24.52	[●]
(A)	**Non-current borrowings (Incl. current maturities of long-term borrowings)**	**190.82**	[●]
2	**Current borrowings**		
	Secured	525.36	[●]
	Unsecured	-	[●]
	Total current borrowings	**525.36**	[●]
	Less: Current Maturities of Long-term Borrowings	(24.52)	[●]
(B)	**Current borrowings (Excl. current maturities of long-term borrowings)**	**500.84**	[●]
(C)	**Total Debt (C = A + B)**	**691.66**	[●]
3	**Shareholders' funds:**		
I	Equity Share Capital	50.00	[●]
II	Other Equity	1,720.03	[●]
III	Minority Interest		
(D)	**Total Equity**	**1,770.03**	[●]
	Total Capitalisation (C + D)	**2,461.69**	[●]
	Key Ratios:		
	Non-current borrowings / Total Equity (A / D)	0.11	[●]
	Total Debt / Total Equity (C / D)	0.39	[●]

Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes instalment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes instalment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2026.
4. Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 01, 2026 and the Board Resolution dated May 06, 2026, each existing Equity Share having a face value of ₹100 each was sub-divided into 10 (Ten) Equity Shares having a face value of ₹10 each. Consequently, the issued, subscribed and paid-up Equity Share Capital of the Company comprising 50,000 Equity Shares of face value ₹100 each stood sub-divided into 5,00,000 Equity Shares of face value ₹10 each.
5. Pursuant to the resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on June 30, 2026 and the Board Resolution dated June 18, 2026, our company has increased its authorized share capital from ₹50,00,000 divided into 5,00,000 Equity Shares of ₹10 each to ₹15,00,00,000 divided into 1,50,00,000 Equity Shares of ₹10 each.
6. Pursuant to resolution of our Shareholders dated July 18, 2026, and Board resolution dated July 10, 2026, our Company has issued and allotted 75,00,000 Equity Shares by way of bonus issue in the ratio of 15 Equity Shares for every 1 (one) Equity Share held by our Shareholders on the record date i.e., July 10, 2026.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no (i) pending criminal litigation involving our Company, Directors, Promoters, Key Managerial Personnel (KMPs); (ii) actions taken by statutory or regulatory authorities involving our Company, Directors or Promoters; (iii) outstanding claims involving our Company, Directors or Promoters for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Hering Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoters by any statutory and regulatory authorities during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoters or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:

a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, KMPs as the case may be shall be deemed to be material;

b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
- *i. two percent of turnover, as per the latest annual restated financial statements of the Issuer i.e. Rs. 201.60 Lakhs; or*
- *ii. two percent of net worth, as per the latest annual restated financial statements of the Issuer, except in case the arithmetic value of the net worth is negative i.e. Rs.35.40 Lakhs; or*
- *iii. five percent of the average of the absolute value of profit or loss after tax, as per the last three annual restated financial statements of the Issuer, i.e. Rs. 27.76 Lakhs.*
- *iv. In terms of the materiality policy of our Company as defined by the Board, the threshold limit is fixed at Rs.5.00 Lakhs*

In our case, we have considered the value of criteria (iv) being the lowest, for the purpose of materiality.

c) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (b) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company or where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, KMPs whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at www.acefurnaces.com.

d) Notices received by our Company, Promoter, Directors, KMPs as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / KMPs, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING LITIGATION INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND KMPs

PART 1: LITIGATION RELATING TO OUR COMPANY

A. CASES FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against the Company.

2) Litigation involving Actions by Statutory/Regulatory Authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

3) Litigation involving Tax Liability

Indirect Tax:

(i) GST

S. No.	Entity and GSTIN	Name of Authority	Notice/Demand Order ID & Period	Notice/Order Description	Amount in Dispute (Rs.)	Current Status
1.	Ace Furnaces Private Limited 27AAMCA4586A1ZN (Maharashtra)	Deputy Commissioner of State Tax, Sanpada_506: Raigad, Thane, Maharashtra	A Show-Cause Notice in the Form GST DRC-01 vide Reference No. **ZD270322092656 6,** dated March 29, 2022 Tax Period: **February 2022** F.Y.: **2021-2022**	Show Cause Notice under Section 122(2) of the Maharashtra Goods and Services Tax, 2017 (MGST Act, 2017) for imposition of penalty	Total Liability: Rs.20,000/-	A Show-Cause Notice vide Form GST DRC-01, dated March 29, 2022, under Section 122(2) of the MGST Act, 2017, bearing Reference No. ZD2703220926566 was issued for Tax Period - February 2022 for non-payment of Taxes collected by the non-filing of GSTR-3B. The Liability arose is of Rs. 20,000/-.
2.	Ace Furnaces Private Limited 27AAMCA4586A1ZN (Maharashtra)	Deputy Commissioner of State Tax, Wagle SE_504, Thane, Maharashtra	An Intimation in the Form GST ASMT-10, vide Reference No. **ZD270726018161J,** dated July 03, 2026 Tax Period: **April, 2023-March, 2024**	Notice in Form **GST ASMT-10** under Section 61 of GST Act, 2017	Total Liability: Rs. 7,43,098.29/-	A Notice vide Form **GST ASMT-10,** dated July 03, 2026, under Section 61 of GST Act, 2017 bearing Reference No. **ZD270726018161J** was issued for **F.Y. 2023-24** for availment of ineligible ITC for Rs. 7,43,098.29/-.
3.	Ace Furnaces Private Limited 27AAMCA4586A1ZN (Maharashtra)	Deputy Commissioner of State Tax, Wagle SE_504, Thane, Maharashtra	An Intimation in the Form GST ASMT-10, vide Reference No. **ZD270126052414M,** dated January 12, 2026 Tax Period: **April, 2023-March, 2024**	Notice in Form **GST ASMT-10** under Rule 61 of GST Act, 2017	Total Liability: Rs. 6,00,124.60/-	A Notice vide Form **GST ASMT-10,** dated January 12, 2026, under Section 61 of GST Act, 2017 bearing Reference No. **ZD270126052414M** was issued for **F.Y. 2023-24** for availment of excess ITC in GSTR 3B/GSTR-9, which is not confirmed in GSTR 2B/GSTR 2A and interests on delayed payments made with GSTR 3B, aggegrating the total of Rs. 6,00,124.60/-.

Direct Tax:

(ii) Income Tax

A.Y. 2017-18

As per the details available on the website of the Income Tax department, **Ace Furnaces Private Limited** (hereinafter referred to as the "Assessee") has been issued with a demand bearing Demand Reference No. **20192017370747113 91C**, pursuant to an Intimation under Section 143(1)(a) of the Income Tax Act, 1961, dated December 11, 2019, raising a demand of **Rs. 93,650/-** in addition to an interest of **Rs. 76,752/-**, aggregating to **Rs. 1,70,402/-** for A.Y. 2017-18**,** and the same is disputed by the assessee and pending.

(iii) TDS*

As per the information available on the TRACES Portal, the Company has **11 TDS-related outstanding demands**, aggregating to **Rs. 8,71,960/-**. The outstanding demands pertain to the financial years **2015-16 to 2025-26**, with the amounts reflected for the respective financial years as follows: F.Y. 2015-16 – Rs. 51,180/-; F.Y. 2016-17 – Rs. 1,03,800/-; F.Y. 2017-18 – Rs. 33,770/-; F.Y. 2018-19 – Rs. 10,080/-; F.Y. 2019-20 – Rs. 6,490/-; F.Y. 2020-21 – Rs. 7,800/-; F.Y. 2021-22 – Rs.27,350/-; F.Y. 2022-23 – Rs. 26,990/-; F.Y. 2023-24 – Rs.1,47,250/-; F.Y. 2024-25 – Rs.24,540/-; and F.Y. 2025-26 – Rs. 4,32,710/-.

**Our Company had outstanding demands against its TAN for FY 2016-17 (Rs. 1,03,800) and FY 2017-18 (Rs.32,200). These were settled under the Direct Tax Vivad se Vishwas Act, 2020 on payment of Rs. 25,950 and Rs.8,050, respectively. Orders for full and final settlement in Form-5 were issued on June 8, 2022. However, these demands are still reflected as outstanding on the TRACES Portal.*

4) Other Pending Litigation based on Materiality Policy of our Company

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations against the Company.

B. CASES FILED BY OUR COMPANY

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by the Company.

2) Litigation involving Tax Liability

Indirect Tax:
NIL

Direct Tax:
NIL

3) Other Pending Litigation based on Materiality Policy of our Company

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed by the Company.

PART 2: LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against the Promoters and Directors of the Company.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters and Directors of the Company.

3) Litigation involving Tax Liability

Indirect Tax:
NIL

Direct Tax:
(i) Income Tax

A. As per the details available on the website of the Income Tax Department, **Kailash Vishnu Nasta** (hereinafter referred to as the "Assessee"), Promoter and Managing Director, has an outstanding demand bearing Demand Reference No. **20192012371134915O2T**, pursuant to an Intimation under Section 154 of the Income Tax Act, 1961, for A.Y. **2012-13**. The outstanding demand comprises tax of **Rs. 2,01,530/-** and accrued interest of **Rs. 1,59,185/-**, aggregating to **Rs. 3,60,715/-, and the same is disputed by the assessee and is pending.**

B. A notice dated **May 03, 2018** was issued against our Promoter and Managing Director, **Kailash Vishnu Nasta**, vide Communication Reference No. **CPC/1718/G21/1758620519,** for A.Y. **2017-18,** by which there is an indication of inconsistency between salary income in the return and Form 26AS of **Rs. 19,200/-.**

C. As per the information available on the TRACES Portal, our Non-Executive Director, Muralidhar Chaudhari, has 3 TDS-related outstanding demands, aggregating to Rs. 22,060/-. The outstanding demands pertain to the financial years 2010-11, 2024-25 and 2025-26, with the amounts reflected for the respective financial years as follows: F.Y. 2010-11 – Rs. 770/-; F.Y. 2024-25 – Rs. 16,920/- and F.Y. 2025-26 – Rs. 4,370/-.

(ii) TDS:

NIL

4) Other Pending Litigation based on Materiality Policy of our Company

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed against the Promoters and Directors of the Company.

B. LITIGATION FILED BY OUR PROMOTER AND DIRECTORS

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings filed by the Promoters and Directors of the Company.

2) Other Pending Litigation based on Materiality Policy of our Company

As on the date of this Draft Red Herring Prospectus, there are no other pending material litigations filed by the Promoters and Directors of the Company.

PART 3: LITIGATION RELATING TO OUR KEY MANAGERIAL PERSONNEL (KMPs) (OTHER THAN DIRECTORS AND PROMOTERS)

A. LITIGATION AGAINST OUR KEY MANAGERIAL PERSONNEL (KMPs) (OTHER THAN DIRECTORS AND PROMOTERS)

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Key Managerial Personnel of the Company.

2) Litigation Involving Actions by Statutory/Regulatory Authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Key Managerial Personnel of the Company.

3) Litigation involving Tax Liability

Indirect Tax:
NIL

Direct Tax:
NIL

B. LITIGATION FILED BY OUR KMPs (OTHER THAN DIRECTORS AND PROMOTERS)

1) Litigation involving Criminal Laws

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by the Key Managerial Personnel of the Company.

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTERS AND DIRECTORS DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions, including penalties, imposed by SEBI or Stock Exchanges against the Promoters and Directors during the last 5 financial years, including outstanding actions, except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of our Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not), fines imposed, or compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the Draft Red Herring Prospectus, there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) overdues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company nor our Promoters nor our Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past, nor are any currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institutions or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 233 there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, any creditor of the Company shall be considered material if the amount due to any of them exceeds 10% of the total dues to creditors as per the last audited financial statements of the Company. Details of outstanding dues (trade payables) owed to MSME (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2026, on a consolidated basis, are set out below:

(Rs. in lakhs)

Particulars	Number of Creditors	Amount Involved
Dues to Micro, Small and Medium Enterprises	34	399.12
Dues to other creditors	58	646.80
Total	92	1045.92

**As certified by Abhishek Kumar & Associates, Chartered Accountants, Statutory Auditors of our Company, vide certificate dated September 29, 2026.*

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor, are available on the website at www.acefurnaces.com

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business as applicable on date of this Draft Red Herring Prospectus and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

S. No	Nature of Registration	Corporate Identification Number (CIN)	Applicable Law	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation 'Ace Furnaces Private Limited'	U29242MH2014PTC253538	The Companies Act, 1956	Registrar of Companies, Maharashtra, Mumbai	February 24, 2014	Valid until Cancelled
2.	Fresh Certificate of Incorporation pursuant to conversion from 'Ace Furnaces Private Limited' to 'Ace Furnaces Limited'	U29242MH2014PLC253538	The Companies Act, 2013	Registrar of Companies, Central Processing Centre	September 18, 2026	Valid until Cancelled

Approvals in relation to the Issue

Corporate Approvals

1. Our Board of Directors has, pursuant to a resolution passed at its meeting held on September 18, 2026 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.

2. Our shareholders have, pursuant to a resolution dated September 21, 2026, under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

3. Our Board of Directors has, pursuant to a resolution dated September 30, 2026 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively, with the SME platform of BSE Limited.

Approvals from Stock Exchange

Our Company has received In-Principle listing approval from the SME platform of BSE Limited dated [●] for listing of Equity Shares issued pursuant to the Issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated September 29, 2026, with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.

2. The Company has entered into an agreement dated March 26, 2025, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Purva Sharegistry (India) Private Limited, for the dematerialization of its shares.
3. The International Securities Identification Number (ISIN) of our Company is INE1TXP01026.

Lender's NOC

1. No-objection Certificate was received from ICICI Bank Limited on September 22, 2026.
2. No-objection Certificate was received from HDFC Bank Limited on September 23, 2026.

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:

The Permanent Account Number of our Company is AAMCA4586A.

Other Approvals in relation to the premises of our Company are:

S. No.	Description	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
Registered Office at Unit No. 130, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Panchpakhadi, Thane – 400604, Maharashtra, India					
1.	*Tax Deduction and Collection Account Number (TAN)	MUMA45484F	Income Tax Department, Government of India	-	Valid till Cancelled
2.	*GST Registration Certificate (Maharashtra) Additional Place of Business – Shed No. G 50, Ambernath Industrial Area, Chikhaloli, Chikhaloli Pada, Ambarnath, Thane- 421501, Maharashtra	27AAMCA4586A1ZN	Deputy Commissioner of State Tax, Wagle I.E._504, Goods and Service Tax Department, Maharashtra	Date of Issue: February 13, 2026 With effect from: July 01, 2017	Valid till Cancelled
3.	*#Certificate of Registration under Section 5(1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	27091048808P	Maharashtra Goods and Services Tax Department	July 11, 2018 With effect from: August 29, 2026	Valid till Cancelled
4.	*#Certificate of Enrollment under Section 5(3) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	99502151594P	Maharashtra Goods and Services Tax Department	July 11, 2016 With effect from: April 01, 2026	Valid till Cancelled
5.	*Registration under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	THVSH1238708000	Employees' Provident Fund Organization	July 18, 2015	Valid till Cancelled
6.	#*Registration under Employees' State Insurance Act, 1948	3400030412000606	Employees' State Insurance Corporation	March 14, 2015	Valid till Cancelled
7.	#*Labour Identification Number (LIN)	1-5685-9496-8	Ministry of Labour and Employment, Government of India (Shram Suvidha Portal)	Verified from Shram Suvidha Portal	Valid till Cancelled
8.	*Labour Welfare Fund Registration	THTHAA000642	Welfare Commissioner, Maharashtra Labour Welfare Board	Date of Registration: July 22, 2015 With effect from: June 01, 2015	Valid till Cancelled
9.	**Final No Objection	MIDC/Fire/B9	Chief Fire Officer & Fire	June 27, 2016	Valid till

S. No.	Description	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
Registered Office at Unit No. 130, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Panchpakhadi, Thane – 400604, Maharashtra, India					
	Certificate (Fire NOC)	7965	Advisor, Maharashtra Industrial Development Corporation (MIDC)		Cancelled

**The abovementioned approval are in the erstwhile name of the Company, i.e. Ace Furnaces Private Limited. Our Company is in the process of applying for a change in the name to the current name of our Company, i.e. Ace Furnaces Limited.*

***The Final No Objection Certificate (Fire NOC) is in the name of the owner of the plot, i.e., National Standard India Limited, addressed at 'Plot No. F-4 & F-4/1, MIDC, Wagle Industrial Area, Thane. The Company is yet to obtain the Fire NOC in its own name.*

The abovementioned approvals are in the old address of the Company, i.e. W-311, TTC Industrial Area, MIDC Rabale, Mumbai, Thane– 400701, Maharashtra. The Company is in the process of updating the address of the new registered office situated at Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane– 400604, Maharashtra.

S. No.	Description	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
Manufacturing unit at Plot No. G-50, Ambernath Industrial Area, Chikhloli, Ambernath, Thane – 421501, Maharashtra, India					
1.	*License to Work as a Factory	121702815000A-429	Directorate of Industrial Safety and Health, Government of Maharashtra	March 23, 2026	December 31, 2026
2.	*Consent to operate under Green Category	0000299947/CO/2609001131	Sub- Regional Officer, Maharashtra Pollution Control Board	September 14, 2026	March 31, 2029
3.	*Certificate of Stability under the Factories Act, 1948	251004	Chartered Engineer (India)	August 10, 2026	Valid until Cancelled
4.	**Certificate of Verification under Legal Metrology Act, 2009 for Electronic Weighing Scale-NAWI- Electronics Scale, Class III (500 kg)	CLM08952240	Inspector of Legal Metrology, Dombivli	July 21, 2026	July 20, 2027

**The above-mentioned approvals are in the erstwhile name of the Company, i.e. Ace Furnaces Private Limited. Our Company is in the process of applying for a change in the name to the current name of our Company, i.e. Ace Furnaces Limited.*

***The Certificate is issued in the name of the manufacturer of the weight, i.e., M/s Librar Systems.*

Other Business-Related Approvals:

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
1.	*UDYAM Registration Certificate	Ace Furnaces Private Limited Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	UDYAM-MH-33-0035098	Ministry of Micro, Small and Medium Enterprises, Government of India	December 03, 2020	Valid till Cancelled
2.	*Importer - Exporter Code (IEC)	Ace Furnaces Private Limited Office No. 130, Lodha	0314022228	Directorate General of Foreign Trade, Ministry of	June 26, 2014	Valid till Cancelled

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of Issue	Date of Expiry
		Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra		Commerce and Industry, Government of India		
3.	Legal Entity Identifier (LEI)	Ace Furnaces Limited Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	3358002EKGP5BQHQ8C77	Legal Entity Identifier India Limited	August 29, 2019	February 14, 2027 Automated Renewal valid till: February 14, 2028
4.	*Certificate for Quality Management System under ISO 9001:2015 with the following scope: Design and Manufacturing of Industrial Furnaces	Ace Furnaces Private Limited Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	0615Q463226	Toris Management Private Limited	June 15, 2026	June 14, 2029

**The above-mentioned approvals are in the erstwhile name of the Company, i.e. Ace Furnaces Private Limited. Our Company is in the process of applying for a change in the name to the current name of our Company, i.e. Ace Furnaces Limited.*

Intellectual Property

S. No.	Trademark	Class	Application Number/Date	Issuing Authority	Status
1.	Ace Furnaces Pvt. Ltd. (Device) ACE FURNACES PVT. LTD. WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS	11	Application No. 7221311 dated: September 06, 2025	Registrar of Trade marks	Under Examination
2.	Ace Furnaces Pvt. Ltd. (Device) ACE FURNACES PVT. LTD. WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS	35	Application No. 7221312 dated: September 06, 2025	Registrar of Trade marks	Under Examination
3.	Ace Furnaces Pvt. Ltd. (Device) ACE FURNACES PVT. LTD. WORLD CLASS INDUSTRIAL FURNACES | WE UNDERSTAND CUSTOMERS	37	Application No. 7221313 dated: September 06, 2025	Registrar of Trade marks	Under Examination

**The above-mentioned approvals are in the erstwhile name of the Company, i.e. Ace Furnaces Private Limited. Our Company is in the process of applying for a change in the name of the Trademark to the current name of our Company, i.e. Ace Furnaces Limited.*

Domain Name:

S. No.	Domain Name and Registry Domain ID	Registrar Domain ID	Registrar Name and IANA ID	Creation Date	Registry Expiry Date
1.	acefurnaces.com	1869385813_DOMAIN_COM-VRSN	Registrar Name: PDR Ltd. d/b/a PublicDomainRegistry.com Registrar IANA ID: 303	August 02, 2014	August 02, 2027

LICENSES/ REGISTRATIONS WHICH HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS ARE YET TO BE MADE:

1. Certificate of Registration bearing registration number 1910200313323027 issued under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 for the registered office addressed at Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane- 400604, Maharashtra, expired on August 20, 2020. Our Company is in the process of renewing the same.

2. Final No Objection Certificate of fire bearing number EE/AMB/ A42496 /of 2024 for manufacturing unit at G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane- 421501, Maharashtra expired on September 02, 2025. Our Company is in the process of renewing the same.

APPLICATIONS MADE BY OUR COMPANY BUT PENDING APPROVAL:

Sr. No.	Description	Address of Premises	Application No.	Issuing Authority	Application Date	Status
1.	Application for change in name of the establishment from Private Limited Company to Public Limited Company in Permanent Account Number (PAN)	Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	882134208632703	Income Tax Department, Government of India	September 19, 2026	Pending
2.	Application for change in name of the establishment from Private Limited Company to Public Limited Company in Tax Deduction and Collection Account Number (TAN)	Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	883039409 27171	Income Tax Department, Government of India	September 19, 2026	Pending
3.	Application for change in name, from Private Limited Company to Public Limited Company, and address of the establishment in the Certificate of Registration under Section 5(1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975#	Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane- 400604, Maharashtra	Not mentioned	Profession Tax Officer, Thane, PTO-C-0001, Maharashtra	September 24, 2026	Pending
4.	Application for change in name of the establishment from Private Limited Company to Public Limited Company in the registration under the Employees' State Insurance Act, 1948	Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra - 400604	Not mentioned	Employees' State Insurance Corporation	September 22, 2026	Pending
5.	Application for change in name of the establishment from Private Limited Company to Public Limited Company in Maharashtra Labour Welfare Fund Registration	Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane-400604, Maharashtra	Not mentioned	Maharashtra Labour Welfare Fund Board	September 24, 2026	Pending

6.	Application for renewal License to Work as a Factory under the new name "Ace Furnaces Limited" pursuant to change in name of the Company from Private Limited Company to Public Limited Company.	G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane- 421501, Maharashtra	100030792615	Chief Inspector of Factories, Directorate of Industrial Safety and Health (DISH), Maharashtra	September 28, 2026	Pending

#The above-mentioned approvals is in the old address of the Company, i.e. W-311, TTC Industrial Area, MIDC Rabale, Mumbai, Thane– 400701, Maharashtra. The Company is in the process of updating the address of the new registered office situated at Office No. 130, Lodha Supremus II, Road No. 22, Wagle Estate, Thane– 400604, Maharashtra.

MATERIAL APPROVALS REQUIRED AND YET TO BE APPLIED:

Sr. No.	Particulars	Applicable Act	Relevant Authority
1.	Final Fire No Objection Certificate (Fire NOC) for the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501, Maharashtra	Maharashtra Fire Prevention and Life Safety Measures Act, 2006	Chief Fire Officer, Maharashtra Industrial Development Corporation (MIDC) Fire Services
2.	Labour Welfare Fund registration for the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501, Mahrashtra	Maharashtra Labour Welfare Fund Act, 1953	Welfare Commissioner, Maharashtra Labour Welfare Board
3.	Registration as principal employer for engagement of contract labour at the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501	Occupational Safety, Health and Working Conditions Code, 2020 (erstwhile Contract Labour (Regulation and Abolition) Act, 1970)	Registering Officer, Labour Department, Government of Maharashtra
4.	Shops and Establishment registration certificate for the branch office at Office No. B-114, 1st Floor, Lodha Supremus II, Plot No. F4 and F4-1, Road No. 22, Wagle Estate, Thane – 400604	Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	Office of the Deputy Commissioner of Labour, Thane
5.	Application for amendment of core fields in the GST registration (Maharashtra) bearing GSTIN 27AAMCA4586A1ZN for change in name of our Company from "Ace Furnaces Private Limited" to "Ace Furnaces Limited"	Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017	Deputy Commissioner of State Tax, Wagle I.E._504, Goods and Services Tax Department, Maharashtra
6.	Application for change in name and address of our Company in the Certificate of Enrolment bearing No. 99502151594P	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	Profession Tax Officer, Maharashtra Goods and Services Tax Department, Thane
7.	Application for change in name and address of our Company in the registration bearing Code No. THVSH1238708000 under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (now subsumed under the Code on Social Security, 2020)	Employees' Provident Fund Organisation
8.	Application for change in name of our Company in the Certificate of Stability bearing No. 251004 for the manufacturing unit at Plot No. G-50, Chikhloli MIDC, Ambernath Industrial Area, Ambernath, Thane – 421501, Maharashtra	Factories Act, 1948 read with Rule 3A of the Maharashtra Factories Rules, 1963 (now subsumed under the Occupational Safety, Health and Working Conditions	Chartered Engineer (competent person)

Sr. No.	Particulars	Applicable Act	Relevant Authority
		Code, 2020)	
9.	Application for change in name of our Company in the Udyam Registration Certificate bearing No. UDYAM-MH-33-0035098	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises, Government of India
10.	Application for change in name of our Company in the Importer-Exporter Code bearing No. 0314022228	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India
11.	Application for change in name of our Company in the Certificate for Quality Management System under ISO 9001:2015 bearing No. 0615Q463226	Not applicable	Toris Management Private Limited

INFORMATION WITH RESPECT TO GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Companies as considered material by our Board. Further, pursuant to a resolution of our Board dated September 29, 2026 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions: -

a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (**"Restated Financial Statements"**); or

b) if such company fulfils both the below mentioned conditions: -

   i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations; and

   ii. our Company has entered into one or more transactions with such company during the preceding fiscal or audit period, which individually or cumulatively in value exceeds 10% of the total income of our Company for the last completed fiscal year as per the Restated Financial Information.

Based on the above, our Company does not have "Group Companies" in terms of the definition provided for above, as on date of this Draft Red Herring Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

The Board of Directors have, pursuant to the resolution passed at its meeting held on September 18, 2026 authorized the Offer, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013. The shareholders of the Company have, pursuant to a special resolution passed in the Extra Ordinary General Meeting (EGM) held on September 21, 2026 authorized the Offer under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013. Further, our Board has taken on record the consents of the Promoter Selling Shareholders to participate in the Offer for Sale, pursuant to its resolution dated September 29, 2026.

IN-PRINCIPLE APPROVAL

Our Company has received an In-Principal Approval letter dated [●] from BSE Limited for using its name in the Draft Red Herring Prospectus for listing our shares on the SME Platform of BSE. BSE is the Designated Stock Exchange for the purpose of this Offer.

AUTHORISATION BY PROMOTER SELLING SHAREHOLDERS

The Promoter Selling Shareholder has authorised and confirmed inclusion of their respective portion of the Offered Shares as part of the Offer for Sale, as set out below:

Sr. No.	Name of the Promoter Selling Shareholder	Authorisation Letter Dated	Number of Equity Shares of face value of ₹10 each held	Maximum number of Offered Shares	Percentage of pre-Offer Equity Share capital (%)
1.	Mr. Kailash Vishnu Nasta	September 29, 2026	40,00,000	Up to 2,70,000 Equity Shares	3.38
2.	Mrs. Rhea Kailash Nasta	September 29, 2026	32,00,0000	Up to 2,16,000 Equity Shares	2.70
3.	Mr. Nitin Jagannath Phirake	September 29, 2026	8,00,000	Up to 54,000 Equity Shares	0.68
	Total		**80,00,000**	**Up to 5,40,000 Equity Shares**	**6.75**

The Promoter Selling Shareholders, specifically confirm that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held their portion of the Offered Shares 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. For more details, please see "Capital Structure" beginning on page 77.

PROHIBITION BY SECURITIES MARKET REGULATORS

Our Company, our Promoters, our Directors have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of the companies of which our directors are promoters, directors or persons in control are debarred from accessing capital markets by the SEBI.

CONFIRMATIONS

1. Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable.

2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.

3. There has been no action taken by SEBI against any of our directors or any entity with which our directors are associated as

Promoters or directors.

PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

Our Promoters and Directors have not been declared as fugitive economic offenders in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Company or our Promoters or our Directors or Promoters is identified as a Wilful Defaulter or a Fraudulent Borrower.

ELIGIBILITY FOR THE OFFER

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post offer paid-up capital will be more than ₹10 Crore and up to ₹ 25 Crore, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange"), in this case being the SME Platform of BSE Limited i.e. BSE SME).

In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that our company complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares. The point wise Criteria for SME Platform of BSE Limited and compliance thereof are given hereunder;

1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.

Our Company is incorporated under the Companies Act, 1956.

2. The post offer paid up capital of the company shall not be more than ₹ 25.00 Crore.

The present paid-up capital of our Company is ₹ 800.00 Lakh and we are proposing offer of Up to 27,20,000 Equity Shares of ₹ 10/- each at Offer price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] Lakh. Hence, our Post Offer Paid up Capital will be ₹ [●] Lakhs which is not more than ₹ 2,500.00 Lakhs.

***3.* Net Worth**

The company/entity should have Net-worth of at least ₹ 1 Crore for two preceding full financial year

(₹ in Lakhs)

Particulars	For the period/ Fiscal ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Equity Share Capital	50.00	50.00	50.00
Reserves and surplus	1,720.03	882.23	397.88
Less: Preliminary expense not written off	(0.16)	(0.18)	(0.20)
Net Worth	**1769.87**	**932.05**	**447.68**

4. Net Tangible Asset

The Net Tangible Asset shall be ₹ 300.00 Lakhs in last preceding (full) financial year:

The Net Tangible Assets based on Restated Financial Information of our company as on the last preceding (full) financial year i.e. March 31, 2026 is ₹ 1,768.45 Lakh. Therefore, our company satisfies the criteria for Net Tangible Asset of ₹ 300.00 Lakh in last preceding (full) financial year.

(₹ in Lakhs)

Particulars	For the period/ Fiscal ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Net Assets	1,770.03	932.23	447.88
Less: Intangible Assets and Intangible Assets under development	1.58	4.15	0.34
Net Tangible Assets	**1,768.45**	**928.09**	**447.54**

5. Track Record

Our Company was originally incorporated as "Ace Furnaces Private Limited" as a private limited company, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated February 24, 2014 issued by the Registrar of Companies, Maharashtra at Mumbai, having Corporate Identification Number U29242MH2014PTC253538. Subsequently, our Company was converted from a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company held on August 31, 2026 and consequently the name of our Company was changed to "Ace Furnaces Limited" pursuant to Certificate of Incorporation Consequent upon conversion to public company dated September 18, 2026 issued by Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre having Corporate Identification Number U29242MH2014PLC253538. Therefore, our company satisfies the criteria of having track record of at least 3 years.

6. Operating Profit

Our Company satisfies the criteria of having operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date which given hereunder based on Restated Financial Information.

(₹ in Lakhs)

Particulars	For the period/ Fiscal ended		
	March 31, 2026	March 31, 2025	March 31,2024
Operating profit (earnings before interest, depreciation, adjustment of non-cash items, and tax and other income) from operations	1,305.98	805.12	480.93

7. Leverage Ratio

Leverage ratio of not more than 3:1.

(₹ in Lakhs)

Particulars	For the period/ Fiscal ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Total Debt (A)	691.66	457.04	509.62
Total Shareholder's Funds (Equity) (B)	1,770.03	932.23	447.88r
Leverage Ratio (A/B)	0.39	0.49	1.14

8. Disciplinary action

- No regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any Stock Exchange having nationwide trading terminals.
- Our Promoter(s) or directors are not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- Our directors are not disqualified/ debarred by any of the Regulatory Authority.

9. Default

Our company confirms that there are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by our company, our promoters/ promoting company(ies), subsidiary Companies.

10. Name change

In case of name change within the last one year, at least 50% of the revenue calculated on a restated and consolidated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name.

Except conversion of Company from Private Limited to Public Limited, our Company confirms that there has been no name change within the last one year.

11. Other Requirements

We confirm that;

i. The Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code.
ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
iv. The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
v. There has been no change in the promoters of the Company in preceding one year from date of filing the application to BSE for listing under SME segment.
vi. The composition of the board is in compliance with the requirements of the Companies Act, 2013 at the time of in principle approval.
vii. None of the Offers/Offers managed by Book Running Lead Manager are returned by BSE in last six months from the date of this Draft Red Herring Prospectus.
viii. The Company has a website: https://www.acefurnaces.com/
ix. 100% of the Promoter's shareholding in the Company is in Dematerialised form.
x. Our Company shall mandatorily facilitate trading in demat securities and have entered into tripartite agreement with both the depositories i.e. NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode. The Company's shares bear an ISIN: INE1TXP01026
xi. There is no default in payment of interest and/or principal to the debenture / bond / fixed deposit holders, banks, FIs by the Company, promoters / promoting Company(ies), group companies, companies promoted by the promoters / promoting company(ies) during the past three years.

We confirm that;

i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting companies of the Company.
ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoters/promoting Company(ies), group companies, companies promoted by the Promoters/promoting Company(ies) during the past three years.

Regulation 229(4) of SEBI (ICDR) Regulations, 2018

In accordance with regulation 229(4) of SEBI (ICDR) Regulations, 2018, in case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document. Provided that the restated financial information of the issuer company prepared post conversion shall be in accordance with Schedule III of the Companies Act, 2013. –

Not Applicable, as the company has not been formed by conversion of existing proprietorship or a partnership firm or a limited liability partnership.

Regulation 229(5) of SEBI (ICDR) Regulations, 2018

In accordance with regulation 229(5) of SEBI (ICDR) Regulations, 2018, in cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s). –

Not Applicable, as there has not been a complete change of promoter of the company or acquisition of more than 50% of the shareholding of the Company by any new promoter(s).

Regulation 229(6) of SEBI (ICDR) Regulations, 2018

The Company satisfy the criteria of minimum operating profits (earnings before interest, depreciation and tax) of ₹100.00 lakhs from operations for at least two out of the three previous financial years. Details of the Operating Profit (Earnings before Interest, Depreciation

and tax) based on the Restated Financial Information is disclosed as under.

(₹ in lakhs)

Particulars	For the period/ Fiscal ended		
	March 31, 2026	March 31, 2025	March 31, 2024
Operating profit (earnings before interest, depreciation, adjustment of non-cash items and tax and other income) from operations	1,305.98	805.12	480.93

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled "*General Information*" beginning on page no. 65 of this Draft Red Herring Prospectus. - **Noted for Compliance**

2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Initial Public Offer. For details of the market making arrangement, see Section titled "*General Information*" beginning on page no. 65 of this Draft Red herring Prospectus. - **Noted for Compliance**

3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allotees in the Offer is greater than or equal to two hundred, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Offer document and BRLM shall ensure the same.

4. In accordance with Regulation 246(5) the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Offer Document through BRLM immediately up on registration of the Offer Document with the Registrar of Companies along with submission by the BRLM of a Due Diligence Certificate to which the site visit report of the issuer prepared by the Book Running Lead manager shall also annexed including additional confirmations to the Exchange. However, SEBI shall not offer any observation on our Draft Red Herring Prospectus.

5. Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, the Book Running Lead Manager and the BSE SME.

6. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, an application is being made to BSE and BSE is the designated stock exchange.

7. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, we have entered into an agreement with depositories for the dematerialisation of our specified securities already offered and proposed to be offered.

8. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all our present equity shares are fully paid-up.

9. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters, promoter group, the selling shareholder(s), the directors, the key managerial personnel, the senior management, qualified institutional buyer(s), employees, shareholders holding SR equity Shares, entities regulated by Financial Sector Regulators and any other categories of shareholders as maybe specified by the Board from time to time, as applicable are already in dematerialised form.

10. Further, our Company confirms that it is eligible to make the Offer in terms of Regulation 228 of the SEBI (ICDR) Regulations, 2018, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI (ICDR) Regulations, 2018, is as follows:

    a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI;
    b) None of our Promoters or Directors are promoters or directors of any other companies which are debarred from accessing the capital markets by the SEBI;
    c) Neither our Company nor our Promoters or Directors are wilful defaulter or fraudulent borrowers;

d) None of our Promoters or Directors are fugitive economic offenders.
e) There are no outstanding convertible securities or any other rights which entitle any person to receive equity shares of the issuer as on the date of this Draft Red Herring Prospectus.

Provided that the provisions of this clause e) shall not apply to:

i) outstanding options granted to employees, whether currently an employee or not, pursuant to an employee stock option scheme in compliance with the Companies Act, 2013, the relevant Guidance Note or accounting standards, if any, offerd by the Institute of Chartered Accountants of India or pursuant to the Companies Act, 2013, in this regard;

Note: There are outstanding options granted to employees as on date of DRHP.

ii) fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of the red herring prospectus (in case of book-built offers) or the prospectus (in case of fixed price offers), as the case may be."

Note: There are no fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of this Red Herring Prospectus.

8. No material clause of the Articles of Association of the Company, having a bearing on the IPO/disclosures, has been left out from Disclosure.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by the SEBI and the Stock Exchange.

SEBI DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (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 THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEELINE CAPITAL ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING 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 THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS, BEELINE CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (OFFER OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH BEELINE CAPITAL ADVISORS PRIVATE LIMITED ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS."

ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF

FILING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA AT MUMBAI, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.

DISCLAIMER FROM OUR COMPANY, PROMOTERS, PROMOTER SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGER ("BRLM")

Our Company, Promoters, Promoter Selling Shareholders, its Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by us or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. It is clarified that neither the Promoter Selling Shareholder,s nor their affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Promoter Selling Shareholders in relation to itself and/or the Equity Shares offered by him through the Offer for Sale.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer agreement entered between the BRLM, Promoter Selling Shareholders and our Company on September 29, 2026 and the Underwriting Agreement dated September 29, 2026 entered into between the Underwriters and our Company and the Market Making Agreement dated September 29, 2026 entered into among the Market Maker and our Company.

All information shall be made available by our Company, Promoter Selling Shareholders and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform ser vices for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub –account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares hereby in any other jurisdiction to any person to whom it is unlawful to make an Offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Draft Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur**.**

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in

compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited. 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 prior to the filing with the RoC.

Filing

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/Prospectus along with a Due Diligence Certificate and Abridged Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

There are no findings/observations of any of the inspections by SEBI or any other regulator, if applicable, which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at http://www.mca.gov.in

Pursuant to Regulation 246 (3), the Draft Red Herring Prospectus shall be filed along with due diligence certificate as per Form A of schedule V to which the site visit report of the issuer prepare by the BRLMs is annexed including additional confirmations as provided in Form G of schedule V with SME Platform of BSE Limited.

LISTING

Application is to be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our Company has received an In-Principal Approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Draft Red Herring Prospectus, in accordance with applicable law. Promoter Selling Shareholders shall to the extent of their portion of the Offered Shares, be responsible to pay, or reimburse, as the case may be, in the proportion that the size of their portion of Offered Shares in the Offer for Sale bears to the total size of the Offer, any interest for such delays in making refunds only in the event any delay in making such refund is caused solely by, and is directly attributable to an act or omission of Promoter Selling Shareholders and in such cases where any delay is not attributable to Promoter Selling Shareholders, the Company shall solely be responsible to pay such interest in the manner agreed under the Offer Agreement.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such

other period as may be prescribed. Each of Promoter Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law 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 within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Promoter Selling Shareholders unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Promoter Selling Shareholders and to the extent of their portion of the Offered Shares.

CONSENTS

The written consents of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Management Personnel, Our Statutory Auditor, Banker to the Company; (b) Book Running Lead Manager, Registrar to the Offer, Banker to the Offer (Sponsor Bank)*, Legal Advisor to the Offer, Underwriter to the Offer and Market Maker to the Offer to act in their respective capacities have been be obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of filing of the Prospectus with the RoC.

Our Company has received written consent dated September 30, 2026, from D&B, for inclusion of Industry Report on "Indian Industrial Furnaces Sector" dated September, 2026 in this Draft Red Herring Prospectus

**The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC..*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018,

1. M/s. Abhishek Kumar & Associates, Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated September 29, 2026 for Examination Report to the Restated Financial Information dated September 29, 2026 as well as inclusion of Statement of Tax Benefits dated September 29, 2026 in this Draft Red Herring Prospectus.

2. M/s. ShriVara Law Offices have provided their written consent to act as Legal Advisor to the Offer dated September 30, 2026.

3. M/s. Abhishek Kumar & Associates Chartered Accountants have provided their written consent to act as Statutory Auditor to the company dated September 29, 2026.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

EXPERT OPINION

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

1. Our Company has received a written consent dated September 29, 2026, from our Statutory Auditor, namely, M/s. Abhishek Kumar & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their names as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated September 29, 2026, on our Restated Financial Statements; (ii) their report dated September 29, 2026, on the Statement of Special Tax Benefits in this Draft Red Herring Prospectus; and (iii) the certificates issued by them in relation to this Offer, 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.

2. Our Company has received a written consent dated September 29, 2026 from M/s. Aparna Paricharak & Associates, Company Secretaries having the membership number F7172 to include their name as required under Section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of Companies Act, 2013, in respect of certificates issued by them in their capacity as the independent practicing company secretary to our Company, 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.

3. Our Company has received written consent dated September 28, 2026 from M/s. Creative Services, Independent Chartered Engineer, to include their name in this Draft Red Herring Prospectus and be named as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of his certificate on the installed capacity and Plant & Machinery of the Company in connection with the Issue and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Particulars regarding Public or Rights Issue during the last five (5) years

Our Company has not made any previous public or rights Issue in India or abroad the five (5) years preceding the date of this Draft Red Herring Prospectus except as disclosed in this Draft Red Herring Prospectus.

Previous Issue of Equity Shares otherwise than for cash

For detailed description please refer to section titled "Capital Structure" beginning on page 77 of this Draft Red Herring Prospectus.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company

Except as stated in the chapter titled "Capital Structure" beginning on page 77 of this Draft Red Herring Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

Except as disclosed in this Draft Red Herring Prospectus, all of our Group/ Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issue or Redeemable Preference Shares and other instruments

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

Option to Subscribe

Equity Shares being offered through the Draft Red Herring Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Offer, our Company provides for retention of records with the Registrar to the Offer for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on September 23, 2026. For further details on the Stakeholders Relationship Committee, please refer to section titled "Our Management" beginning on page 204 of this Draft Red Herring Prospectus.

Our Company has appointed Ms. Mukta Bhansali, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Offer. Contact details for our Company Secretary and Compliance Officer are as follows:

Ms. Mukta Bhansali
Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, MIDC Wagle Estate, Thane – 400604
Telephone No.: +91-8097600759
Website: www.acefurnaces.com
E-Mail: compliance@acefurnaces.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc. Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Status of Investor Complaints

We confirm that we have not received any investor compliant during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

Except as disclosed in Chapter titled "General Information" beginning on Page 65 of this Draft Red Herring Prospectus; there are no changes in the Auditors of the company during the last three years.

Capitalization of Reserves or Profits

Except as disclosed under section titled "Capital Structure" beginning on page 77 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

Revaluation of Assets

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Red Herring Prospectus.

Tax Implications

Investors who are allotted Equity Shares in the Offer will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled "Statement of Special Tax Benefits" beginning on page 115 of this Draft Red Herring Prospectus.

Purchase of Property

Other than as disclosed in Section "Business Overview" on page 160 of the Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of the Draft Red Herring Prospectus, other than property, in respect of which: The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Offer, or that the Offer was contemplated in consequence of the contract; or the amount of the purchase money is not material. Except as stated elsewhere in the Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

Except as stated in this Draft Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation**.** Except as disclosed in chapter titled "Our Management" beginning on page 204 And Restated Statement of Related Party Transactions" under chapter titled "Financial Information of our Company" beginning on page 230 of the Draft Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

Exemption from complying with any provision of security laws, if any granted by SEBI

As on date of Draft Red Herring Prospectus, our company has not availed any exemption from complying with any provision of security laws granted by SEBI

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST OFFERS HANDLED BY THE BRLM

For details regarding the price information and track record of the past offer handled by Beeline Capital Advisors Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI is as follows:

TABLE 1:

Sr. No.	Issuer Name	Issue /Offer Size (₹ in Cr.)	Issue/ Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Identixweb Limited	16.63	54.00	April 03, 2025	55.00	15.70% (+5.51%)	12.98% (+9.70%)	+29.62% (+5.41%)
2.	Neptune Petrochemicals Limited	73.20	122.00	June 04, 2025	132.75	17.54% (+3.19%)	+14.63 (+0.019)	+32.54% (+6.42%)
3.	Cryogenic OGS Limited	17.77	47.00	July 10, 2025	89.30	+157.34% (-4.00%)	+253.83% (-1.52%)	+277.66% (+2.70%)
4.	Monarch Surveyors and Engineering Consultants Limited	93.75	250.00	July 29, 2025	421.25	+12.62% (-0.68%)	+3.58% (+3.53%)	-25.7% (+0.24%)
5.	BLT Logistics Limited	9.72	75.00	August 11, 2025	90.95	-22.27% (+0.62%)	36.00% (+3.24%)	-47.33% (+3.69%)
6.	Connplex Cinemas Limited	90.27	177.00	August 14, 2025	195.00	+11.41% (+1.96%)	+20.99% (+4.31%)	+45.17% (+5.02%)
7.	Jay Ambe Supermarkets Limited	18.45	78.00	September 17, 2025	79.00	+89.17% (+0.93%)	+74.42% (+3.04%)	+156.28% (-9.83%)
8.	Apollo Techno Industries Ltd.	47.95	130	December 31, 2025	145.00	-15.38% (-3.11%)	-37.81% (+15.57%)	32.92% (-9.53%)
9.	Modern Diagnostic & Research Centre Ltd.	36.89	90	January 07, 2026	99.50	-10% (-1.93%)	-30.55% (-12.78%)	-42.22% (8.47%)
10.	Kratikal Tech Limited	BSE	39.69	135	July 07, 2026	192.00	+19.11 (+0.99%)	NA

Source: Price Information www.bseindia.com and www.nseindia.com, Offer Information from respective Prospectus.

MAIN BOARD IPO:

Sr. No.	Issuer Name	Issue /Offer Size (₹ in Cr.)	Issue/ Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Mamata Machinery Limited	179.35	243.00	December 27, 2024	600.00	72.74% (-3.31%)	+44.81% (-1.79%)	+74.14% (+4.26%)
2.	Borana Weaves Limited	144.89	216.00	May 27, 2025	243.00	+1.82 (+1.68)	+0.35% (-0.30%)	+36.89 (+4.51%)
3.	Shreeji Shipping Global Limited	410.71	252.00	August 26, 2025	270.00	-0.81 (+1.39)	+17.64% (+5.50%)	+60.97% (+2.51%)
4.	Amanta Healthcare Ltd.	126.00	126.00	September 09, 2025	135.00	+7.12% (+0.71%)	-18.06% (+5.29%)	-20.06% (-1.68%)
5.	Om Power Transmission Limited	BSE	150.06	175.00	April 17, 2026	186.00	+5.57% (-2.92%)	-0.62% (- 1.13%)

(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, Offer Information from respective Prospectus.

Note:

1. *The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.*
2. *"Offer/Issue Price" is taken as "Base Price" for calculating % Change in Closing Price of the respective Offers/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 DISCLOSURE

SME IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2026-27	1	39.69	-	-	-	-	-	1	-	-	-	-	-	-

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2025-26	9	404.62	-	-	3	2	-	4	-	1	-	1	2	-
2024-25	24	1,165.44	-	-	4	14	-	6	-	5	3	10	2	4
2023-24	22	7803.48			2	13	4	3		2	2	15	1	2

MAIN BOARD IPO:

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30th calendar day from listing date			Nos. of IPO trading at premium as on 30th calendar day from listing date			Nos. of IPO trading at discount as on 180th calendar day from listing date			Nos. of IPO trading at premium as on 180th calendar day from listing date		
			Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %	Over 50 %	Between 25-50%	Less than 25 %
2026-27	1	150.06	-	-	-	-	-	1	-	-	-	-	-	-
2025-26	3	681.6	-	-	2	-	-	1	-	-	-	-	1	-
2024-25	1	179.35		-	-	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*

TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER

For details regarding track record of the Book Running Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.beelinemb.com

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the 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, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 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 at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of 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 Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

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 (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus. - **Noted for Compliance**

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) 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 Company has constituted Stakeholders Relationship Committee as follows:

Name of the Directors	Designation in Committee	Nature of Directorship
Mr. Rohit Shripad Karulkar	Chairman	Independent Director
Mr. Kailash Vishnu Nasta	Member	Managing Director
Mrs. Rhea Kailash Nasta	Member	Whole-Time Director

Our Company has appointed Ms. Mukta Bhansali as the Company Secretary and Compliance Officer who may be contacted in case of any pre-offer or post-offer related problems at the following address:

Ms. Mukta Bhansali
C/o. ACE FURNACES LIMITED
Office No. 130, 1st Floor, Lodha Supremus II, Road No. 22, MIDC Wagle Estate, Thane – 400604
Telephone No.: +91-8097600759

Website: www.acefurnaces.com
E-Mail: compliance@acefurnaces.com

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS

Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking an exemption from complying with any provisions of securities laws by SEBI as on the date of this Draft Red Herring Prospectus.

CAUTION

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Offer Agreement entered into between the Book Running Lead Manager, Promoter Selling Shareholders and our Company dated September 29, 2026 and the Underwriting Agreement dated September 29, 2026 between Book Running Lead Manager, Promoter Selling Shareholders and our Company and the Market Making Agreement dated September 29, 2026 entered into among the Market Maker, Promoter Selling Shareholder, Book Running Lead Manager and our Company.

All information shall be made available by us and BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and our Promoters Group, affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company and our Promoters Group, affiliates or associates for which they have received, and may in future receive, compensation.

Note:

Investors that apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and BRLM 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 Equity Shares of our Company.

FEES PAYABLE TO BRLM TO THE OFFER

The total fees payable to the BRLM will be as per the Memorandum of Understanding for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE OFFER

The fees payable to the Registrar to the Offer, for processing of Bidding application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company, Promoter Selling Shareholder and the Registrar to the Offer.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post or email.

FEES PAYABLE TO OTHERS

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 77 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

LISTED VENTURES OF PROMOTER

There are no listed ventures of our Promoter as on date of filing of this Draft Red Herring Prospectus.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

Except as disclosed under chapter titled *"Capital Structure"* on page 77 of this Draft Red Herring Prospectus. There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS

Except as disclosed under chapter titled *"Capital Structure"* on page 77 of this Draft Red Herring Prospectus, our Company has not capitalized Reserves or Profits during last five years.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during last five years.

CONFLICT OF INTEREST BETWEEN THE THIRD-PARTY SERVICE PROVIDERS AND COMPANY

There is no conflict of interest between the third-party service providers (crucial for operations of our Company) and our Company, Promoter Selling Shareholder, Promoters, members of the Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and the Group Companies and its directors.

CONFLICT OF INTEREST BETWEEN THE LESSOR OF THE IMMOVABLE PROPERTIES OF THE COMPANY

There is no conflict of interest between the lessor of the immovable properties (crucial for operations of our Company) and our Company, Promoter Selling Shareholder, Promoters, members of the Promoter Group, Key Managerial Personnel, Senior Management Personnel, Directors and Group Companies and its directors.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF OFFER

The Equity Shares being Offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Draft Abridged Prospectus, Red Herring prospectus, Prospectus, Bid cum Application Form, Abridged Prospectus any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issue d from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From December 1, 2023, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

Further, vide the said circular, Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

Authority for the Offer

The present Public Offer of up to 27,20,000 Equity Shares of face value of ₹10/- each includes a fresh issue of up to 21,80,000 equity shares of ₹10/- each and an offer for sale by the Promoter selling shareholders of up to 5,40,000 equity shares of ₹10/- each which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on September 18, 2026 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on September 21, 2026 in accordance with the provisions of Section 23(1)(c), 62(1)(c) and other applicable provisions, if any, of the Companies Act , 2013.

The Offer for Sale has been authorized by the Promoter Selling Shareholders by their respective consent letters dated September 29, 2026

Name of the Promoter selling shareholders	Type	No. of equity shares of face value of ₹10/- each held	No. of equity shares of face value of ₹10/ each offered
Mr. Kailash Vishnu Nasta	Promoter	40,00,000	Up to 2,70,000 Equity Shares
Mrs. Rhea Kailash Nasta	Promoter	31,99,960	Up to 2,16,000 Equity Shares
Mr. Nitin Jagannath Phirake	Promoter	8,00,000	Up to 54,000 Equity Shares
Total		**79,99,960**	**Up to 5,40,000 Equity Shares**

Ranking of Equity Shares

The Equity Shares being offered pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company, including rights in respect of dividend. The Allottees, upon receipt of Allotment of Equity Shares pursuant to the Offer, will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with the Companies Act, 2013 and the Articles of Association of our Company.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, and other applicable laws in this respect and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a

number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends, if declared, as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled "Dividend Policy" beginning on page 229 of this Draft Red Herring Prospectus.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●] per Equity Share ("Cap Price"). The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all edition of [●] (A widely circulated English National Daily Newspaper) and all edition of [●] (A widely circulated Hindi National Daily Newspaper) and [●] Edition of [●] (A widely circulated Daily Newspaper in the regional language of Mumbai, Maharashtra where our registered office is Located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its 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 websites of the Stock Exchange. The Offer Price shall be determined by our Company in consultation with the BRLM, 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.

As on the date of filing this Draft Red Herring Prospectus, there shall be only one denomination of Equity Shares.

The Offer Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled "Basis for Offer Price" beginning on page 104 of this Draft Red Herring Prospectus.

The Offer

The Offer comprises a Fresh Offer by our Company and an Offer for Sale by the Promoter Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and each of the Promoter Selling Shareholders in the manner specified in ***"Objects of the Offer"*** on page 92 of this Draft Red Herring Prospectus.

Compliance with SEBI ICDR Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
4. Right to receive annual reports and notices to members;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
8. Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "***Description of Equity Shares Related terms of Articles of Association"*** beginning on page 334 of this Draft Red Herring Prospectus.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the SME Platform of BSE Limited (BSE SME) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be two lots (which shall be above ₹2 lakhs).

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Offer before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated March 26, 2025.
- Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated September 29, 2026.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

Further in accordance with Regulation 268(1) of the SEBI ICDR Regulations, the minimum number of allottees in this Offer shall be 200. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Offer.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai, Maharashtra.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, ―U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the

death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. 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 Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office of our Company or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon production of such evidence, as may be required by the Board, elect either:

1. To register himself or herself as the holder of the equity shares; or
2. To make such transfer of the equity shares, as the deceased holder could have made.

Further, the 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 ninety (90) days, the Board may thereafter withhold payment of all dividends, 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 applicant would prevail. If the Investors require changing of their nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Offer after the 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 (2) working days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with an Offer / Offer for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

OFFER PROGRAM

Events	Indicative Dates
Bid/ Offer Opening Date*	[●]
Bid/ Offer Closing Date** ^	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account***	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

**The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.*

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

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

*** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI

Mechanism) 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. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above time table is indicative and does not constitute any obligation on our Company, the Promoter Selling shareholders or BRLM.

Whilst our Company and the Promoter Selling shareholders 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 SME Platform of BSE Limited (BSE SME) is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. Any circulars or notifications from the SEBI after the date of this Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post-offer timeline for IPOs. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public offers opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer has been made under UPI Phase III, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

The SEBI is in the process of streamlining and reducing the post Offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the 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.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non- adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids

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 and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
ii) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Individual Bidders (who

applies for minimum application size).

On the Bid/Offer Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Individual Bidders (who applies for minimum application size) after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in Initial Public Offering (IPO), 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 will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In accordance with SEBI ICDR Regulations, Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. 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. The Floor Price shall not be less than the face value of the Equity Shares.

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 a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, 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 Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

This Offer is not restricted to any minimum subscription level and the Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Offer through this Offer document including devolvement of Underwriter within sixty (60) days from the date of closure of the Offer, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after the issuer becomes liable to pay the amount, the issuer shall pay interest as prescribed under law.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified

securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Subject to applicable law, the Promoter Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of such Promoter Selling Shareholder, in which case such liability shall be on a several and not joint basis.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer including through this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 200 (Two Hundred).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than two lots (which shall be above ₹2 lakhs).

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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained an in-principal approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-Issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

In continuation to Exchange Notice No. 20250820-10 dated August 20, 2025, and Media release dated February 23, 2026; BSE has amended its criteria for SME companies seeking migration to Main Board which is effective from March 1, 2026. Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfil following conditions:

Sr. No.	Details	Eligibility Criteria

1.	Paid up capital	Atleast ₹ 10 crores.
2.	Market Capitalisation	Average of 6 months' market capitalisation: Direct Listing: Rs. 1000 crores. (on Main Board) SME Migration to Main Board: Rs. 100 crores. **OR** Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
3.	Market Liquidity	• At least 5% of the weighted average number of equity shares listed should have been traded during such six months' period • Trading on atleast 80% of days during such 6 months period • Min. average daily turnover of Rs. 10 lacs and min. daily turnover of Rs. 5 lacs during the 6-month period • Minimum Average no. of daily trades of 50 and min. daily trades of 25 during the said 6 months period Note: for the purpose of calculating the average daily turnover and average no. of daily trades, the aggregate of daily turnover and no. of daily trades on the days the scrip has traded, shall be divided by the total no. of trading days, respectively, during the said 6 months period. **OR** Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.
4.	Operating Profit (EBIDTA)	Average of Rs. 15 crores on a restated consolidated basis, in preceding 3 years (of 12 months each), with operating profit in each of these 3 years, with a minimum of Rs. 10 crores in each of the said 3 years. In case of name change within the last one year, at least 50% per cent. of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name.
5.	Networth	Rs. 1 crore - in each of the preceding three full years (of twelve months each), calculated on a restated and consolidated basis;
6.	Net Tangible Assets	At least Rs. 3 crores on a restated and consolidated basis, in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets: Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project
7.	Promoter holding	At least 20% at the time of making application. For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement. Not applicable to companies that have sought listing through IPO, without identifiable promoters
8.	Lock In of promoter/promoter group shares	6 months from the date of listing on the BSE. Not applicable to SME companies migrating to main board
9.	Regulatory action	• No SEBI debarment orders is continuing against the Company, any of its promoters, promoter group or directors or the any other company in which they are promoter/ promoter group or directors • The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower. • Promoters or directors are not fugitive economic offender • The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP • Not suspended from trading for non-compliance with SEBI (LODR) Regs or reasons other than for procedural reasons during the last 12 months.
10.	Promoter shareholding	100% in demat form
11.	Compliance with LODR Regs	3 (three) years track record with no pending non-compliance at the time of making the application.

12.	Track record in terms of Listing	Listed for at least 3 years
13.	Public Shareholder	Min. 1000 as per latest shareholding pattern
14.	Other Parameters	• No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies • Certificate from CRA for utilization of IPO proceeds and further Offers post listing on SME. • Not under any surveillance measures/actions i.e "ESM", "ASM", "GSM category" or T-to-T for surveillance reasons at the time of filing of application. • 2 months cooling off from the date the security has come out of T- toT category or date of graded surveillance action/measure.
15.	Score ID	No pending investor complaints on SCORES.
16.	Business	Same line of business for 3 years
	Consistency	at least 50% of the revenue from operations from such continued business activity.
17.	Audit Qualification	No audit qualification w.r.t. going concern or any material financial implication and such audit qualification is continuing at the time of application.

Note: *In addition to the existing criteria, pursuant to the notification dated March 03, 2025 (F. No. SEBI/LAD-NRO/GN/2025/233) issued by the Securities and Exchange Board of India, where the post-offer paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, our Company may undertake further issuance of capital without migration from the SME Exchange to the Main Board, subject to the Company undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the Main Board of the stock exchange(s).*

Market Making

The Equity Shares offered through this Offer are proposed to be listed on the SME Platform of BSE Limited, wherein Spread X Securities Private Limited is the Market Maker to this Offer shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to chapter titled "General Information**"** beginning on page 65 of this Draft Red Herring Prospectus.

Arrangements for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for the lock-in of the pre-offer equity shares of our Company and Promoters' minimum contribution as provided under the chapter titled "Capital Structure" on page 77 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "Description of Equity Shares related terms of the articles of association" on page 334 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

As per the extent Guideline of the Government of India, OCBs cannot participate in this Offer:

The current provisions of the Foreign Exchange Management (Transfer or Offer of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other

investment restrictions under the Foreign Exchange Management (Transfer or Offer of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.
The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Application by eligible NRIs, FPIs/FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be offered is not less than the price at which the equity shares are offered to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further it is mandatory for the investor to furnish the details of his/her depositary account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

New Financial Instruments

There are no new financial instruments such as deeply discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post-offer paid up capital is more than ₹ 10 crores and upto ₹ 25 crores, shall offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an offer, please refer chapter titled *"Terms of offer"* and *"Offer Procedure"* on page no. 287 and 301 respectively of this Draft Red Herring Prospectus.

The present Offer is of up to 27,20,000 Equity Shares of ₹10 each *(the "Equity Shares")* for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs *("the Offer")* by the issuer Company *(the "Company")* comprising of a fresh issue of up to 21,80,000 equity shares aggregating to ₹ [●] Lakhs (the "Fresh Issue") and an Offer for Sale of up to 5,40,000 equity shares by the Promoter selling shareholders ("Offer for Sale") aggregating to ₹ [●] Lakhs, the details of which are set out below-

The Offer for Sale has been authorized by the Promoter Selling Shareholders by their respective consent letters dated [●]

Name of the Promoter selling shareholders	Type	No. of equity shares of face value of ₹10/ each held	No. of equity shares of face value of ₹10/ each offered
Mr. Kailash Vishnu Nasta	Promoter	40,00,000	Up to 2,70,000 Equity Shares
Mrs. Rhea Kailash Nasta	Promoter	31,99,960	Up to 2,16,000 Equity Shares
Mr. Nitin Jagannath Phirake	Promoter	8,00,000	Up to 54,000 Equity Shares
Total		**79,99,960**	**Up to 5,40,000 Equity Shares**

The Offer comprises a reservation of upto [●] Equity Shares of ₹10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Offer to Public of up to [●] Equity Shares of ₹10 each ("the Net Offer"). The Offer and the Net Offer will constitute [●] and [●]%, respectively of the post Offer paid up equity share capital of the Company. The Offer is being made through the Book Building Process[(1)]:

Particulars of the Offer [(2)]	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Individual Investors (Who applies for minimum application size)
Number of Equity Shares available for allocation	[●] Equity Share of face value of ₹10/- each	Not more than [●] Equity Shares of face value of ₹10/- each	Not less than [●] Equity Shares of face value of ₹10/- each	Not less than [●] Equity Shares of face value of ₹10/- each
Percentage of offer size available for allocation	[●] % of the offer size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer
Basis of Allotment[(3)]	Firm Allotment	Proportionate as follows (excluding Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate as follows: (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more	The allotment to each Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the

Particulars of the Offer [(2)]	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Individual Investors (Who applies for minimum application size)
		b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for life insurance companies and pension funds, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in (ii) above, the allocation may be made to domestic Mutual Funds in accordance with the SEBI ICDR Regulations.	than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs: Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional Portion in accordance with SEBI ICDR Regulations. The allotment to each Non-Institutional Investors shall not be less than the Minimum Non-Institutional Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis, in accordance with the SEBI ICDR Regulations	Individual Investors Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis.
Mode of Bid	Only through the ASBA process.	Only through the ASBA process (excluding UPI Mechanism) (except in case of Anchor Investors)	Through ASBA Process through banks or by using UPI Mechanism for payment to the extent of Bids up to ₹500,000	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares in multiples of [●] Equity Shares with application size of more than two lots of Equity Shares so that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity shares in multiple of [●] with application size of more than two lots of equity shares so that Bid size exceeds ₹ 2,00,000	[●] Equity shares i.e. equivalent to two lots of Equity Shares so that the Bid Amount exceeds ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net offer (excluding the	

Particulars of the Offer [(2)]	Market Maker Reservation Portion	QIBs	Non-Institutional Investors	Individual Investors (Who applies for minimum application size)
			QIB portion), subject to limits as applicable to the Bidder	
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
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 Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

(1) This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to "*Offer Structure*" on page 297 of this Draft Red Herring Prospectus.

(2) In terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, 2018, this Offer is for at least 25% of the post-offer paid-up equity share capital of the Company. The Offer is being made through the Book Building Process, wherein allocation to the public shall be made in accordance with Regulation 252 of the SEBI ICDR Regulations, 2018.

(3) 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 Manager and the Designated Stock Exchange, subject to applicable laws.

(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.

Notes:

a) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Out of above 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

b) In the event that a Bid was submitted in joint names, the relevant Bidders were required to ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name appeared as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE OFFER

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Offer at any time before the Bid/Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Offer after Bid/ Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Offer. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Offer, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Offer after the Bid/ Offer Closing Date and subsequently decides to undertake an Initial Public Offering (IPO) of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with ROC.

JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities at Mumbai, Maharashtra.

BID/OFFER PROGRAMME:

Events	Indicative Dates
Bid/Offer Opening Date*	[●]
Bid/Offer Closing Date**	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or Before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or Before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or Before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or Before [●]

**Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

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

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

a) A standard cut-off time of 3.00 p.m. for acceptance of bids.
b) A standard cut-off time of 4.00 p.m. for uploading of bids.
c) A standard cut-off time of 4.00 p.m. for uploading of bids received from only individual applicants (who applies for minimum application size), which may be extended up to such time as deemed fit by BSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

The above time table is indicative and does not constitute any obligation on our Company. 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 SME Platform of BSE Limited is taken within Three Working Days from the Offer Closing Date, the timetable may change due to various factors, such as extension of the Offer Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

OFFER PROCEDURE

All Bidders shall read the General Information Document for Investing in Public Offer, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015,the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the "General Information Document") which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, 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; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface **("UPI")** and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. **("UPI Phase I")**. The UPI Phase I was effective till June 30, 2019.

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 has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public offers, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020.Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("UPI Phase III"), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public offer from existing 6 working days to 3 working days from the date of the closure of the offer. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public offers opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public offer to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public offer of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective

to reduce the time duration from public offer 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 Offer from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public Offers opening on or after September 1, 2023 and has been made applicable on a mandatory basis for public Offers 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:

a) **Phase I:** This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days.

b) **Phase II:** This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public offers, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. 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 Offer closure to listing continued to be six Working Days during this phase.

   SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 and up to ₹500,000, 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.

c) **Phase III:** This phase has become applicable on a voluntary basis for all offers opening on or after September 1, 2023 and on a mandatory basis for all offers 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 offer 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.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public offers shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/ or payment instructions of the Individual Bidders using the UPI.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.
The list of Banks that have been notified by SEBI as Offerr Banks for UPI are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

For further details, refer to the "General Information Document" available on the websites of the Stock Exchange and the BRLM.

Our Company, the Promoters and the BRLM do not accept any responsibility for the completeness and accuracy of the information

stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoters 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.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which 33.33 percent of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67 percent 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 event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which

(a) one third of such portion shall be reserved for applicants with application size of more than 2 lots and upto such lots equivalent to not more than ₹ 10,00,000 and

(b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 10,00,000 provided that the any unsubscribed portion in either of such sub-categories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Individual Bidders (who applies for minimum application size) 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, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. 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.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the ASBA process providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders) if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable.

Bidder must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020, read with press releases dated June 25, 2021, and September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023. 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, PAN, and UPI ID, for UPI Bidders Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE Limited, at least one day prior to

the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. Individual Investor who applies for minimum application size (other than the Individual Investor who applies for minimum application size using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

ii. Individual Investor who applies for minimum application size using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	[●]
Resident Indians, including resident QIBs, Non-Institutional Investors, Individual Investors who applies for minimum application size and eligible NRI's applying on a non-repatriation basis (ASBA)	[●]
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	[●]

Note: Note: Electronic Bid Cum Application Forms will also be available for download on the website of the BSE Limited (https://www.bseindia.com).

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by Individual Investor who applies for minimum application size (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of

submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real- time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For IIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to IIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("Cut- Off Time"). Accordingly, IIBs 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 NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate IIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Banker to the offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analysing the same and fixing liability.

Availability of Draft Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: ―Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
d) Mutual Funds registered with SEBI;
e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with the SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
r) Multilateral and bilateral development financial institution;
s) Eligible QFIs;
t) Insurance funds set up and managed by army, navy or air force of the Union of India;

u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications Not to Be Made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Individual Bidders (who applies for minimum application size)

The Application must be for a minimum of two lots. In case of revision of Applications, the Individual Bidders have to ensure that the Application amount exceeds Rs 2,00,000 as applicable. The Application must be for a minimum application size of two lots and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder exceeds ₹2,00,000. In case of revision of Applications, the Individual Bidders have to ensure only upward revision and they shall not withdraw or lower their bids.

b) For Other than Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for more than two lots and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure upward revision and that the Application is for more than two lots for being considered for allocation in the Non-Institutional Portion.

Under existing SEBI Regulations, a Bidder cannot withdraw its Application and is required to pay 100% Margin upon submission of Application.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all edition of [●] (A widely circulated English national daily newspaper) and all edition of [●] (A widely circulated Hindi national daily newspaper) and regional edition of [●] (A widely circulated daily newspaper in the regional language of Mumbai, Maharashtra where our registered office is Located) at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be advertised in all edition of [●] (A widely circulated English national daily newspaper) and all edition of [●] (A widely circulated Hindi national daily newspaper) and regional edition of [●] (A widely circulated daily newspaper in the regional language of Mumbai, Maharashtra where our registered office is Located) and also by indicating the change on the websites of the Book Running Lead Manager.

b) During the Bid/ Offer Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Build-up of the Book and Revision of Bids".

e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section "*Offer Procedure*" beginning on page 301 of this Draft Red Herring Prospectus

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

b) Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price.

d) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Option to Subscribe in the Offer

a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the ROC and also publish in all edition of [●] (A widely circulated English national daily newspaper) and all edition of [●] (A widely circulated Hindi national daily newspaper) and regional edition of [●] (A widely circulated daily newspaper in the regional language of Mumbai, Maharashtra where our registered office is Located. This advertisement shall be in prescribed format.

2. Our Company will file the Red Herring Prospectus with the ROC at least 3 (three) days before the Offer Opening Date.

3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.

4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.

5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary

account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.

10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. 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 200.00 Lakhs

3) 40% of the Anchor Investor Portion shall be reserved for, (i) 33.33% shall be available for allocation to domestic Mutual Funds, and (ii) 6.67% 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 event of under-subscription in (ii) above, the allocation may be made to domestic Mutual Funds in accordance with the SEBI ICDR Regulations.

4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.

5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:

   - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
   - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
   - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum

of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. 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.

9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.

10) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

11) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

12) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

13) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

14) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% 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 Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non- repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 332 of this Draft Red Herring Prospectus. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

BIDS BY FPIs

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

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 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 terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. 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.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may offer, subscribe to or otherwise deal in offshore derivative instruments(as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivate instruments is also required to ensure that any transfer of off-shore derivative instruments issued

by, or on behalf of it subject to, inter alia, the following conditions:

(i). Such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and

(ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with 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.

BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.
There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital

of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see *"Key Industry Regulations"* beginning on page 187.

BIDS BY SCSBS

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. 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 offers and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NBFCS

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

a) 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;

b) 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 15% of the investment assets in all companies belonging to the group, whichever is lower; and

c) 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 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 ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, 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, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Offer price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Banker to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, all Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Offer of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its 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. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: — [●]

b. In case of Non-Resident Anchor Investors: — [●]

Anchor Investor should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,

a) the applications accepted by them,

b) the applications uploaded by them

c) the applications accepted but not uploaded by them or

d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,

i. The applications accepted by any Designated Intermediaries

ii. The applications uploaded by any Designated Intermediaries or

iii. The applications accepted but not uploaded by any Designated Intermediaries

5. The Stock Exchange will Issue an electronic facility for registering applications for the Offer. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

**Stock Exchange shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:

- Name of the Bidder;
- IPO Name:
- Bid Cum Application Form Number;
- Investor Category;
- PAN (of First Bidder, if more than one Bidder);
- DP ID of the demat account of the Bidder;
- Client Identification Number of the demat account of the Bidder;
- Number of Equity Shares Applied for;

- Bank Account details;
- Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
- Bank account number.

8. In case of submission of the Application by Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchange to use their network and software of the Online IPO 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 Book Running Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our 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, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

Withdrawal of Bids

All Bidders can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the DRHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the DRHP.

e) In case if the Individual Investor (who applies for minimum application size) category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price are valid Bids and are considered for allocation in the respective categories.

GENERAL INSTRUCTIONS

Please note that the all bidders are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage.

Do's:

1. 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 should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. 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 electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application

Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. 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 Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of IIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. IIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the IIB's ASBA Account;
24. IIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application. details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
25. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and
26. 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.

27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price;
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account.
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
9. If you are a IIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
11. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not submit the General Index Register (GIR) number instead of the PAN;
13. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. 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;
15. 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);
16. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
17. Do not submit a Bid using UPI ID, if you are not a IIB;
18. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
19. Do not Bid for Equity Shares in excess of what is specified for each category;
20. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
21. 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;
22. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
23. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
24. Do not Bid if you are an OCB; and
25. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled *"General Information"* and *"Our Management"* beginning on pages 65 and 204 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled "General Information" beginning on page 65 of this Draft Red Herring Prospectus.

GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, 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 IIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by IIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. 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;
10. GIR number furnished instead of PAN;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids accompanied by stock invest, money order, postal order or cash; and
13. Bids uploaded after 4.00 pm on the Bid/ Offer Closing Date. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchange only for uploading Bids received from 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 informed to the Stock Exchange.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see *"General Information"* beginning on page 65 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 four 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 four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

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 SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders other than Individual Investors (who applies for minimum application size) and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Individual Investor (who applies for minimum application size) will be allotted less than the minimum Bid Lot subject to availability of shares in individual investor (who applies for minimum application size) Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allotees as per process mentioned below:

Process for generating list of allotees: -

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allotees, partial allotees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

(A) For Individual Bidders

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Bidders (who applies for minimum application size) who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders (who applies for minimum application size) to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

(B) For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand

under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual Bidders (who applies for minimum application size) shall be available for allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

(C) For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance allotment to all QIBs shall be determined as follows:

- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

(D) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;

ii) Out of above 33.33 percent of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67 percent for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹2 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty- five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(E) In the event that the Offer Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

(F) In the event the Offer Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

(G) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE Limited (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

a) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
b) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in the DRHP.

Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE Limited - the designated Stock Exchange.

The Executive Director / Managing Director of BSE Limited - the designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 (Four) working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Banker to the Offer.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 (Two) working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public offers using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer 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, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Offer Closing Date, would be ensured; and

3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

BASIS OF ALLOTMENT

Allotment will be made in consultation BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

a) Each successful applicant shall be allotted [●] equity shares; and
b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the BSE Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Offer. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Offer on March 26, 2025**.**
b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on September 29, 2026
c) The Company's Equity shares bear an ISIN: INE1TXP01018.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.

- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.

- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.

- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

PRE-OFFER AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Offer and price band advertisement, in the form prescribed by the SEBI Regulations, in all edition of [●] (A widely circulated English national daily newspaper) and all edition of [●] (A widely circulated Hindi national daily newspaper) and regional edition of [●] (A widely circulated daily newspaper in the regional language of Mumbai, Maharashtra where our registered office is Located). In the pre- Offer and price band advertisement, we shall state the Bid Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

a) Our Company and the Underwriter has entered into an Underwriting Agreement dated September 29, 2026.

b) The 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, Offer size, and underwriting arrangements and will be complete in all material respects.

ALLOTMENT ADVERTISEMENT

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading & all other relevant details, in all editions of [●], an English national daily newspaper with wide circulation, all editions of [●], a Hindi national daily newspaper with wide circulation and regional edition of [●], a daily newspaper with wide circulation at the place where registered office of the Company is situated.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% 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 ₹ 10/- lakhs 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 ₹ 50/- Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further offer of the Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, undersubscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would offer a public notice in the newspapers in which the pre-Offer and price band advertisements were published, within two days of the Bid/ Offer

Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchange promptly on which the Equity Shares are proposed to be listed; and

- if our Company, in consultation with the BRLM withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an offer of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

- If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UNDERTAKINGS BY THE PROMOTER SELLING SHAREHOLDERS

Only statements and undertakings which are specifically "confirmed" or "undertaken" by the Promoter Selling Shareholders in this Draft Red Herring Prospectus shall be deemed to be *"Statements and Undertakings made by the Promoter Selling Shareholders"*. All other statements and/ or undertakings in this Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Promoter Selling Shareholders. The Promoter Selling Shareholders specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by him pursuant to the Offer for Sale:

i) The portion of the offered Shares shall be transferred in the Offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Offer, and without any objection by it and in accordance with the instructions of the Registrar to the Offer.

ii) It shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of its respective Offered Shares being offered pursuant to the Offer until such time that the lock-in (if applicable) remains effective save and except as may be permitted under the SEBI ICDR Regulations;

iii) The portion of the offered Shares have been held by the Promoter Selling Shareholders for a minimum period of one year prior to the date of filing the Red Herring Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.

iv) They are the legal and beneficial owner and has full title of its respective portion of the offered Shares.

v) That they shall provide all reasonable co-operation as requested by our Company and the Book Running Lead Manager in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of their portion of the offered Shares.

vi) They will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.

vii) They will deposit their respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.

viii) They shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes an Application in the Offer, except as permitted under applicable law;

ix) That they will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Manager in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer.

The Promoter Selling Shareholders has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Applicants in respect of the Offer for Sale.

UTILIZATION OF OFFER PROCEEDS

Our Board certifies that:

- All monies received out of the Offer shall be credited / transferred to a separate bank account other than the bank account referred to

in sub section (3) of Section 40 of the Companies Act 2013.

- Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remain unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized.

- Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.

- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.

- Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

- The Book Running Lead Manager undertake that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (" **DPIIT**") makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy ("**FDI Policy**") from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

India's current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 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.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**Rules**") and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders. With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has passed no such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company. The aggregate limit of 10% in case of NRIs and OCIs together may be raised to 24 % if a special resolution to that effect is passed by the shareholders of the Company. The Company has not passed such resolutions as yet.

The transfer of shares between an Indian resident and a Non-resident does not require prior approval of RBI, subject to fulfillment of certain conditions as specified by DPIIT / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

As per the FDI Policy, FDI in companies engaged in manufacturing sector is permitted up to 100% of the paid -up share capital of such company under the automatic route.

For further details, see "***Offer Procedure***" on page 301. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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 and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them.

SECTION VIII- DESCRIPTION OF EQUITY SHARES RELATED TERMS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF ACE FURNACES LIMITED

Interpretation

I (1) In these regulations:

(a) "the Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
(b) "Articles" means these articles of association of the Company or as altered / replaced / substituted from time to time.
(c) "Board of Directors" or "Board", means the collective body of the Directors of the Company.
(d) "The Company" means Ace Furnaces Limited*
(e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
(f) "Seal" means the Common Seal for the time being of 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 the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the 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 Authorised Share Capital of the Company as mentioned in Clause V of the Memorandum of Association of the Company has the power to increase and / or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company and consolidate or subdivide the shares and issue shares of higher or lower denomination.

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

(a) Equity share capital:
(i) with voting rights; and / or
(ii) with differential rights as to dividend, voting or otherwise in accordance with the rules; and

(b) Preference Share Capital

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:

a) one certificate for all his shares without payment of any charges; or

b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

The Board shall have right to decide about the fees for multiple share certificates.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the Company.

The Company agrees to issue certificate within one month of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;

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 share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:

(c) Every fully paid up shares shall be free from all lien and that in case of partly paid shares the Issuer's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

(a) unless a sum in respect of which the lien exists is presently payable; or
(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board-

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called up.
Provided however that any amount paid to the extent called up, shall be entitled to proportionate dividend and voting right.

The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.

The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Transfer of shares

19. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 and Section 22A of the Securities Contracts (Regulation) Act, 1956 decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the Company has a lien;

Provided however that the Company will not decline to register or acknowledge any transfer of shares 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. The Board may decline to recognise any instrument of transfer unless-

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days previous notice in accordance with section 91 and rules made 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.

Transmission of Shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of Shares

28. 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.

29. 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.

30. 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.

31. (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.

32. (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.

33. (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.

34. The provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Capital

35. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the Company may, by ordinary resolution:-

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock:-

a. the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit.

Provided that the Board may from time-to-time fi x 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.

38. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:-

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalization of Profits

39. (i) The Company in general meeting may, upon the recommendation of the Board, resolve-

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power-

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of Shares

41. 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

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (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.

(iii) The general meetings, other than the annual general meeting which shall be held at any place within the city, town or village in which the Registered Office of the Company is situated, may be held at any place, in or outside India, and for any general meeting where the Company makes arrangements, the shareholders may attend by way of video conference or through any other medium as may be permitted under the Act.

Proceedings at General Meetings

44. (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.

45. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

46. 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.

47. 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 the 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.

(c) In the case of any equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the votes to which he may be entitled as a Shareholder.

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 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 Board shall consist of minimum two directors and maximum fifteen directors.
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 following shall be the First Directors of the Company.

1. Mr. Salimuddin Mohammed Saeed Gitay
2. Mr. Prakash Dharamdas Mehta
3. Mr. Sheikh Aslam Kalandar Mansoori
4. Mr. Shirish Chandrakant Parayane

Retirement of Directors by Rotation

1. Not less than two-thirds of the total number of Directors shall be liable to retire by rotation, in accordance with the Act.
2. At every Annual General Meeting, one-third of the Directors liable to retire by rotation, or the number nearest thereto, shall retire.
3. The Directors who have been longest in office since their last appointment shall retire. In case of equality, the Director to retire shall be determined by lot.
4. A retiring Director shall be eligible for re-appointment.
5. The Company may fill the vacancy by appointing the retiring Director or any other person, subject to the provisions of the Act.
6. If the vacancy is not filled and the meeting has not resolved not to fill it, the retiring Director shall, subject to the Act, be deemed to have been re-appointed, except where the provisions of the Act provide otherwise.

Nominee Director
Subject to the provisions of section 161(3) of Companies Act 2013, any financial institution, bank, investor, lender or other person or entity providing financial assistance or investment to the Company may, in accordance with the terms of the relevant agreement or arrangement, appoint one or more Directors on the Board as Nominee Director(s), and may remove or replace such Nominee Director(s).

Removal of Directors
Subject to the provisions of section 169 of Companies Act 2013, the Company may, remove any Director before the expiry of his

term of office after giving the Director concerned a reasonable opportunity of being heard, and appoint another person in his place in accordance with the provisions of the Act.

Sitting Fees
The Directors may be paid such sitting fees for attending meetings of the Board of Directors or Committees thereof as may be determined by the Board, subject to the provisions of the Act and the rules made thereunder.

Powers of the Board of Directors
The Board of Directors may exercise all such powers and do all such acts and things as the Company is authorised to exercise and do, subject to the provisions of section 179 of the Companies Act 2013, these Articles and any regulations or restrictions imposed by the Company in General Meeting.

Restrictions on Powers of the Board
The Board shall exercise its powers subject to such restrictions, approvals and limitations as prescribed under section 180 of the Companies Act 2013, these Articles or by the Company in General Meeting, and no such restriction shall invalidate any prior act of the Board which would have been valid if such restriction had not been imposed.

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.

Proceedings of the Board

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

77. 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

78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

79. The Company shall not have the Common Seal.

Dividends and Reserve

80. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. (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, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. 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.

85. (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.

86. 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.

87. 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.

88. No dividend shall bear interest against the Company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;

Accounts

89. (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

90. 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

91. 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.

Employee Stock Option Plan (ESOP)

92. Subject to the provisions of Section 62 of the act and the applicable law, the Company may issue shares to employees including its Directors other than Independent Directors (as provided under the Act) and such other persons as the Rules may allow, under 'Employee Stock Option Scheme (ESOP)' or any other scheme, if authorized by a Special Resolution of the Company in General Meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

Dematerialization

i. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares and/or other securities and to offer its shares and/or other securities in a dematerialized form pursuant to the Depositories Act 1996, the Companies Act 2013 and the rules and regulations made thereunder, as amended from time to time.

ii. Notwithstanding anything contained in these Articles, and subject to the provisions of law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the shares, which are in dematerialized form.

iii. Where securities are held in a depository, the records of the beneficial ownership maintained by the Depository shall be deemed to be the register and index of beneficial owners for the purposes of the Companies Act, 2013 and the Depositories Act, 1996.

iv. All transfers, transmissions, pledges, hypothecation or other dealings in shares and/or other securities held in dematerialised form shall be effected in accordance with the provisions of the Depositories Act 1996, the Companies Act 2013, the applicable rules and regulations framed thereunder, and the bye-laws of the concerned Depository.

v. Nothing contained in Section 56 of the Companies Act or these Articles shall apply to a transfer of shares and/or other securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. In the case of transfer of shares and/or other securities where the Company has not issued any certificates and where such shares and/or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 as amended from time to time shall apply.

vi. Notwithstanding anything contained in the Companies Act, 2013 or these Articles, where shares/securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately upon allotment of such securities.

Issue of Sweat Equity Shares

Subject to the provisions of Section 2(88) and Section 54 of the Companies Act 2013, the company may issue sweat equity shares to its directors or employees at a discount or for consideration, other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called and subject to the approval of members by way of special resolution in general meeting.

Issue of Debentures

1. The Company may issue debentures, whether secured or unsecured, convertible or non-convertible, redeemable or otherwise, upon such terms and conditions as may be determined by the Board of Directors, subject to the provisions of the Companies Act, 2013 and the rules made thereunder.

2. The Company may issue debentures with an option to convert such debentures into shares, wholly or partly, at the time of redemption or otherwise, on such terms and conditions as may be approved in accordance with the provisions of the Act.

3. The Company may secure the payment of debentures by creating a mortgage, charge or other security over the whole or any part of the assets of the Company, subject to the provisions of the Act.

4. The Company may issue debenture certificates and may provide for the appointment of debenture trustees, creation of debenture redemption reserve or such other requirements as may be applicable under the Act and the rules made thereunder.

5. The Company shall comply with all applicable provisions of the Companies Act, 2013, the rules made thereunder and other applicable laws in relation to the issue, allotment, redemption, conversion and payment of interest on debentures.

Share Warrants

1. The Company may issue share warrants in respect of fully paid-up shares, subject to and in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

2. The Board of Directors may determine the terms and conditions relating to the issue, transfer, surrender and cancellation of share warrants, subject to the provisions of the Act.

3. The holder of a share warrant shall, subject to the provisions of the Act and these Articles, be entitled to the rights and privileges attached to the shares represented by such warrant, as may be provided by the terms of issue.

4. The Company shall maintain such records and make such entries in respect of share warrants as may be required under the Companies Act, 2013 and applicable rules.

5. The Company may make provision for the payment of dividends and other benefits in respect of shares represented by share warrants in accordance with the terms of issue and applicable law.

Minutes of Meetings

The Company shall prepare, record, sign and maintain the minutes of every General Meeting, Meeting of the Board of Directors and its Committees, and resolutions passed by postal ballot, in accordance with the provisions of the Companies Act, 2013, the rules made thereunder and the applicable Secretarial Standards. The Minutes shall be duly signed by the Chairman of the meeting and preserved in the manner and for the period prescribed under the Act and the applicable Secretarial Standards and shall be evidence of the proceedings recorded therein.

SECTION IX– OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting 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 have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus which will be filed with the Registrar of Companies. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at www.acefurnaces.com/ and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. MATERIAL CONTRACTS

1. Offer Agreement dated September 29, 2026 executed between our Company, Promoter Selling Shareholders and the Book Running Lead Manager to the Offer.

2. Registrar and Transfer Agent Agreement dated September 29, 2026 executed between our Company, Promoter Selling Shareholders and the Registrar to the Offer.

3. Market Making Agreement dated September 29, 2026 executed between our Company, Promoter Selling Shareholders, Book Running Lead Manager and Market Maker to the Offer.

4. Banker to the Offer and Sponsor Bank Agreement dated [●] among our Company, Promoter Selling Shareholders, Book Running Lead Manager, Banker to the Offer and the Registrar to the Offer.

5. Share Escrow Agreement dated [●], executed between our Company, Promoter Selling Shareholders, Book Running Lead Manager, Banker to the Offer and the Registrar to the Offer.

6. Underwriting Agreement dated September 29, 2026 executed between our Company, Promoter Selling Shareholders, Book Running Lead Manager, and Underwriter.

7. Syndicate Agreement dated [●] executed between our Company, Promoter Selling Shareholders, Book Running Lead Manager and Syndicate Member

8. Tripartite agreement among the NSDL, our Company and Registrar dated March 26, 2025.

9. Tripartite agreement among the CDSL, our Company and Registrar dated September 29, 2026

B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of Incorporation.

2. Board Resolution dated September 18, 2026 and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on September 21, 2026 authorising the Initial Public Offer.

3. Statement of Tax Benefits dated September 29, 2026, issued by our Statutory Auditors M/s. Abhishek Kumar & Associates., Chartered Accountants.

4. Board Resolution of Audit Committee dated September 29, 2026 approving the KPIs for disclosure.

5. Board Resolution dated September 29, 2026, approving Object of the Offer.

6. Copy of Restated Financial Statement along with Report from the peer review certified auditor M/s. Abhishek Kumar & Associates, Chartered Accountants for the financial year ended March 31, 2026, 2025 and 2024, respectively included in this Draft Red Herring Prospectus.

7. Copy of Audited Financial Statement for the year ended on March 31, 2026, 2025 and March 31, 2024.

8. Certificate from M/s. Abhishek Kumar & Associates., Chartered Accountant, dated September 29, 2026, regarding Basis of Offer Price and Key Performance Indicators.

9. Certificate from M/s. Abhishek Kumar & Associates., Chartered Accountant, dated September 29, 2026, regarding the source and deployment of funds towards the objects of the Offer.

10. Certificate from M/s. Abhishek Kumar & Associates., Chartered Accountant dated September 29, 2026, with respect to the working capital required by our Company

11. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Offer, the Book Running Lead Manager to the Offer, Registrar to the Offer, Banker to the Offer*, Syndicate Member*, Market Maker and Underwriter to the Offer to act in their respective capacities.
    **To be obtained prior to filing of Red Herring Prospectus.*

12. Consent/Authorization letter from Promoter Selling Shareholders dated September 29, 2026 for their participation in the Offer

13. Board Resolution dated September 30, 2026 for approval of Draft Red Herring Prospectus and dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.

14. Board Resolution dated September 30, 2026 approving the Draft Abridged Prospectus.

15. Industry report titled "*Report on Indian Industrial Furnaces Sector*" dated September, 2026 prepared and issued by Dun & Bradstreet Information Services India Private Limited

16. Due Diligence Certificate from Book Running Lead Manager dated September 30, 2026, including the Site Visit Report of the company the Draft Red Herring Prospectus from Book Running Lead Manager addressing Stock Exchange.

17. Copy of In-principle approval letter dated [●] from the BSE.

Any of the contracts or documents mentioned in the 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, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mr. Kailash Vishnu Nasta Chairman cum Managing Director DIN: 01966871	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mrs. Rhea Kailash Nasta Whole-Time Director DIN: 11031314	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mr. Nitin Jagannath Phirake Whole-Time Director DIN: 06956475	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mr. Muralidhar Sunil Chaudhari Non-Executive Director DIN: 07480536	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mr. Rohit Shripad Karulkar Independent Director DIN: 02575888	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTOR OF OUR COMPANY:

Name and Designation	Signature
Mr. Vivek Dinesh Nathwani Independent Director DIN: 09791683	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY:

Name and Designation	Signature
Mr. Ganesh Shankar Srivastav Chief Financial Officer	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION

I certify and declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY:

Name and Designation	Signature
Ms. Mukta Bhansali Company Secretary & Compliance Officer	

Date: September 30, 2026

Place: Mumbai, Maharashtra

DECLARATION BY PROMOTER SELLING SHAREHOLDERS

We hereby certify that all statements and undertakings specifically made or confirmed by us in this Draft Red Herring Prospectus, about or in relation to ourselves as Selling Shareholders and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures or undertakings made or confirmed by, about or relating to the Company, its business, the other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDERS OF OUR COMPANY:

Name and Designation	Signature
Mr. Kailash Vishnu Nasta Promoter Selling Shareholder	
Mrs. Rhea Kailash Nasta Promoter Selling Shareholder	
Mr. Nitin Jagannath Phirake Promoter Selling Shareholder	

Date: September 30, 2026
Place: Mumbai, Maharashtra