

...continued from previous page.

3. Risk relating to growth

In Fiscal 2024, we have experienced negative year on year growth in our profit after tax. We may be unable to manage our growth and expansion operations, or to successfully implement our business plan and growth strategies in a timely manner or within budget estimates, which could materially and adversely affect our business, results of operations and financial condition. Set forth below are the details of the year-on-year growth in our profit after tax, for the periods indicated: *(₹ in million, except in percentage)*

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	Change from previous Fiscal %	Amount (₹ in million)	Change from previous Fiscal %	Amount (₹ in million)	Change from previous Fiscal %
Profit after tax for the period / Year	225.92	15.16	196.19	69.19%	115.96	(35.59%)

4. Geographical concentration risk

Four out of our six Manufacturing Facilities are located in the state of Maharashtra and the balance two Manufacturing Facilities located in the state of Madhya Pradesh. The Manufacturing Facilities located in Maharashtra contributed 77.64%, 77.27% and 77.43% of our revenue from operations for Fiscals 2026, 2025, and 2024, respectively. Our Manufacturing Facilities and our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political, demographic and population changes, adverse regulatory developments civil unrest and other unforeseen events and circumstances.

5. Capacity under-utilization risk

Under-utilization of our production capacities over extended periods, significant under-utilization in the short-term or an inability to effectively utilize our expanded manufacturing capacities could materially and adversely impact our business, growth prospects and future financial performance. The table below sets forth the

capacity utilization of our Manufacturing Facilities during the last three Fiscals are set out below:

Manufacturing Facilities	Capacity Utilisation ⁽¹⁾ (%)		
	Fiscal 2026*	Fiscal 2025*	Fiscal 2024*
Thane Unit (Maharashtra)	68.57	80.00	77.14
Shirwal Unit (Satara, Maharashtra)	70.83	68.05	58.42
Kavathe Unit (Satara, Maharashtra)	60.42	55.00	75.00
Pithampur Unit-I (Madhya Pradesh)	84.62	68.75	91.67
Pithampur Unit-II (Madhya Pradesh)	68.33	62.50	64.86
Nashik Unit (Maharashtra)	67.53	59.62	49.85

*As certified by Nandkishor P. Kalekar, Independent Chartered Engineer by certificate dated August 5, 2026

⁽¹⁾Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the installed capacity

6. Supplier concentration risk

We are dependent on third-party suppliers for raw materials used in our manufacturing operations. The details of contribution made by the top 10 suppliers, including as a percentage of our total purchases of our Company for the last three Fiscals are set out below: *(₹ in million, except in percentage)*

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of total purchases	Amount	% of total purchases	Amount	% of total purchases
Top 10 suppliers	443.83	65.61	336.86	54.78	310.85	65.49

Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows

7. Dependency on revenues from direct sales

We derive a significant portion of our revenue from operations from direct sales to our customers in both domestic and exports market. The details of revenues generated from direct customers in the domestic and export markets for the last three Fiscals are as follows: *(₹ in million, except in percentage)*

Distribution Channel	Market	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Direct Sales	Domestic	1,185.66	62.60	1,022.25	63.34	846.22	61.45
	Overseas	489.12	25.82	407.60	25.26	401.94	29.19
Total		1,674.78	88.42	1,429.85	88.60	1,248.16	90.64

Any adverse changes in this distribution channel could adversely impact our business, results of operations and financial condition.

8. Industry segment concentration risk

While we cater to multiple industry segments, a significant portion of our revenue from operations comes from construction machinery, farming and automotive industries. Set forth below is the composition of our revenue by industry segment: *(₹ in million, except in percentage)*

Industry Segment	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Construction Machinery	434.55	22.94	378.77	23.47	352.95	25.63
Farming	432.41	22.83	302.94	18.77	248.31	18.03
Automotive	171.33	9.05	162.79	10.09	149.95	10.89

Any reduction in demand or requirement for products in these industries or any slowdown in these sectors could adversely affect our business, financial condition, results of operations, cash flows and prospects.

9. Risk relating to third party logistics

We are dependent on third party logistic providers for the delivery of our products. These service providers are typically engaged on a work order or spot basis. The freight and cartage charges as a percentage of total expenses for Fiscals 2026, 2025, and 2024 are as follows: *(₹ in million, except in percentage)*

Industry Segment	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of revenue from operations	Amount	% of revenue from operations	Amount	% of revenue from operations
Transport Charges	18.15	1.11	18.17	1.29	14.85	1.19

10. Risk relating to Objects of the Offer

We intend to expand existing capacities at Kavathe Unit, Shirwal Unit and Pithampur Unit-I by procuring new plant and machinery. Out of the Net Proceeds, ₹299.66 million is proposed to be utilized towards funding capital expenditure for this expansion. As of the date of the Red Herring Prospectus, our Company has not placed any orders for machinery and equipment for expansion at Kavathe Unit, Shirwal Unit; and Pithampur Unit-I. Our inability to procure the machinery and equipment and services at acceptable prices or in a timely manner, may result in an increase in capital expenditure, extension or variation in the proposed schedule of implementation and deployment of the Net Proceeds, thereby resulting in an adverse effect on our business, prospects and results of operations.

11. Risk relating to trade receivables

We extend credit to certain of our customers, including our related parties and there can be no assurance that we will be able to recover outstanding amounts in a timely manner or at all. We have had and may continue to have high levels of outstanding receivables. Our average outstanding receivable days being 91 days, 92 days, and 104 days for Fiscals 2026, 2025, and 2024, respectively. Any delay or non-receipt of outstanding amounts may adversely affect our cash flows, financial condition and operations. Our trade receivables for the last three Fiscals were as follows: *(₹ in million, except in percentage)*

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	Percentage of Revenue from Operations (%)	Amount	Percentage of Revenue from Operations (%)	Amount	Percentage of Revenue from Operations (%)
Receivables from related parties	24.89	1.32	21.36	1.32	33.34	2.42
Others	474.13	25.03	435.85	27.01	335.29	24.35
Total	499.02	26.35	457.21	28.33	368.63	22.84

12. Weighted Average Return on Net Worth for Fiscals 2026, 2025 and 2024 is 19.77%

Continued on next page...

...continued from previous page.

An indicative timetable in respect of the Offer is set out below:

Submission of Bids (other than Bids from Anchor Investors):

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non- Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non- Individual Applications of QIBs and NIIIs where Bid Amount is more than ₹0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification / Revision / cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward revision of Bids by Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST

*UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date.

#QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

ASBA Simple, Safe, Smart way of Application!!!
Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA.
Mandatory in public issues. No cheque will be accepted.



UPI-Now available in ASBA for Retail Individual Investors and Non- Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DP's and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors with an application size of up to ₹ 0.50 million in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section **"Offer Procedure"** on page 342 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of the Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in and <https://www.sebi.gov.in>. UPI Bidders Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDP's and NIIIs have been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLM on its email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI

UPI</