DRAFT RED HERRING PROSPECTUS
Dated September 30, 2026
Please read section 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 this QR code to view this Draft Red Herring Prospectus and the Draft Abridged Prospectus)

B.S. SPONGE LIMITED

CORPORATE IDENTITY NUMBER: U27102WB2000PLC091975

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
34A, Metcalfe Street, 2nd Floor, Room No. 2C/3 Kolkata – 700 013, West Bengal, India	202, 2nd Floor, Block A, Crystal Arcade, Lodhipara Chowk, Raipur – 492 001, Chhattisgarh, India	Himanshu Pandey (*Company Secretary and Compliance Officer*)	**E-mail**: cs@bsstmx.com **Tel**: +91 33 3537 6881	www.bsstmx.com

OUR PROMOTERS: PARMANAND AGARWAL, ASHISH AGARWAL, RICHHI AGARWAL, BIJAY KUMAR AGARWAL AND NACHIKETA GIFT-ADS PRIVATE LIMITED

DETAILS OF THE OFFER TO PUBLIC

TYPE	SIZE OF THE FRESH ISSUE	SIZE OF THE OFFER FOR SALE	TOTAL OFFER SIZE^	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs, RIIs AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 8,000.00 million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,000.00 million	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 10,000.00 million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 414. For details of share reservation among Qualified Institutional Buyers, Non-Institutional Investors, Retail Individual Investors and Eligible Employees (*defined below*, see "*Offer Structure*" on page 432.

DETAILS OF THE SELLING SHAREHOLDERS AND OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDER**	TYPE OF SELLING SHAREHOLDER	MAXIMUM NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
Parmanand Agarwal	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 700.00 million	0.15
Ashish Agarwal	Promoter Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 600.00 million	0.17
Sulochana Agarwal	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 700.00 million	Nil

** As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*
*** For further details, see "The Offer" on page 68.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price, as determined by our Company, in consultation with the Book Running Lead Managers ("**BRLMs**"), in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" beginning on page 114, 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 Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 20.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assumes no responsibility, as a Selling Shareholder for any other statement, disclosure or undertaking including, inter alia, any and all of the statements made by or relating to our Company or its business or any other Selling Shareholder or any other person(s), in this Draft Red Herring Prospectus.
LISTING
The Equity Shares of face value of ₹ 10 each, to be offered through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges being BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", together with BSE, the "**Stock Exchanges**"). For the purposes of the Offer, the Designated Stock Exchange is [●].

BOOK RUNNING LEAD MANAGERS		
NAME AND LOGO OF THE BOOK RUNNING LEAD MANAGERS	**CONTACT PERSON**	**EMAIL AND TELEPHONE**
ICICI Securities Limited	Nikita Chirania	**E-mail:** bssponge.ipo@icicisecurities.com **Telephone:** +91 22 6807 7100
Motilal Oswal Investment Advisors Limited	Disha Doshi/ Nischay Marda	**E-mail:** bssponge.ipo@motilaloswal.com **Telephone:** +91 22 7193 4380

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

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

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

*** Our Company, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs 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 the Bid/ Offer Closing Date.

*^ Our Company, in consultation with the BRLMs, may consider a further issue of specified securities to certain investors, aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by the Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

DRAFT RED HERRING PROSPECTUS

Dated September 30, 2026

Please read section 32 of the Companies Act, 2013

(The Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Offer

B.S. SPONGE LIMITED

Our Company was originally incorporated as "B. S. Sponge Private Limited" as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 12, 2000, issued by the Registrar of Companies, West Bengal. Subsequently, our Company was converted to a public limited company, pursuant to the resolution passed in the extraordinary general meeting of our Shareholders held on September 1, 2026, following which and consequently the name of our Company was changed to "B. S. Sponge Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Central Processing Centre on September 9, 2026. For further information of changes in the name of our Company and registered office of our Company, see "*History and Certain Corporate Matters – Change in our registered office*" on page 264.

Corporate Identity Number: U27102WB2000PLC091975
Registered Office: 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700 013, West Bengal, India
Corporate Office: 202, 2nd Floor, Block A, Crystal Arcade, Lodhipara Chowk, Raipur – 492 001, Chhattisgarh, India
Contact Person: Himanshu Pandey, Company Secretary and Compliance Officer; **Telephone:** +91 33 3537 6881; **E-mail:** cs@bsstmx.com; **Website**: www.bsstmx.com

OUR PROMOTERS: PARMANAND AGARWAL, ASHISH AGARWAL, RICHHI AGARWAL, BIJAY KUMAR AGARWAL AND NACHIKETA GIFT-ADS PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF B.S. SPONGE LIMITED ("OUR COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ 10,000.00 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 8,000.00 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,000.00 MILLION (THE "OFFER FOR SALE"), COMPRISING UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ 700.00 MILLION BY PARMANAND AGARWAL AND UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ 600.00 MILLION BY ASHISH AGARWAL (THE "PROMOTER SELLING SHAREHOLDERS"), UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH AGGREGATING UP TO ₹ 700.00 MILLION BY SULOCHANA AGARWAL (THE "PROMOTER GROUP SELLING SHAREHOLDER"), COLLECTIVELY WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES CUMULATIVELY OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES").

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A PRE-IPO PLACEMENT, AGGREGATING UP TO ₹ 1,600.00 MILLION, AS MAY BE PERMITTED UNDER APPLICABLE LAW, AS ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY THE COMPANY, IN CONSULTATION WITH THE BRLMS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE FRESH ISSUE. DETAILS OF THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL BE INCLUDED IN THE RED HERRING PROSPECTUS AND PROSPECTUS AND SHALL BE REPORTED TO THE STOCK EXCHANGES WITHIN 24 HOURS OF SUCH TRANSACTIONS, IN ACCORDANCE WITH REGULATION 54 OF THE SEBI ICDR REGULATIONS. WE MAY UTILIZE THE PROCEEDS FROM THE PRE-IPO PLACEMENT TOWARDS THE OBJECTS OF THE OFFER PRIOR TO COMPLETION OF THE OFFER. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, PRIOR TO ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE OFFER OR THE OFFER MAY BE SUCCESSFUL AND WILL RESULT IN LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND PROSPECTUS.

IN ACCORDANCE WITH AND SUBJECT TO REGULATION 33 OF THE SEBI ICDR REGULATIONS, THE OFFER MAY INCLUDE A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF UPTO [●]% (UPTO ₹[●] PER EQUITY SHARE) TO THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT" SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED).

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE EMPLOYEE DISCOUNT(IF ANY) AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED BENGALI DAILY NEWSPAPER, BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL 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 EXCHANGES FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors and such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), of which 40% shall be reserved in the following manner (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds, as applicable, at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, 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 to Non-Institutional Investors ("**Non-Institutional Portion**") of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1.00 million and undersubscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors ("**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.
Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 436.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price, Floor Price or Cap Price (as determined by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 114, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 20.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made or confirmed by it in this Draft Red Herring Prospectus solely to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect. Each of the Selling Shareholders, severally and not jointly, assume no responsibility for any other statements, including, inter alia, any and all of the statements made by or relating to our Company or its business or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

LISTING

The Equity Shares of face value of ₹ 10 each, to be offered through the Red Herring Prospectus, are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 493.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
ICICI Securities	motilal oswal Investment Banking	MUFG Intime
ICICI Securities Limited	**Motilal Oswal Investment Advisors Limited**	**MUFG Intime India Private Limited**

ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Tel:** +91 22 6807 7100 **E-mail:** bssponge.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor grievance email:** customercare@icicisecurities.com **Contact Person:** Nikita Chirania **SEBI Registration Number**: INM000011179	Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai – 400 025, Maharashtra, India **Tel:** +91 22 7193 4380 **E-mail:** bssponge.ipo@motilaloswal.com **Website:** www.motilaloswalgroup.com **Investor grievance email:** moiaplredressal@motilaloswal.com **Contact Person:** Disha Doshi/ Nischay Marda **SEBI Registration Number**: INM000011005	*(formerly known as Link Intime India Private Limited)* C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India **Tel:** +91 810 811 4949 **E-mail:** bssponge.ipo@in.mpms.mufg.com **Website:** www.linkintime.co.in **Investor grievance e-mail:** bssponge.ipo@in.mpms.mufg.com **Contact Person:** Shanti Gopalkrishnan **SEBI Registration Number:** INR000004058

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

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

***Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs 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 the Bid/Offer Closing Date.

TABLE OF CONTENTS

SECTION I - GENERAL 1

DEFINITIONS AND ABBREVIATIONS 1

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION 16

FORWARD-LOOKING STATEMENTS 19

SECTION II - RISK FACTORS 20

SECTION III – INTRODUCTION 68

THE OFFER 68

SUMMARY OF RESTATED FINANCIAL INFORMATION 70

SUMMARY OF CONTINGENT LIABILITIES 74

SUMMARY OF RELATED PARTY TRANSACTIONS 75

GENERAL INFORMATION 78

CAPITAL STRUCTURE 86

SECTION IV – PARTICULARS OF THE OFFER 103

OBJECTS OF THE OFFER 103

BASIS FOR OFFER PRICE 114

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS 126

SECTION V - ABOUT OUR COMPANY 131

INDUSTRY OVERVIEW 131

OUR BUSINESS 219

KEY REGULATIONS AND POLICIES 254

HISTORY AND CERTAIN CORPORATE MATTERS 264

OUR MANAGEMENT 270

OUR PROMOTERS AND PROMOTER GROUP 290

DIVIDEND POLICY 297

SECTION VI - FINANCIAL INFORMATION 298

RESTATED FINANCIAL INFORMATION 298

OTHER FINANCIAL INFORMATION 367

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 369

CAPITALISATION STATEMENT 401

FINANCIAL INDEBTEDNESS 402

SECTION VII - LEGAL AND OTHER INFORMATION 404

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 404

GOVERNMENT AND OTHER APPROVALS 408

OUR GROUP COMPANIES 413

OTHER REGULATORY AND STATUTORY DISCLOSURES 414

SECTION VIII - OFFER INFORMATION 425

TERMS OF THE OFFER 425

OFFER STRUCTURE 432

OFFER PROCEDURE 436

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 459

SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION 461

SECTION X - OTHER INFORMATION 493

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 493

DECLARATION 496

SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines, circular, notification, clarification, direction or policy shall be to such legislation, act, regulation, rules, guidelines, circular, notification, clarification, direction or policy, as amended from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, the terms used in "Objects of the Offer", "Basis for Offer Price", "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "History and Certain Corporate Matters", "Dividend Policy", "Financial Information", "Outstanding Litigation and Material Developments", "Restrictions on Foreign Ownership of Indian Securities" and "Description of Equity Shares and Terms of Articles of Association" on pages 103, 114, 126, 131, 254, 264, 297, 298, 404, 459 and 461, respectively, will have the meaning ascribed to such terms in these respective sections.

General terms

Term	Description
"our Company" or "the Company" or "the Issuer"	B.S. Sponge Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700 013, West Bengal, India, and its Corporate Office at 202, 2nd Floor, Block A, Crystal Arcade, Lodhipara Chowk, Raipur – 492 001, Chhattisgarh, India
"we" or "us" or "our"	Unless the context otherwise requires or implies, refers to our Company.

Company related terms

Term	Description
"AoA" or "Articles of Association" or "Articles"	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in "*Our Management – Committees of our Board – Audit Committee*" on page 278
"Auditors" or "Statutory Auditors"	The statutory auditors of our Company, being ARSK & Associates, Chartered Accountants, with firm registration number 315082E
"Board" or "Board of Directors"	The board of directors of our Company, as constituted from time to time. For further details in relation to our Board, see "*Our Management – Board of Directors*" on page 270
"Chairman, Non-Executive and Non-Independent Director" or "Chairman"	The chairman, non-executive and non-independent director of our Company, being Parmanand Agarwal. For further details in relation to our Chairman, Non-Executive and Non-Independent Director, see "*Our Management – Board of Directors*" on page 270
Chief Executive Officer	The chief executive officer of our Company, being Pradip Kumar Rathore. For further details in relation to our Chief Executive Officer, see "*Our Management – Key Managerial Personnel and Senior Management – Brief profiles of our Key Managerial Personnel*" on page 287
Chief Financial Officer	The chief financial officer of our Company, being Chandan Kumar Sinha. For further details in relation to our Chief Financial Officer, see "*Our Management – Key Managerial Personnel and Senior Management – Brief profiles of our Key Managerial Personnel*" on page 287
"Company Secretary" and "Compliance Officer" or "Company Secretary" or Compliance Officer"	The company secretary and compliance officer of our Company, being Himanshu Pandey. For further details in relation to our Company Secretary and Compliance Officer, see "*Our Management – Key Managerial Personnel and Senior Management – Brief profiles of our Key Managerial Personnel*" on pages 287
Corporate Office	The corporate office of our Company, situated at 202, 2nd Floor, Block A, Crystal Arcade, Lodhipara Chowk, Raipur – 492 001, Chhattisgarh, India
"Corporate Promoter" or "Nachiketa"	Nachiketa Gift-Ads Private Limited. For further details in relation to our Corporate Promoter, see "*Our Promoters and Promoter Group*" on page 290
"Corporate Social Responsibility Committee" or "CSR Committee"	The corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management – Committees of our Board – Corporate Social Responsibility Committee*" on page 283

Term	Description
"CRISIL Intelligence" or "Industry Report Provider" or "CRISIL"	Crisil Intelligence (*formerly known as CRISIL Market Intelligence & Analytics*), division of CRISIL Limited
Director(s)	The director(s) on our Board, as appointed from time to time. For further details in relation to our Directors, see "*Our Management – Board of Directors*" on page 270
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
"Group Company" or "Group Companies"	The companies identified as our 'group companies' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and the Materiality Policy. For further details in relation to our Group Companies, see "*Group Companies*" on page 413
"Independent Director(s)" or "Non-Executive Independent Director(s)"	The non-executive independent director(s) on our Board, appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For further details in relation to our Non-Executive Independent Directors, see "*Our Management – Board of Directors*" on page 270
Individual Promoter(s)	Collectively, Parmanand Agarwal, Ashish Agarwal, Richhi Agarwal and Bijay Kumar Agarwal. For further details in relation to our Individual Promoters, see "*Our Promoters and Promoter Group*" on page 290
"Industry Report" or "CRISIL Report"	Report titled "*Steel intermediaries and Steel products*" dated September 2026, prepared and issued by CRISIL Intelligence, which has been commissioned by and paid for by our Company pursuant to an engagement letter dated June 10, 2026 entered into with CRISIL Intelligence, exclusively for the purposes of the Offer. A copy of the Industry Report is available on the website of our Company at www.bsstmx.com/initial-public-offer
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, comprising of Richhi Agarwal, Bijay Kumar Agarwal and Deepali Soni
"Key Managerial Personnel" or "KMP"	The key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in "*Our Management – Key Managerial Personnel and Senior Management – Brief profiles of our Key Managerial Personnel*" on page 287
Managing Director	The managing director of our Company, namely Ashish Agarwal. For further details in relation to our Managing Director, see "*Our Management – Board of Directors*" on page 270
Materiality Policy	The policy adopted by our Board on September 26, 2026, for determination of thresholds for identification of: (a) outstanding material litigation involving our Company, our Promoters and our Directors, KMPs, SMPs and Group Companies; (b) identification of Group Companies; and (c) identification of material creditors of our Company, in accordance with the disclosure requirements under the SEBI ICDR Regulations, for the purposes of disclosure in this Draft Red Herring Prospectus Red Herring Prospectus and the Prospectus.
"Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended, from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management – Committees of our Board – Nomination and Remuneration Committee*" on page 280
Non-Executive Director(s)	Together, the Non-Executive Independent Directors and Chairman, Non-Executive and Non-Independent Director of our Company. For more details in relation to our Non-Executive Directors, see "*Our Management – Board of Directors*" on page 270
Promoter Group	Individuals and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "*Our Promoters and Promoter Group*" on page 290
Promoter Group Selling Shareholder	Sulochana Agarwal
Promoter Selling Shareholder(s)	Collectively, Parmanand Agarwal and Ashish Agarwal
Promoter(s)	The promoters of our Company, namely, Parmanand Agarwal, Ashish Agarwal, Richhi Agarwal, Bijay Kumar Agarwal and Nachiketa Gift-Ads Private Limited. For further details in relation to our Promoters, see "*Our Promoters and Promoter Group*" on page 290
Registered Office	The registered office of our Company located at 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700 013, West Bengal, India
"Registrar of Companies" or "RoC"	The Registrar of Companies, Kolkata – I at Kolkata
Restated Financial Information	The restated financial information of our Company comprises the restated statements of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the restated statements of profit and loss, the restated statements of cash flow and the restated statements of changes in equity for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the summary of material accounting policies and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time
Risk Management Committee	The risk management committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management – Committees of our Board – Risk Management Committee*" on page 284
Selling Shareholders	Collectively, the Promoter Selling Shareholders and the Promoter Group Selling Shareholder
"Senior Management" or "Senior Management Personnel"	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management – Key Managerial Personnel and Senior Management – Brief profiles of our Senior Management*" on page 287
Shareholders	The holders of the Equity Shares of our Company from time to time

Term	Description
Stakeholders Relationship Committee	The stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 284
Whole-time Director	The whole time director(s) on our Board, For further details in relation to our wholetime director, see "*Our Management – Board of Directors*" on page 270

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100.00 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the BRLMs on the Anchor Investor Bidding Date, the price of which will be equal to or higher than the Offer Price but not higher than the Cap Price
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than 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 BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Of the Anchor Investor Portion, 40% shall be reserved in the following manner: (a) up to 33.33% shall be reserved for domestic Mutual Funds; and (b) up to 6.67% shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASM	Additional Surveillance Measure
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 436

Term	Description
Bid(s)	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations 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 and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable. However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price net of Employee Discount, if any, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of Employee Discount, if any). Only in the event of an undersubscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 (net of employee discount, if any) subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount, if any).
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal, where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank(s). Our Company, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal, where our Registered Office is located)
Bid/ Offer Period	Except in relation to Bids by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days
Bidder/ Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made

Term	Description
"Book Running Lead Managers" or "BRLMs" or "Managers"	The book running lead managers to the Offer namely, ICICI Securities Limited and Motilal Oswal Investment Advisors Limited
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, using the UPI Mechanism). The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), updated from time to time.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.
Cash Escrow and Sponsor Bank(s) Agreement	Agreement to be entered into and amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members, and the Bankers to the Offer in accordance with UPI Circulars, for *inter alia*, the appointment of the Banker(s) to the Offer for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's dematerialized account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI ICDR Master Circular and other applicable circulars issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by UPI Bidders (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such centres of the RTAs where ASBA Bidders can submit the ASBA Forms (in case of UPI Bidder only ASBA Forms under UPI). The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft 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
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated September 30, 2026, in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer and includes any addenda or corrigenda thereto

Term	Description
Eligible Employee(s)	Permanent employees of our Company (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company until the submission of the Bid Cum Application Form and is working and present in India or abroad as on the date of submission of the Bid Cum Application Form; or Director of our Company, whether whole-time or otherwise, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until the submission of the Bid Cum Application Form, but not including (i) Promoters, (ii) persons belonging to the Promoter Group, and (iii) Directors, who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹0.50 million (net of Employee Discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹0.20 million. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be available for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹0.20 million subject to the total Allotment to an Eligible Employee not exceeding ₹0.50 million (net of Employee Discount, if any)
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Employee Discount	Discount of up to [●]% to the Offer Price (equivalent of ₹[●] per Equity Share) that may be offered to Eligible Employees Bidding in the Employee Reservation Portion, as decided by our Company in consultation with the Book Running Lead Managers, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.
Employee Reservation Portion	The portion of the Offer being [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million which shall not exceed 5% of the post-Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
"First Bidder" or "Sole Bidder"	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	A company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	The fresh issue of up to [●] Equity Shares of face value of ₹ 10 each by our Company, at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 8,000.00 million. For information, see "*The Offer*" on page 68. Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment

Term	Description
	pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus
"General Information Document" or "GID"	The General Information Document for investing in public offers, prepared and issued in accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company
ISec	ICICI Securities Limited
Life Insurance Company(ies)	An entity registered with the Insurance Regulatory and Development Authority of India under the provisions of the Insurance Act, 1938
Manufacturing Facility	The manufacturing facility operated by our Company in Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India
Monitoring Agency	Monitoring agency appointed pursuant to the Monitoring Agency Agreement, namely [●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the SEBI Mutual Funds Regulations
Nawapara Facility	The proposed greenfield integrated steel manufacturing facility at Nawapara, Gharghoda, Raigarh, Chhattisgarh, India
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Offer-related expenses. For details regarding the use of the Net Proceeds and the Offer-related expenses, see "*Objects of the Offer – Requirement of funds and utilization of Net Proceeds*" on page 104
Net Offer	The Offer less Employee Reservation Portion
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
"Non-Institutional Investor(s)" or "NII(s)"	All Bidders that are not QIBs or Retail Individual Investors or Eligible Employees bidding in the Employee Reservation Portion] and who have Bid for Equity Shares for an amount more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Non-Institutional Investors of which (a) one-third portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
"Non-Resident(s)" or "NR(s)"	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each (including a share premium of ₹ [●] each), aggregating up to ₹ 10,000.00 million by our Company comprising a Fresh Issue of [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 8,000.00 million and an Offer for Sale of up to [●] Equity Shares of face value of ₹ 10 each aggregating to ₹ 2,000.00 million by the Selling Shareholders. The Offer comprises Employee Reservation Portion of [●] Equity Shares of face value of ₹ 10 each and a Net Offer of up to [●] Equity Shares of face value of ₹ 10 each. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement shall be undertaken in consultation with the BRLMs and the price of the securities allotted pursuant to the Pre-IPO Placement shall be determined by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges.

Term	Description
	Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the RHP and Prospectus. For further details see, "*The Offer*" on page 68
Offer Agreement	The agreement dated [●] amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 2,000.00 million, comprising of an offer for sale of up to [●] Equity Shares of face value of ₹ 10 each by Parmanand Agarwal aggregating up to ₹ 700.00 million, up to [●] Equity Shares of face value of ₹ 10 each by Ashish Agarwal aggregating up to ₹ 600.00 million and up to [●] Equity Shares of face value of ₹ 10 each by Sulochana Agarwal aggregating up to ₹ 700.00 million
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors as determined in accordance with the Book Building Process and determined by our Company, in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus on the Pricing Date. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus. An Employee Discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required. The Employee Discount, if any, will be decided by our Company, in consultation with the BRLMs
Offered Shares	Up to [●] Equity Shares of face value of ₹ 10 each aggregating to ₹ 2,000.00 million being offered for sale by the Selling Shareholders in the Offer for Sale component of the Offer
Pre-IPO Placement	Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
Pension Fund(s)	A fund registered with the Pension Fund Regulatory and Development Authority under the provisions of the Pension Fund Regulatory and Development Authority Act, 2013
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, Employee Discount (if any, and subject to being announced in the Price Band advertisement), and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal, where our Registered Office is situated) at least two Working Days prior to the Bid/ Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto

Term	Description
Public Offer Account Bank(s)	Bank(s) which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●]
Public Offer Account(s)	The 'no-lien' and 'non-interest bearing' account to be opened, in accordance with Section 40(3) of the Companies Act, 2013 with the Public Offer Account Bank for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date
"QIB Category" or "QIB Portion"	The category of the Offer (including the Anchor Investor Portion), being not more than 50% of the Net Offer, consisting of [●] Equity Shares of face value of ₹ 10 each aggregating to ₹ [●] million, which shall be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price (for Anchor Investors)
"Qualified Institutional Buyer(s)" or "QIB(s)" or "QIB Bidder(s)"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The 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 after the Pricing Date
Refund Account(s)	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer which are a clearing member and registered with SEBI as a banker to an Issue under the SEBI BTI Regulations, and with whom the Refund Account(s) will be opened and in this case being, [●]
Registered Brokers	The stock brokers registered under SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992, as amended with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids from relevant Bidders in terms of SEBI ICDR Master Circular
Registrar Agreement	The agreement dated September 30, 2026, between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
"Registrar and Share Transfer Agents" or "RTAs"	The registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI RTA Master Circular issued by SEBI and available on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com
Registrar to the Offer	MUFG Intime India Private Limited (*formerly Link Intime India Private Limited)*
Net Worth (*in ₹ million*)	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.
"Retail Individual Investors(s)" or "RII(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares of face value of ₹ 10 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Return on Net Worth (%)	Return on net worth is calculated as profit after tax for the year divided by average of net worth
Revision Form(s)	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/ Offer Closing Date
SCORES	SEBI Complaints Redressal Mechanism
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at

Term	Description
	www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the respective portion of Equity Shares being offered by each Selling Shareholder in the Offer for Sale portion of the Offer and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time
Sponsor Bank(s)	The Bankers to the Offer registered with SEBI, which have been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the UPI Bidders using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchange(s)	Collectively, BSE Limited and National Stock Exchange of India Limited
Sub-Syndicate Member(s)	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs, the Registrar and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]
"Syndicate" or "Members of the Syndicate"	Together, the BRLMs and the Syndicate Members
"Systemically Important Non-Banking Financial Company" or "NBFC-SI"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, the Selling Shareholders and our Company to be entered into on or after the Pricing Date, but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidder(s)	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, Eligible Employees bidding in the Employee Reservation Portion and individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 0.50 million in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and RTAs. Pursuant to SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 (to the extent this circular is not rescinded by the SEBI RTA Master Circular and the SEBI ICDR Master Circular), SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (to the extent this circular is not rescinded by the SEBI RTA Master Circular), SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent this circular is not

Term	Description
	rescinded by the SEBI ICDR Master Circular), SEBI ICDR Master Circular (to the extent it pertains to the UPI Mechanism), and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars and notices issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 23/2022 dated July 22, 2022, and having reference no. 25/2022 dated August 3, 2022, and the notices issued by BSE having reference no. 20220702-30 dated July 22, 2022 and having reference no. 20220803-40 dated August 3, 2022
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders using the UPI Mechanism initiated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai, Maharashtra, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/ Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business and the time period between the Bid/ Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees
AGM	Annual general meeting
AIF	Alternate Investment Fund
BSE	BSE Limited
CAGR	Compound annual growth rate
"Calendar Year" or "Year"	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
"Companies Act, 2013" or "Companies Act"	Companies Act, 2013, as amended, and the rules, regulations, notifications, modifications and clarifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
FDI	Foreign direct investment
FDI Policy	The Consolidated Foreign Direct Investment Policy, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time, and effective from October 15, 2020
Demat	Dematerialised
Depositories Act	The Depositories Act, 1996 read with the rules and regulations thereunder
"Depository" or "Depositories"	NSDL and/or CDSL
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
DPDP Act	Digital Personal Data Protection Act, 2023
EGM	Extraordinary general meeting
EPS	Earnings per share

Term	Description
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FI	Financial institutions
"Financial Year" or "Fiscal" or "FY" or "F.Y."	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fugitive Economic Offender(s)	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign venture capital investors as defined and registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
"GoI" or "Central Government"	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
I.T. Act	Income Tax Act, 1961, as amended
IST	Indian standard time
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards, as issued by the International Accounting Standard Board
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India, being, accounting principles generally accepted in India including the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and the Companies (Accounting Standards) Amendment Rules, 2016, as amended
IPO	Initial public offer
ISO	International Organization for Standards
IT	Information technology
IT Act	Information Technology Act, 2000, as amended
Ind AS or Indian Accounting Standards	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
MCA	Ministry of Corporate Affairs, Government of India
"Mn" or "mn"	Million
MOU	Memorandum of understanding
"N.A." or "NA"	Not applicable
NACH	National Automated Clearing House
"NAV" or "Net Asset Value"	Net asset value
"NAV per Equity Share"	Net Asset Value per equity share is calculated as total equity at the end of the period/ year (excluding revaluation reserve) divided by the weighted average number of equity shares outstanding at the end of the financial year 2026 Denominator is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.
NEFT	National electronic fund transfer
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National Payments Corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NRI(s)" or "Non-Resident Indian(s)"	A person resident outside India who is a citizen of India or a person of Indian origin as defined under the Foreign Exchange Management (Deposit) Regulations, 2016, as amended or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/ earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PBT	Profit before tax
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act

Term	Description
RONW	Return on net worth
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Master Circular	SEBI master circular bearing number SEBI/HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a state of India
STT	Securities transaction tax
TAN	Tax Deduction and Collection Account Number
"USA" or "U.S." or "US"	The United States of America
U. S. Securities Act	United States Securities Act of 1933, as amended
US GAAP	Generally Accepted Accounting Principles in the United States of America.
"USD" or "U.S.$" or "U.S. Dollar(s)"	United States Dollar, the official currency of the United States of America
VAT	Value added tax
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations (*now repealed*) or the SEBI AIF Regulations, as the case may be

Technical and industry-related terms

Term	Description
AFBC	4 MW atmospheric fluidized bed combustion
AGC	Automatic Gauge Control
Billets and Slabs	Billets and slabs manufactured by our Company, including M S billets
BIS	Bureau of Indian Standards
CCTV	Closed-circuit television
CFBC	Circulating fluidized bed combustion
CTE	Consent to establish
CTO	Consent to operate
ERW Pipes and Tubes	Electric resistance welded pipes and tubes
ESIC	Employee state insurance contributions
Ferro Alloys	Ferro alloys manufactured by our Company, comprising primarily silico manganese
FSA	Fuel supply agreement
Gold Category PSU	A "Gold Category" state PSU
HSE	Health, safety, and environment
HR Coils	Hot rolled coil (strips)
ISO	International Organisation for Standardization
MnTPA	Million tonnes per annum
MW	Megawatt
Navratna PSU	A "Navratna" public sector undertaking
NIPL	No increase in pollution load
SMS	Steel Melting Shop
TCS	Tax collected at source
TDS	Tax deducted at source
TPA	Tonnes per annum
THERMEX® QST	Quenching and Self-Tempering

Term	Description
TMT Bars	Thermo-mechanically treated bars
TOR	Terms of reference
TPD	Tonnes per day
WHRB	Waste heat recovery boiler
Wire Rods	Wire rods manufactured by our Company

Key Performance Indicators

Metric	Unit	Description
Financial KPIs		
Revenue from Operations	₹ in million	Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal
Profit After Tax (PAT) for the year	₹ in million	PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal
Total Income	₹ in million	Total income is calculated as the sum of revenue from operations and other income as appearing in the Restated Financial Information of the Company for the respective fiscal
Debt	₹ in million	Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal
Net Debt	₹ in million	Net Debt / Operating EBITDA is calculated as Net debt divided by EBITDA, as enumerated above for and as at the relevant fiscal
Y-o-Y Revenue growth	%	Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal
Operating EBITDA	₹ in million	Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal
Operating EBITDA Margin	%	Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal
EBITDA (including other income)	₹ in million	EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal
EBITDA Margin (including other income)	%	EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal
PAT Margin	%	PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal
Return on Equity (ROE)	%	ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal
Return on Capital Employed (ROCE)	%	ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal
Debt/ Equity Ratio	times	Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal
Net Debt/ Operating EBITDA	times	Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal
Interest coverage ratio	times	Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs
Fixed Asset Turnover Ratio	times	Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal
Net Working Capital Days	Days	Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue

Metric	Unit	Description
		from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days
Operational KPIs		
Production volumes by product segment	TPA	Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal
Sales volumes by product segment	TPA	Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

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

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

In this Draft Red Herring Prospectus, unless otherwise specified:

(i) any time mentioned is in IST;

(ii) all references to a year are to a calendar year unless mentioned as financial year or Fiscal; and

(iii) all references to page numbers are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial statements.

Unless indicated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from the Restated Financial Information. For further information, see "*Restated Financial Information*" on page 298.

The restated financial information of our Company as at and for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 comprises the restated statements of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, the restated statements of profit and loss, the restated statements of cash flows and the restated statements of changes in equity for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 and the summary of material accounting policies and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time. For further information, see "*Summary of Restated Financial Information*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 70, 298 and 369, respectively.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "*Risk Factors – Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting frameworks such as United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which investors may be more familiar with and may deem significant when evaluating our financial condition.*" on page 57. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies in any table between the total, percentage change or the sums of the amounts listed are due to rounding off.

Further, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 20, 219 and 369, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been derived from Restated Financial Information or non-GAAP financial measures as described below.

Non-GAAP Financial Measures

Certain measures included in this Draft Red Herring Prospectus, for instance Y-o-Y Revenue growth, Total Income, Operating EBITDA, Operating EBITDA Margin, EBITDA (including other income), EBITDA Margin (including other income), Profit After Tax (PAT) for the year, PAT Margin, Return on Equity (ROE), Return on Capital Employed (ROCE), Debt, Net Debt, Debt/ Equity, Net Debt/ Operating EBITDA, Interest coverage ratio, Fixed Asset Turnover Ratio and Net Working Capital Days (the **"Non-GAAP Measures''**), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS, Indian GAAP or any other generally accepted principles. Furthermore, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, or any other generally accepted principles and should not be considered in isolation or construed as an alternative to cash flows, profit/ loss for the years/period, revenue from operations or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS, or Indian GAAP or any other generally accepted principles. In addition, these Non-GAAP Measures, as used by our Company and their definition as set out herein, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. Although such Non-GAAP financial measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because they are widely used measures by securities analysts, investors and others to evaluate a company's operating performance. For further information, see "*Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Financial Measures*" and "*Risk Factors – Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in the Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.*" on pages 369 and 57, respectively.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled "*Steel intermediaries and Steel products*" dated September 2026 prepared by CRISIL Intelligence, which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company, pursuant to the engagement letter dated June 10, 2026. The CRISIL Report is available on the website of our Company at www.bsstmx.com/initial-public-offer until the Bid/ Offer Closing Date. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

CRISIL Intelligence, pursuant to their consent letter dated September 30, 2026 ("**Letter**"), has accorded their no objection and consent to use the CRISIL Report in connection with the Offer. CRISIL Intelligence, pursuant to their Letter, has also confirmed that they are an independent agency and has no conflict of interest while issuing the CRISIL Report, and has confirmed that they are not related, directly or indirectly to our Company, our Directors, Promoters, Key Managerial Personnel or Senior Management or the Book Running Lead Managers.

About Crisil Intelligence

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

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

Unless otherwise stated, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The excerpts of the CRISIL Report are disclosed in this Draft Red Herring Prospectus and there are no parts, information or data (which may be relevant for the proposed Offer) that have been left out or changed in any manner. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business, and methodologies and assumptions may vary widely among different market and industry sources. Any references to various segments in the CRISIL Report and information derived therefrom are references to industry segments and in accordance with the presentation, analysis and categorisation in the CRISIL Report. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks."* on page 53. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, "*Basis for Offer Price*" on page 114 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein. Accordingly, no investment decision should be solely made on the basis of such information.

Currency and units of presentation

Unless otherwise specified or the context otherwise requires, all references in this Draft Red Herring Prospectus to:

(i) "Rupees" or "INR" or "₹" or "Rs." are to Indian Rupees, the official currency of the Republic of India; and

(ii) "U.S. $", "U.S. Dollar", "USD" are to United States Dollars, the official currency of the United States of America.

All the figures in this Draft Red Herring Prospectus, except for figures derived from the CRISIL Report (which are in million), have been presented in million or in whole numbers where the numbers have been too small to present in million, unless stated otherwise. One million represents 10 lakhs or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions or may be rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Exchange Rates

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

The following table sets forth, for the years indicated, information with respect to the exchange rate between the ₹ and USD:

Currency	As at (*amount in* ₹)		
	March 31, 2026	**March 31, 2025***	**March 31, 2024****
1 USD	94.65	85.58	83.37

Source: FBIL Reference Rate as available on www.fbil.org.in. and https://www.oanda.com/bvi-en/

Notes:

1. The exchange rates are rounded off to two decimal places.

* *As on March 28, 2025, since March 31, 2025 was a public holiday.*

** *As on March 28, 2024, since March 31, 2024 was a Sunday.*

FORWARD-LOOKING STATEMENTS

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

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and relevant international laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence, including the Iran and U.S. -Israel conflict. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance.

For a further discussion of factors that could cause our actual results to differ from the expectations, see "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 20, 131, 219 and 369, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially be different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, which in turn are based on currently available information. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect.

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

Neither our Company, our Key Managerial Personnel, Selling Shareholders, our Promoters, our Directors, nor the Syndicate or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that the Bidders in India are informed of material developments which may affect our Company from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permissions by the Stock Exchanges. In this regard and in accordance with the requirements of the SEBI and as prescribed under the applicable laws, our Selling Shareholders, in respect of statements made by them in this Draft Red Herring Prospectus, severally and not jointly, shall ensure (through our Company and the Book Running Lead Managers) that the Bidders are informed of material developments in relation to the statements specifically confirmed or undertaken by them in relation to their respective Offered Shares in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Draft Red Herring Prospectus. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. The risk factors have been presented below on the basis of their materiality. Furthermore, some events may be material collectively rather than individually. Some events may not be material at present but may have a material impact in the future. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of purchasing our Equity Shares.

In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Key Regulations and Policies", "Restated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Outstanding Litigation and Material Developments" on pages 131, 219, 254, 298, 369 and 404, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates, uncertainties and other factors, many of which are beyond our control. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For more details, see "Forward-Looking Statements" on page 19.

Unless otherwise stated, or unless the context otherwise requires, the financial information of our Company used in this section has been derived from our Restated Financial Information included in this Draft Red Herring Prospectus on page 298. Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2026", "Fiscal 2025" and "Fiscal 2024", "Fiscals 2026, 2025, and 2024", "financial years ended March 31, 2026, March 31, 2025 and March 31, 2024" or "last three Fiscals" are to the 12-month period ended March 31 of the relevant year.

We have also included various financial and operational performance indicators in this Draft Red Herring Prospectus, some of which have not been derived from the Restated Financial Information. The manner of calculation and presentation of some of these financial and operational performance indicators, and the assumptions and estimates used in such calculations, may vary from those used by other companies in India and other jurisdictions.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from the report titled "Steel intermediaries and Steel products" dated September 2026 ("**CRISIL Report**"), prepared and issued by CRISIL Intelligence, a division of CRISIL Limited, pursuant to an engagement letter dated June 10, 2026, and exclusively commissioned and paid for by us in connection with the Offer. The industry-related information included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The CRISIL Report will form part of the material documents for inspection, and a copy of the CRISIL Report will be available on the website of our Company at www.bsstmx.com/initial-public-offer from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. For more information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page 16. For further details on the CRISIL Report, see "— Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks." on page 53.*

INTERNAL RISK FACTORS

1. ***All of our manufacturing operations are carried out at our Manufacturing Facility located in Raigarh, Chhattisgarh. Any disruption at our Manufacturing Facility or any adverse developments affecting the region could have a material adverse effect on our business, results of operations, cash flows and financial condition.***

   All of our manufacturing operations are carried out at our manufacturing facility, which is spread across approximately 47.19 hectares at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India ("**Manufacturing Facility**"). At our Manufacturing Facility, we manufacture sponge iron, Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes and Ferro Alloys, supported by a 67 MW captive power plant as on the date of this Draft Red Herring Prospectus. For further details, see "*Our Business – Description of our Business – Manufacturing Facility*" on page 244.

Due to the geographic concentration of our manufacturing operations in our Manufacturing Facility located in Raigarh, Chhattisgarh, we are susceptible to local and regional factors, including economic and weather conditions, natural disasters, political or demographic changes, adverse regulatory developments, civil unrest, labour disputes, and other unforeseen events and circumstances. Our manufacturing operations and our corporate office are located in Chhattisgarh, and any adverse changes in the conditions affecting this region, including changes in state government policy, regulatory actions, or environmental developments, could materially and adversely affect our business. Our manufacturing operations require significant labour and are also reliant on government policies in terms of taxes, duties and incentives made applicable by the state government, changes to which could increase our costs of operations or adversely affect the availability of labour at our Manufacturing Facility. Any adverse developments in the state of Chhattisgarh could result in damage or destruction of our Manufacturing Facility, disruptions in our manufacturing operations, delays in the dispatch of our products, increased capital expenditure for repairs and could adversely impact our ability to maintain capacity utilization levels. In addition, as our manufacturing operations are concentrated at a single location, we have limited flexibility to shift production to alternative manufacturing facilities in the event of a disruption at our Manufacturing Facility. Any prolonged disruption could accordingly affect our production schedules, inventory levels, customer deliveries, and could result in loss of business opportunities and customers and materially and adversely affect our business, financial condition and results of operations.

While we have not faced any material disruptions in our operations due to disruption in the region in the last three Fiscals, we cannot assure you that there will not be any disruptions in the future that may adversely affect our business, results of operations and financial condition. Further, the extent and duration of any such disruption may be beyond our control and may depend on the nature and severity of the relevant event and the time required to restore our operations.

2. ***An increase in the cost of, or a shortfall, delay or disruption in the availability or supply of, our key raw materials, including coal, iron ore, iron ore pellets and manganese ore, from our suppliers (with the cost of raw materials consumed constituting 73.67%, 74.03% and 68.41% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively), could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.***

We are dependent on third party suppliers for the procurement of key raw materials including coal, iron ore, iron ore pellets and manganese ore in the quantities required to support our operations.

Set forth below is the cost of raw materials consumed as a percentage of our revenue from operations for the Fiscals indicated below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Cost of raw materials consumed (in ₹ million)	19,097.84	16,196.79	10,223.16
Cost of raw materials consumed (as a % of revenue from operations)	73.67	74.03	68.41

Further, set forth below is the cost of coal, iron ore, iron ore pellets and manganese ore sourced from suppliers as a percentage of our total cost of raw materials consumed and revenue from operations in the Fiscals indicated below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Coal			
Cost of coal sourced from suppliers (in ₹ million)	4,070.45	3,357.55	2,943.85
Cost of coal as a percentage of cost of raw materials consumed (%)	21.31	20.73	28.80
Cost of coal as a percentage of revenue from operations (%)	15.70	15.35	19.70
Iron ore			
Cost of iron ore sourced from suppliers (in ₹ million)	3,600.76	1,462.60	2,356.91
Cost of iron ore as a percentage of cost of raw materials consumed (%)	18.85	9.03	23.05
Cost of iron ore as a percentage of revenue from operations (%)	13.89	6.69	15.77
Iron ore pellets			
Cost of iron ore pellets sourced from suppliers (in ₹ million)	6,962.59	6,731.70	2,900.56
Cost of iron ore pellets as a percentage of cost of raw materials consumed (%)	36.46	41.56	28.37
Cost of iron ore pellets as a percentage of revenue from operations (%)	26.86	30.77	19.41
Manganese Ore			
Cost of manganese ore sourced from suppliers (in ₹ million)	903.90	891.30	105.49
Cost of manganese ore as a percentage of cost of raw materials consumed (%)	4.73	5.50	1.03
Cost of manganese ore as a percentage of revenue from operations (%)	3.49	4.07	0.71

We may experience volatility in the cost or availability of coal, iron ore, iron ore pellets and manganese ore due to factors including market price fluctuations, changes in Government policy, supply chain disruptions, weather conditions, production capacity constraints at supplier facilities, and changes in regulatory or environmental requirements applicable to mining and supply of these raw materials. Our inability to pass through raw material cost increases to our customers or otherwise mitigating these costs could adversely affect our business. An increase in the prices of raw materials could

increase our working capital requirements, requiring additional funds to procure raw materials at higher prices, as a result of which we may need to allocate a larger portion of our working capital towards purchasing coal, iron ore, iron ore pellets and manganese ore. Additionally, our inability to predict the market conditions may result in placing orders for such raw materials in quantities that are inadequate or in excess of our actual requirements.

Raw materials such as coal, iron ore and iron ore pellets are used to manufacture sponge iron in-house, a portion of which is captively used by us to manufacture our other products. Manganese ore is used to manufacture Ferro Alloys in-house, a portion of which is also captively consumed to manufacture our other products. Where the prices of such raw materials increase significantly, we may not be able to pass on such additional costs to our customers due to various factors including the demand and supply dynamics and competition in the market. Further, these raw materials are required to be of a certain quality. In the event we do not adhere to the quality control processes, we may have to reduce the quantity of our sale or face product liability claims, thereby having an adverse impact on our business, results of operations and financial position. While we maintain our inventory of raw materials and have not had any material shortfall, delay or disruption in the supply of our key raw materials including coal, iron ore, iron ore pellets and manganese ore during the last three Fiscals, we cannot assure you that the same would not occur due to any events unforeseen by us which could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

3. ***Our business is dependent on third-party suppliers to procure raw materials, with our top 10 suppliers representing 68.91%, 75.91% and 78.92% of raw materials purchased, for Fiscal 2026, Fiscal 2025, and Fiscal 2024, respectively. Any loss of suppliers or interruptions in the timely delivery of raw materials or volatility in their prices could have an adverse impact on our business, financial condition and results of operations.***

Our business is significantly dependent on our ability to source coal, iron ore, iron ore pellets and manganese ore in a timely and cost-efficient manner. We primarily source our raw materials from certain key suppliers. We source a portion of our requirements of iron ore from a "Navratna" public sector undertaking ("**Navratna PSU**") located in Chhattisgarh, with whom we have entered into a long-term supply agreement, and a "Gold Category" state PSU located in Odisha which is situated within an approximate radius of 300 kilometres from our Manufacturing Facility (*Source: CRISIL Report*). In addition, we also procure iron ore and iron ore pellets from established private-sector suppliers located within a similar geographic radius, supporting souring flexibility and continuity of supply (*Source: CRISIL Report*). We source coal, a key raw material for sponge iron production, from subsidiaries of a "Maharatna PSU" that is among the largest coal producers in India (*Source: CRISIL Report*), with whom we have entered into long-term supply arrangements. under their FSA framework for the supply of 404,500 MT of coal annually. We have also received letters of intent for additional long-term supply arrangements covering 466,000 MT of coal annually. However, there can be no assurance that such letters of intent will be converted into definitive agreements on acceptable terms, in a timely manner or at all, or that the contracted quantities will be supplied to us in full.

The table below sets forth the cost of raw materials sourced from our top supplier, top five and top 10 suppliers in the Fiscals indicated below:

(In ₹ million, except percentages)

S. No.	Suppliers	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)
1.	Top supplier	2,181.79	12.37	2,304.81	16.55	2,065.18	22.61
2.	Top five suppliers	8,049.35	45.63	7,966.95	57.19	5,503.16	60.24
3.	Top 10 suppliers	12,155.18	68.91	10,574.61	75.91	7,208.99	78.92

Further, set out below are details of cost of raw materials purchased from our top 10 suppliers for the Fiscals indicated:

(In ₹ million, except percentages)

S. No.	Suppliers*	Fiscal 2026(1)		Fiscal 2025(2)		Fiscal 2024(3)	
		Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)
1.	Supplier 1	2,181.79	12.37	2,304.81	16.55	2,065.18	22.61
2.	Supplier 2	2,097.28	11.89	2,231.27	16.02	1,050.15	11.50
3.	Supplier 3	1,403.46	7.96	1,483.62	10.65	1,020.60	11.17
4.	Supplier 4	1,291.20	7.32	979.04	7.03	721.53	7.90
5.	Supplier 5	1,075.62	6.10	968.21	6.95	645.69	7.07
6.	Supplier 6	959.89	5.44	631.64	4.53	584.86	6.40

S. No.	Suppliers*	Fiscal 2026(1)		Fiscal 2025(2)		Fiscal 2024(3)	
		Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)	Amount (₹ in million)	Percentage of raw material purchased (in %)
7.	Supplier 7	943.41	5.35	563.77	4.05	324.72	3.55
8.	Supplier 8	744.16	4.22	522.90	3.75	297.33	3.25
9.	Supplier 9	735.83	4.17	513.10	3.68	280.59	3.07
10.	Supplier 10	722.54	4.10	376.24	2.70	218.33	2.39
Total		**12,155.18**	**68.91**	**10,574.61**	**75.91**	**7,208.99**	**78.92**

** These suppliers represent the top 10 suppliers for each of the respective Fiscals and may not necessarily be the same suppliers across the Fiscals.*

(1) Our top 10 suppliers for Fiscal 2026 included a "Maharatna" PSU, MSP Steel & Power Limited, JSAR Steel Corporation, M/s Ananya Enterprises, Shyam Metalics and Energy Limited, Shelter Infra Developers (OPC) Private Limited, Shree Govind Alloys Private Limited, Sree Metaliks Limited and a "Navratna" PSU.

(2) Our top 10 suppliers for Fiscal 2025 included MSP Steel & Power Limited, a "Maharatna" PSU, JSW Steel Limited, JSAR Steel Corporation, Agravanshi Steells Private Limited, Arya Iron and Steel Company Private Limited and Shyam Metalics and Energy Limited.

(3) Our top 10 suppliers for Fiscal 2024 included a "Maharatna" PSU, Agravanshi Steells Private Limited, MSP Steel & Power Limited, Agravanshi Private Limited, JSW Steel Limited, Shyam Metalics and Energy Limited and Shree Shakti Iron & Alloys Private Limited.

Except for certain long-term supply contracts entered into with public sector undertaking suppliers, with tenures ranging from five to ten years, we typically do not enter into long-term contracts for the supply of raw materials, and accordingly a portion of our raw material requirements is procured through auctions and market purchases.

Further, the contractual arrangements entered into with certain suppliers may contain penalty provisions in relation to shortfall in the level of delivery or the level of lifting raw materials, in comparison to the annual contracted quantity. The levy of any such penalties may have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

The absence of long-term supply contracts subjects us to risks such as termination of supply, price volatility caused by various factors such as commodity market fluctuations, climatic and environmental conditions, production and transportation cost, changes in domestic government policies, and regulatory and trade sanctions. Further, we do not have exclusive arrangements for the supply of raw materials with our suppliers. If these suppliers discontinue their relationship with our Company or enter into similar arrangements with our competitors, we may temporarily be unable to procure our key raw materials from alternate sources in a timely manner and/or on commercially viable terms.

Accordingly, we may be unable to manufacture and deliver our products, including due to our inability to procure raw materials. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. While we have not experienced any instances where we were unable to procure the desired quantities or quality of the raw materials from our suppliers or where we could not find a replacement for any particular supplier during the last three Fiscals, we cannot assure you that such instances will not arise in the future.

Any disruption in the procurement of coal, iron ore, iron ore pellets and manganese ore could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and the financial condition of our Company. In addition, any disruptions in mining operations or government bidding process in relation to such raw materials could impact our ability to obtain raw materials at reasonable prices and in a timely manner.

4. ***Our revenues are concentrated in the central region of India which contributed to 74.87%, 83.10% and 81.16% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively, and all of our revenues are derived from domestic sales. Any adverse developments affecting this region, or our inability to grow our business in new geographic markets in India or overseas, may adversely impact our business, results of operations, profitability and margins, cash flows and financial condition.***

Our operations are currently focused on the domestic market with all our revenues for Fiscals 2026, 2025 and 2024 being derived from domestic sales. In Fiscal 2026, our products were distributed across 20 states and three union territories in India.

The table below sets forth our revenue from distribution of our products to various geographic regions for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)
Central[(1)]	19,409.42	74.87	18,179.94	83.10	12,128.63	81.16
Western[(2)]	3,207.52	12.37	1,867.86	8.54	1,211.23	8.11
Southern[(3)]	1,440.88	5.56	625.87	2.86	926.12	6.20
Northern[(4)]	1,308.05	5.05	811.99	3.71	347.62	2.33
Eastern[(5)]	559.37	2.16	392.53	1.79	330.30	2.21
Total	**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

In Fiscal 2026:

(1) Central region includes Chhattisgarh, Madhya Pradesh and Uttar Pradesh.

(2) Western region includes Dadra and Nagar Haveli, Gujarat and Maharashtra.

(3) Southern region includes Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana.

(4) Northern region includes Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan and Uttarakhand.

(5) Eastern region includes Bihar, Jharkhand, Manipur, Odisha and West Bengal.

The table below sets forth our state-wise revenue for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)
Chhattisgarh	14,580.80	56.24%	14,956.77	68.36%	10,845.32	72.57%
Madhya Pradesh	2,764.32	10.66%	1,998.66	9.14%	474.49	3.18%
Maharashtra	2,215.35	8.55%	1,079.11	4.93%	677.83	4.54%
Uttar Pradesh	2,064.33	7.96%	1,224.46	5.60%	808.79	5.41%
Gujarat	957.83	3.69%	776.90	3.55%	533.40	3.57%
Telangana	591.36	2.28%	123.69	0.57%	180.18	1.21%
Tamil Nadu	481.75	1.86%	280.22	1.28%	321.77	2.15%
Odisha	451.53	1.74%	251.44	1.15%	281.87	1.89%
Punjab	389.62	1.50%	272.46	1.25%	33.36	0.22%
Rajasthan	324.73	1.25%	231.99	1.06%	204.08	1.37%
Uttarakhand	245.32	0.95%	154.14	0.70%	10.35	0.07%
Delhi	186.04	0.72%	66.24	0.30%	16.66	0.11%
Puducherry	128.98	0.50%	75.70	0.35%	63.20	0.42%
Kerala	120.52	0.46%	44.05	0.20%	121.83	0.82%
Andhra Pradesh	116.73	0.45%	56.70	0.26%	137.40	0.92%
Haryana	92.14	0.36%	58.54	0.27%	68.40	0.46%
Himachal Pradesh	70.20	0.27%	28.62	0.13%	14.77	0.10%
Jharkhand	55.03	0.21%	42.34	0.19%	18.67	0.12%
Dadra and Nagar Haveli	34.34	0.13%	11.86	0.05%	Nil	Nil
West Bengal	29.23	0.11%	30.06	0.14%	5.02	0.03%
Manipur	14.34	0.06%	8.90	0.04%	Nil	Nil
Bihar	9.24	0.04%	59.79	0.27%	24.74	0.17%
Karnataka	1.54	0.01%	45.50	0.21%	101.74	0.68%
Total	**25,925.24**	**100.00%**	**21,878.19**	**100.00%**	**14,943.90**	**100.00%**

Due to the geographic concentration of distribution of our products, our operations are susceptible to local and regional factors, such as economic and weather conditions, adverse social and political events, natural disasters, demographic changes, and other unforeseen events and circumstances. Consequently, any significant social, political or economic disruption, natural calamities or civil disruptions in these regions, changes in policies of the State or local governments or the Government of India or adverse developments related to competition in these regions, may adversely affect our business, results of operations, financial condition and cash flows. While we have not experienced any such instances which adversely impacted our business and results of operations in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

Further, all of our revenues are derived from domestic sales within India and we do not export our products. Accordingly, our growth potential is dependent on market conditions and demand for steel and steel products within India. While we intend to expand our presence across different states in India, including through the expansion of our distribution network, there can be no assurance that we will succeed in growing our business in new geographic markets in a timely or cost-effective manner.

Additionally, as part of our business strategy, we intend to explore export opportunities as our production capacity grows. However, our ability to successfully establish and expand our presence in international markets may be affected by our no experience in export operations, including our ability to identify and develop relationships with international customers, comply with applicable laws and regulations in overseas markets, and manage logistics, documentation and other requirements associated with exports. For further details, see "*Our Business – Our Strategies – Strengthen our market presence with our distribution network and other marketing initiatives*" on page 232. Our inability to successfully enter into international markets, or any adverse developments in international markets that we enter into, may limit our growth, affect our diversification efforts and adversely affect our business, results of operations, profitability, cash flows and financial condition.

5. ***Our business is predominantly dependent on the revenue from sale of sponge iron and HR Coils, which collectively contributed an aggregate of 58.73%, 67.46% and 71.96% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively, both of which are captively consumed and sold in the market. Any decline in demand for these products, or any disruption in the manufacturing or sale of these products could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.***

We are an integrated steel manufacturer. Our diversified product portfolio, spanning multiple stages of the steel value chain, comprises semi-finished steel products including sponge iron, and Billets and Slabs, and value-added finished steel products including TMT Bars, HR Coils, Wire Rods, ERW Pipes and Tubes and Ferro Alloys. A significant portion of our revenue from operations in Fiscal 2026 is concentrated in sponge iron and HR Coils, with TMT Bars, Ferro Alloys, Billets and Slabs, ERW Pipes and Tubes and Wire Rods also contributing to our overall revenue. The table below sets forth the sales revenue generated from the sale of our products as a percentage of our revenue from operations for the Fiscals indicated:

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Sponge iron	10,765.34	41.52	9,672.59	44.21	4,702.12	31.47
2.	Billets and Slabs	2,333.62	9.00	903.73	4.13	1,249.93	8.36
3.	TMT Bars	3,219.04	12.42	3,449.31	15.77	2,608.76	17.46
4.	Wire Rods	517.18	1.99	Nil	Nil	Nil	Nil
5.	HR Coils	4,460.44	17.21	5,087.10	23.25	6,050.18	40.49
6.	ERW Pipes and Tubes	1,820.95	7.02	627.54	2.87	Nil	Nil
7.	Ferro Alloys	2,357.46	9.09	1,868.22	8.54	104.58	0.70
8.	Others	451.21	1.74	269.71	1.23	228.33	1.53
Total		**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

The concentration of our revenue in these products exposes us to a range of risks. Sponge iron, being an intermediate product, is primarily used as a raw material for steel melting operations and is sold to induction and electric arc furnace operators. Any disruption in our sponge iron operations or reduction in demand from such operators or any shift in technology that reduces reliance on sponge iron as a raw material, could reduce the demand for sponge iron, which remains one of our largest revenue contributors. Similarly, our HR Coils are captively consumed in our ERW Pipes and Tubes manufacturing operations as well as sold externally to pipe manufacturers and fabricators. Any disruption in our hot strip mill operations, or a sustained decline in demand for HR Coils, could affect our revenue from operations and production process for manufacturing of ERW Pipes and Tubes.

We have the flexibility in our operations to sell certain intermediate products, namely sponge iron, Billets and Slabs, HR Coils and Ferro Alloys, either in the open market or captively consume them in our downstream manufacturing processes, depending on prevailing market demand. In particular, sponge iron constituted 41.52% of our revenue from operations in Fiscal 2026 and is an intermediate product that can, subject to market conditions, production planning and downstream capacity availability, be increasingly or decreasingly utilized towards the manufacturing of downstream products, including Billets and Slabs, TMT Bars, Wire Rods and HR Coils.

Our existing integrated set-up provides us with the ability, subject to operational constraints, market demand and capital investment requirements, to shift our product mix. However, there can be no assurance that we will be able to successfully or profitably shift our product mix in response to changes in market demand, product realisations, customer preferences, input costs, capacity constraints or competitive conditions.

Further, our failure to effectively respond to changes in steel market conditions or to successfully introduce new products in the steel market, could adversely affect our business, prospects, results of operations, financial condition, and cash flows. Any factor which affects the demand for our products may require changes to our manufacturing and marketing strategies, which could entail additional cost outlay and losses.

While we have not experienced any material decline in the demand for our products in the last three Fiscals, there is no assurance that we will not face any such decline in the future. Our revenue from the sale of HR Coils decreased from ₹ 6,050.18 million in Fiscal 2024 to ₹ 5,087.10 million in Fiscal 2025, primarily due to increased captive consumption of HR Coils for the manufacturing of ERW Pipes and Tubes following the commencement of commercial production of ERW Pipes and Tubes in December 2024, and further to ₹ 4,460.44 million in Fiscal 2026, primarily due to the commissioning of our wire rod facility, pursuant to which a portion of our Billets and Slabs was utilised for the production of Wire Rods instead of HR Coils. If there is a significant and sustained shift in demand for our products, whether due to changes in customer preferences, competition, availability of substitute products, or technological changes in the manner in which steel products are produced or consumed, our revenue and profitability could be materially and adversely affected.

6. ***We operate in a highly competitive industry and face substantial competition from domestic and international steel and steel product manufacturers, some of whom may have advantages over us, including specialisation in value-added or niche products, stronger distribution networks, greater market presence or access to cheaper sources of funding. Any failure to compete effectively, including against new entrants in our region, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.***

The Indian steel industry is highly competitive. According to the CRISIL Report, our competitors include Shyam Metalics and Energy Limited, Gallantt Ispat Limited, Sambhv Steel Tubes Limited and Jai Balaji Industries Limited. As a manufacturer of sponge iron, Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes, and Ferro Alloys, we compete to varying degrees with other Indian steel and steel product manufacturers.

We believe that the key competitive factors affecting our business include product quality and consistency, capacity creation and utilization, changes in manufacturing and production technology, logistics infrastructure, workforce skill and capabilities, operating cost efficiency, product pricing, access to funding for capacity expansion and access to key raw materials. Maintaining or increasing our market share will depend on effective marketing initiatives and our ability to anticipate and respond to various competitive factors affecting the industry, including our ability to improve our manufacturing process and techniques, introduce new products, respond to pricing strategies of our competitors, and adapt to changes in technology and changes in customer preferences. In addition, our competitors may have lower leverage and/or access to cheaper sources of funding.

Some of our local competitors may possess an advantage over us due to various reasons, such as specialization in production of value-added or niche products, stronger distribution network and greater presence in certain markets. In addition, while we are currently strategically located in Chhattisgarh, any further entrants in the region could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

There can be no assurance that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition with respect to our activities may not have an adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

7. ***Our Company is subject to certain risks inherent in the steel industry, including cyclicality, steel price volatility and competition from lower priced imports. Fluctuations in steel prices or demand for steel in India, including as a result of any reduction in import duties, may materially and adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.***

The steel industry is cyclical in nature. The pricing in the steel industry is subject to market demand, volatility and economic conditions. Fluctuations in industry dynamics, including steel prices, may materially and adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

A reduction in import duties on steel products in India may lead to increased competition from foreign companies, reduce our market share and reduce margins on our products. The import duty on steel products is subject to fluctuations and policy change by the Government of India. Any policy change resulting in a reduction in import duties may impact our sales due to increased competition, which could adversely affect our market share and reduce our margins. Further, the domestic steel industry is also exposed to volatility in global steel prices and trade policies, including dumping of steel products from certain countries at prices lower than domestic market levels. Any such reduction in import duties and lower-priced imports from countries that benefit from bilateral or multilateral trade agreements with India may have an adverse effect on our business.

Our business and financial condition are dependent on the performance of the steel market in India. As a result, we are exposed to fluctuations in the performance of this market. Any decrease in demand for steel in India may have an adverse impact on our business, results of operations, financial condition, cash flows and prospects. The steel market may be affected by, among other factors, changes in Government policies, economic conditions, income levels and interest rates, which may negatively affect the demand for our products.

Any factor which affects the demand for our products would lead us to change our manufacturing as well as marketing strategies and set ups and could entail additional cost outlay and losses.

8. ***We have experienced under-utilization of our manufacturing capacities for certain of our products. Any inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

Our Manufacturing Facility has a total installed capacity of 1,627,500 TPA as of March 31, 2026. A portion of our operating costs, including costs relating to our manufacturing infrastructure, plant and machinery, utilities, employee costs and other fixed and semi-fixed costs, are incurred irrespective of the level of production. Accordingly, our ability to maintain adequate levels of capacity utilisation is necessary for us to absorb our fixed and operating costs and maintain our profitability. Any under-utilisation of our manufacturing capacities, including as a result of lower demand for our products, an adverse change in product mix, interruptions in manufacturing operations, availability of raw materials, power and other utilities, maintenance requirements or other operational or regulatory constraints, may increase our per-unit production costs and adversely affect our margins, profitability, cash flows, financial condition and results of operations. Further, there can be no assurance that we will be able to utilise our existing installed capacities at optimal levels or that the demand for our products will be sufficient to support the utilisation of our existing and proposed capacities.

(*Remainder of the page has intentionally been left blank*)

The table below sets forth details of the installed annual capacity, available capacity, actual production and capacity utilisation for the products of our Company for Fiscals 2026, 2025 and 2024:

Particulars/Products	Fiscal											
	2026				2025				2024			
	Installed annual capacity	Available capacity	Actual production	Capacity utilisation	Installed annual capacity	Available capacity	Actual production	Capacity utilisation	Installed annual capacity	Available capacity	Actual production	Capacity utilisation
	(TPA)			(%)	(TPA)			(%)	(TPA)			(%)
Sponge Iron	675,000	675,000	729,918	108.14	675,000	553,849	657,370	118.69	510,000	387,041	427,644	110.49
Billets and Slabs	367,500	346,344	310,057	89.52	219,000	219,000	250,150	114.22	219,000	202,726	230,721	113.81
TMT Bars	105,000	105,000	74,523	70.97	105,000	105,000	81,073	77.21	105,000	105,000	59,432	56.60
Wire Rods	165,000	19,438	12,080	62.15	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.
HR Coils (Strips)	165,000	165,000	148,419	89.95	165,000	165,000	133,210	80.73	165,000	165,000	132,250	80.15
ERW Pipes and Tubes	120,000	120,000	42,129	35.11	120,000	31,890	16,059	50.36	Nil	Nil	Nil	N.A.
Ferro Alloys	30,000	30,000	33,564	111.88	30,000	30,000	29,965	99.88	30,000	9,945	2,727	27.42
Total	**1,627,500**	**-**	**-**	**-**	**1,314,000**	**-**	**-**	**-**	**1,029,000**	**-**	**-**	**-**
Power (KwH)	455,520,000	455,520,000	425,027,852	93.31	455,520,000	391,200,000	342,185,969	87.47	367,920,000	302,640,000	214,535,719	70.89

As certified by Prakash Upadhyay, independent chartered engineer, by way of his certificate dated September 30, 2026.

Notes:

(1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal, while the available capacity has been calculated on a pro rata basis considering the number of days for which the capacity was available during the relevant Fiscal.

(2) Actual production represents quantum of production in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the available capacity during such Fiscal.

For details in relation to our Manufacturing Facility and installed capacity and capacity utilization of our products, *see "Our Business – Capacity and Capacity Utilization" on page 246.*

(*The remainder of this page has intentionally been left blank*)

Our Company has incurred capital expenditure of ₹ 2,039.12 million, ₹ 2,720.35 million and ₹ 2,346.11 million in Fiscals 2026, 2025 and 2024, respectively, in relation to the expansion of installed capacity at our Manufacturing Facility. For details, see "*Restated Financial Information – Note 2: Property, plant & equipment*" and "*Restated Financial Information – Note 3: Capital work-in-progress*" on pages 318 and 320, respectively.

Our ability to maintain our profitability depends on our ability to maintain sufficient levels of capacity utilization. Capacity utilization is affected by our product mix, our ability to accurately forecast customer demand, carry out uninterrupted operations, industry and market conditions, overhead costs and manufacturing costs, as well as the availability of installed capacity, operating days, maintenance requirements, raw materials, power and other utilities, labour and applicable regulatory approvals and conditions. We make decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders for our products. We adjust our production periodically to meet the anticipated demand of our customers or reduce production of certain products depending on potential orders. Accordingly, our actual production, available capacity and capacity utilization in future periods may vary from our current estimates or expectations, and any inability to accurately estimate these factors or maintain adequate capacity utilization could adversely affect our business, results of operations, profitability and financial condition.

9. ***We propose to undertake significant capacity expansions, including a brownfield expansion at our Manufacturing Facility and the development of the Nawapara Facility, a greenfield integrated steel manufacturing facility. Any delay in implementation, cost overruns, inability to obtain the requisite approvals or failure to achieve the anticipated benefits of such expansions could adversely affect our business, results of operations, cash flows and financial condition.***

We are pursuing a brownfield expansion at our Manufacturing Facility, pursuant to which, upon completion of the proposed expansion and receipt of the applicable approvals, our installed capacities are proposed to increase as follows: (i) our captive power capacity, from 67 MW to 85 MW, through an additional 18 MW WHRB-based unit; (ii) Billets and Slabs, from 367,500 TPA to 516,000 TPA; (iii) sponge iron, from 675,000 TPA to 732,090 TPA; and (iv) Ferro Alloys, from 30,000 TPA to 39,000 TPA. We have obtained the CTE for the proposed expansion of our power and sponge iron capacities under the NIPL framework and have applied for the CTE for our Ferro Alloys capacity under the NIPL framework. We have also obtained a CTE for the proposed expansion of our Billets and Slabs capacity and have applied for a CTO in respect of such expanded capacity. The proposed expansion remains subject to the receipt of the applicable regulatory approvals, including the relevant CTOs.

In addition, we are planning to commission the Nawapara Facility, a greenfield integrated steel manufacturing facility at Nawapara, Gharghoda, Raigarh, Chhattisgarh, India, to be executed in phases. Subject to receipt of the requisite approvals, including environmental approvals, implementation of the project as planned and completion of all the proposed phases, the Nawapara Facility, as on the date of this Draft Red Herring Prospectus, can have a maximum installed manufacturing capacity limit of 858,000 TPA of sponge iron, 792,000 TPA of Billets and Slabs and 160,000 TPA of Ferro Alloys, together with proposed production facilities for various value-added finished steel products, captive power plants with an aggregate installed capacity of 200 MW and a coal washery basis the TOR approved by the Ministry of Environment, Forest and Climate Change, Government of India, by way of its letter dated June 11, 2026. We have acquired 44.78 hectares of freehold land for the Nawapara Facility. We are yet to obtain the environmental clearance and the other approvals required for the construction and operation of the Nawapara Facility.

Further, the implementation of these expansion projects is subject to a number of risks, including delays in obtaining, or failure to obtain, the requisite regulatory approvals, changes in the scope or design of the projects, delays or defaults by contractors and equipment suppliers, increases in the cost of equipment, raw materials and labour, our ability to arrange financing on acceptable terms and changes in market conditions, any of which could result in time and cost overruns. The estimated cost of, and the means of finance for, the Nawapara Facility are yet to be finalised. Further, even if these projects are completed as planned, we may not be able to achieve the expected levels of capacity utilisation or demand for our products or realise the benefits that we expect from such expansions, within the anticipated timeframe or at all, which could adversely affect our business, results of operations, cash flows and financial condition. For further details, see "*Our Business – Our Strategies – Capacity expansion with continued focus on captive power generation*" on page 231.

10. ***We met 96.01%, 98.14% and 95.86% of the total operational power requirements of our Manufacturing Facility through our captive power plant in Fiscals 2026, 2025 and 2024, respectively, and the majority of our captive power is generated by our WHRB-based unit, which is operationally tied to our sponge iron manufacturing process. Any unexpected disruption or shortage in power, water, fuel or other essential utilities could disrupt our manufacturing operations and increase our production costs, which could adversely affect our business, results of operations, cash flows and financial condition.***

We require power and fuel to operate our Manufacturing Facility. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is supported by a 67 MW captive power plant, comprising: (i) a 48 MW WHRB-based power generation unit, which utilises waste heat from gases generated during the sponge iron manufacturing process to produce

electricity without requiring any additional fuel; (ii) a 4 MW AFBC-based power generation unit; and (iii) a 15 MW CFBC-based power generation unit. The AFBC and CFBC-based power generation units primarily utilise dolochar, a by-product of the sponge iron manufacturing process, as fuel for power generation. For further details, see "*Our Business – Description of our Business – Power and Fuel*" on page 248.

While in Fiscals 2026, 2025 and 2024, 96.01%, 98.14% and 95.86%, respectively, of the total operational power requirements of our Manufacturing Facility were met through our captive power plant, we also source power from the state electricity board.

The WHRB-based unit, which generates the majority of our captive power, is operationally tied to our sponge iron manufacturing process. The AFBC and CFBC units utilise dolochar, a by-product of the sponge iron manufacturing process, as the primary fuel source, thereby further optimising our fuel costs. Any disruption in our sponge iron manufacturing operations, for instance due to a kiln shutdown, equipment failure, or raw material shortfall, would also reduce waste heat generation and consequently reduce our captive power generation. In such an event, we would have to increase our power purchases which may increase our manufacturing costs.

The table below sets forth our power, water and fuel expenses as a percentage of total expenses for the Fiscals indicated below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (in ₹ million)	Percentage of total expenses (%)	Amount (in ₹ million)	Percentage of total expenses (%)	Amount (in ₹ million)	Percentage of total expenses (%)
Power, water and fuel	296.85	1.25	190.70	0.96	149.33	1.14

We also source our fuel requirements, which include diesel for generators and furnace oil, from third parties. While we have the permission to use groundwater and have obtained permission from the irrigation department in relation to usage of surface water, any shortage or non-availability of water could result in the temporary shutdown of a part or all of our operations. If our power, water or fuel costs continued to increase, or if our supply arrangements were disrupted, our operations may be impacted. Any significant increase in the cost of power, water or fuel could result in an unexpected increase in production cost and could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

While we have not experienced any major interruptions to our power, fuel or water supplies in the last three Fiscals, we cannot assure you that such interruptions will not occur in the future.

11. We do not have long-term agreements with our customers or formal distributor arrangements, and our inability to maintain and expand our customer and distribution network could adversely affect our business, results of operations, profitability, margins, cash flows and financial condition.

We currently sell our products primarily through direct institutional sales and a network of traders, distributors and dealers, enabling us to cater to customers across multiple geographies and end-use segments. Although we receive repeat orders from customers, we do not enter into long-term contracts with our customers, and our sales are made on a purchase order basis. Accordingly, our customers are not obligated to purchase any minimum quantity of our products from us and may place lower volumes, delay placing orders or discontinue placing orders with us. We intend to strengthen our distribution network, including in geographies where we currently have limited presence. For further details, see "*Our Business – Our Strategies – Strengthen our market presence with our distribution network and other marketing initiatives*" on page 232.

The absence of long-term contracts with our customers, along with the possibility of fluctuations in demand for products, may impair our ability to accurately forecast their future requirements and plan our production schedules efficiently. Our customers may cancel, modify or delay production quantities and delivery schedules, or fail to meet their projected forecasts, for reasons beyond our control. In addition, evolving customer requirements may necessitate additional commitments or operational adjustments on our part, which may increase costs or exert pressure on our margins. Any significant reduction, delay or cancellation of orders by our key customers could adversely affect our results of operations, margins, working capital and production planning. Similarly, our inability to establish, manage or expand our distribution network on commercially acceptable terms, attract and retain distributors in new markets, adequately monitor distributor performance, or manage disputes with distributors, may adversely affect our ability to reach customers, our sales volumes and brand visibility.

While we have not experienced any material reductions, delays or cancellations of orders from our key customers during the last three Fiscals, there can be no assurance that such events will not occur in the future.

The table below sets forth our revenue from our top customer, top five customers and top 10 customers and their contribution to our revenue from operations for the Fiscals indicated:

(In ₹ million, except percentages)

S. No.	Customers	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Top customer	1,067.90	4.12	884.36	4.04	614.48	4.11
2.	Top five customers	2,820.19	10.88	3,299.07	15.08	2,155.02	14.42
3.	Top 10 customers	4,490.92	17.32	5,335.85	24.39	3,411.80	22.83

Further, for a significant portion of our product portfolio, we are not the exclusive supplier to our customers, and our competitors may also supply similar products to them. In a competitive environment, our customers may shift volumes to other suppliers offering competitive pricing, better credit terms or other favourable commercial arrangements. Additionally, any deterioration in the financial condition, business prospects or liquidity position of our customers may reduce their demand for our products or impair their ability to make timely payments, or to pay us at all, which could adversely affect our revenues and cash flows.

While we have not faced any such issues in the last three Fiscals, we cannot assure you that we will be able to maintain or grow our customer base, or that our existing customers will continue to place orders for our products at current or higher volumes in the future. We also cannot assure you that we will be able to successfully expand our distribution network in new geographies, or that our distributors and dealers will continue to perform their obligations or contribute to our business at current or higher volumes in the future.

12. We rely on stable and reliable third-party logistics and transportation infrastructure for the delivery of our products and raw materials. Any delay or disruption or refusal by our third-party logistics providers in timely delivery of our products may affect our business, results of operations and cash flows adversely.

We rely on third-party logistics service providers, including road and rail transporters, for the inward movement of raw materials to our Manufacturing Facility and for the outward dispatch of our finished products to customers and project sites across India. For further details, see "*Our Business – Description of our Business – Distribution and Logistics*" on page 247.

We have incurred freight and forwarding expenses in Fiscals 2026, 2025 and 2024, details of which are set out below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Freight and forwarding expenses (*in ₹ million*)	2,829.18	2,113.05	1,637.60
Percentage of total expenses (%)	11.92	10.68	12.46

We do not have long-term arrangements with most of our logistics providers. Any disruption in the availability of trucks, rakes or other transport infrastructure, any increase in freight rates, fuel prices or toll charges, any strikes, accidents, regulatory restrictions on vehicle movements, road or rail blockages, or any failure or refusal by our logistics providers to deliver our products or raw materials in a timely manner could affect our ability to maintain production schedules, fulfil customer orders or meet committed delivery timelines. In addition, our products may be lost or damaged in transit for various reasons including due to accidents or natural disasters. To the extent that our losses are not covered by insurance, this may have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects. Delays, non-delivery of our products and increase in cost of fuel may also have a material adverse effect on our business, results of operations, financial condition, cash flows and future prospects. Any of the foregoing factors may increase our operating costs, expose us to claims from customers, damage our customer relationships and adversely affect our business, results of operations and cash flows.

While there have not been any major delays or disruption in transportation of key raw materials or finished products in the last three Fiscals, any such delays can impact our production and delivery schedules.

13. Our operations are labour-intensive and we are dependent on a large workforce for our manufacturing operations. Strikes, work stoppages, unionisation of our employees, increased wage demands, or an inability to retain skilled personnel could adversely affect our business, results of operations, cash flows and financial condition.

Our operations are labour-intensive and we are dependent on a large workforce for our manufacturing operations. As of March 31, 2026, our workforce comprised 2,020 permanent employees and approximately 407 contract labourers engaged through independent contractors across our Manufacturing Facility.

Set forth below are the details of expenses incurred towards our employees for the Fiscals indicated below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Employee benefits expense *(in ₹ million)*	813.68	753.71	465.85
Total number of employees	2,020	1,777	1,472
Employee benefits expense as a percentage of total expenses	3.43%	3.81%	3.55%

The success of our operations depends on the availability of labour and maintaining good relationships with our workforce. Shortage of skilled and unskilled personnel or work stoppages caused by disagreements with employees could materially and adversely affect our business and results of operations. In the event of employee attrition, we may also have to incur additional costs to recruit, train and retain skilled labour.

Set forth below is our attrition rate for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Opening number of employees	1,777	1,472	1,049
Number of employees joined	712	935	933
Number of employees exited	469	630	510
Closing number of employees	2,020	1,777	1,472
Attrition rate (%)*	24.70	38.78	40.46

Note: Attrition rate is calculated as number of employees who left during the period divided by average number of employees during the period.

The attrition experienced by us was primarily attributable to normal workforce movement in the industry in which we operate.

We are subject to laws and regulations governing relationships with employees in areas such as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, and work permits. Any failure to comply with such laws and regulations, or any changes in the applicable labour laws and regulations, may increase our compliance costs and administrative burden and may result in penalties, claims or other liabilities, which could adversely affect our business, results of operations and financial condition. For further details of such laws and regulations, see "*Key Regulations and Policies*" on page 254.

Although our employees are currently not unionised, there can be no assurance that they will not unionise in the future. If our employees unionise, it may become difficult for us to address their demands and retain them.

We also appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Additionally, the unavailability of contract labourers when needed could lead to disruptions to our manufacturing operations and increased costs. While we have not experienced any such disruptions during the last three Fiscals, we cannot guarantee that similar issues will not occur in the future.

While we have not experienced disruption in our business operations due to disputes with our workforce or due to our inability to recruit or retain skilled personnel in the last three Fiscals, there can be no assurance that we will not experience such disruption in the future.

14. We are subject to strict quality requirements and are required to obtain and maintain various product and management certifications. Any product defect, failure by us to comply with applicable quality standards, or the loss, suspension, non-renewal or revocation of such certifications could lead to cancellation of existing and future orders, recalls, product liability claims, regulatory action, and an adverse effect on our business, results of operations, cash flows and financial condition.

We face an inherent business risk of exposure to product defects and subsequent liability claims. The products manufactured by us are required to comply with certain standards prescribed by the Bureau of Indian Standards ("**BIS**"), as well as quality standards imposed by our customers and applicable to our manufacturing processes. Our Manufacturing Facility has been certified in accordance with internationally recognized management system standards, including ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety management. For further details, see "*Our Business – Description of our Business – Quality Assurance*" on page 250.

The maintenance of certifications requires ongoing compliance with the relevant standards and periodic surveillance audits and renewals. Any failure by our Company to maintain compliance with the requirements of these certifications, for instance, due to changes in our manufacturing processes, failure to meet applicable quality standards, inadequate record-keeping, or non-compliance with environmental or safety norms, could result in the suspension, non-renewal or revocation of one or more of these certifications. While we have not faced any instances of failure by our Company to maintain

compliance with the requirements of these certifications, we cannot assure you that we will be able to comply with the terms of these certifications in the future.

We may not be able to meet regulatory quality standards in India, or the quality standards and specifications imposed by our customers. Our production planning enables us to respond to customer specifications for our products; however, we cannot assure you that we will always be able to meet such specifications in a timely manner. Any failure to comply with customer specifications or quality standards may have a material adverse effect on the business, results of operations, financial condition and reputation of our Company.

If any of our products do not meet regulatory standards or are defective, we may be, *inter alia*: (i) responsible for damages relating to any defective products; (ii) required to replace, recall or redesign such products; or (iii) required to incur significant costs to defend any such claims. Failure by us or any of our suppliers to achieve or maintain compliance with regulatory requirements or quality standards may disrupt our ability to supply products sufficient to meet demand until compliance is achieved or until a new supplier has been identified and evaluated. The quality of raw materials will have a direct impact on the quality of our products and, in turn, on our brand image, business and revenue. While we have not faced any product liability claims during the last three Fiscals, we cannot assure you that we will not be exposed to product liability claims in the future.

15. Our operations involve hazardous activities and materials, and despite the health and safety measures adopted by us, any failure to maintain adequate health and safety standards or any accident could result in injury or death to our personnel, suspension of operations, emission of pollutants and/or the imposition of civil or criminal liabilities, which could adversely affect our business, results of operations, cash flows and financial condition.

Certain operations at our Manufacturing Facility can cause accidents during the manufacturing process resulting in serious injuries or death of employees or other persons, if improperly handled, and can cause damage to our properties or equipment and the properties of others or to the environment. Our manufacturing operations *inter alia* include:

(i) sponge iron production in rotary kilns operating at controlled rotational speeds and temperatures generally ranging between 800°C and 1,100°C, where the charged raw materials are subjected to controlled high-temperature conditions without melting the raw material;

(ii) steel melting and continuous casting in our SMS division using induction furnaces, which involves handling of molten steel;

(iii) hot rolling operations for TMT Bars, Wire Rods and HR Coils, including direct hot charging of Billets and Slabs at elevated temperatures; and

(iv) manufacturing of Ferro Alloys in submerged arc furnaces at high temperatures.

All of these operations involve significant hazards including explosions, fires, mechanical failures and other operational problems, inclement weather and natural disasters, discharges or releases of hazardous substances, chemicals or gases, and other environmental risks. We have employee safety manuals covering employee safety and environmental procedures and we periodically carry out hazard identification and risk assessments with respect to our operations. However, these measures may not be effective in preventing all accidents or incidents, particularly where there is non-compliance with applicable safety procedures by our employees, contract labourers or other personnel at our Manufacturing Facility.

In Fiscals 2026, 2025 and 2024, there were one, two, and one fatal accidents, respectively, at our Manufacturing Facility. While these accidents have not resulted in a major disruption of our manufacturing operations, we cannot assure you that any such occurrence in the future will not materially and adversely affect our reputation, business, results of operations and financial condition. We may also face claims and litigation being filed by persons alleging injury as a result of occupational hazards at our facilities, and any such claim or litigation could adversely affect our business, results of operations, cash flows and financial condition. The occurrence of any of these hazards or accidents could result in a suspension of operations and/or the imposition of civil or criminal liabilities.

16. We are required to obtain, renew and maintain certain statutory and regulatory permits, licenses and approvals to operate our business, and any failure or delay in obtaining, renewing or maintaining them, or any regulatory action for non-compliance with their conditions, may adversely affect our business, results of operations, cash flows and financial condition

We are required to obtain, renew and maintain certain statutory and regulatory permits, licenses, registrations and approvals under central, state and local government rules in India, for carrying out our business. These requirements include compliance with applicable safety, health and environmental laws and regulations in our operations, including laws regulating the generation, storage, handling, use and transportation of waste materials, noise emissions, air and water

discharges, the storage, handling, discharge and disposal of certain materials, and other aspects of our operations, and the health and safety of employees and mandatory certification requirements for our facilities and products. For example, our operations are subject to environmental laws and regulations in India, including the Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974, the Solid Waste Management Rules, 2016, and other regulations promulgated by the Ministry of Environment, Forest and Climate Change, Government of India and various statutory and regulatory authorities and agencies in India. For details of the key regulations applicable to our business, see "*Key Regulations and Policies*" on page 254.

In addition, we will need to apply for renewal of certain approvals, licenses, registrations and permits which expire, or seek new approvals, licenses, registrations and permits, from time to time, as and when required in the ordinary course of our business. As on the date of this Draft Red Herring Prospectus, the details of the material approvals applied for but not yet received by our Company from the Chhattisgarh Environment Conservation Board ("CECB") under the Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") and the Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") are: (i) Amendment of consent to establish dated July 10, 2026 issued under the Water Act and the Air Act by CECB, to increase the production capacity of Ferro Alloys by 9,000 TPA at our Manufacturing Facility; and (ii) Amendment of consent to operate dated July 20, 2026 issued under the Water Act and the Air Act by CECB, to increase the production capacity of Billets and Slabs by 148,500 TPA at our Manufacturing Facility. For further information on the nature of the material approvals and licenses required for our business and for information on the material approvals applied for, see "*Government and Other Approvals*" on page 408. We cannot assure you that these approvals will be granted by the relevant authorities, in a timely manner or at all. In the event these approvals are not granted, we will be required to restrict our production at our Manufacturing Facility to the capacities currently permitted, or temporarily suspend the relevant operations until such approvals are obtained or renewed which may adversely impact our business, financial condition, results of operations, cash flows and prospects. Any suspension or cancellation of our government or regulatory approvals or licenses by any regulatory authority could adversely affect our ability to carry out our operations and, consequently, our business, results of operations and financial condition.

Further, our government approvals and licenses are subject to certain conditions, some of which are onerous and require us to make substantial compliance-related expenditure. Our consents to operate issued by the CECB under the Water Act and the Air Act specify, among other things, the production capacities permitted at our Manufacturing Facility. In Fiscals 2026, 2025 and 2024, our production of sponge iron, Billets and Slabs and Ferro Alloys exceeded the production capacities permitted under these approvals. For details of our installed capacity, available capacity and capacity utilisation, see "*Our Business – Description of our Business – Capacity and Capacity Utilization*" on page 246. Production in excess of the permitted capacities may be construed as non-compliance with the conditions of such approvals. The possibility of rejection of our pending applications for increase in the permitted capacities at our Manufacturing Facility by the concerned authorities cannot be ruled out. In the event we are unable to obtain or renew pending licenses and approvals, it may result in the interruption of a part or all of our operations or the imposition of penalties by the relevant authorities and have a material adverse effect on our business, financial condition, reputation and results of operations. While there has been no such instance during the last three Fiscals that has impacted our operations, we cannot assure you that such instance will not arise in the future.

17. Any failure to protect and leverage our intellectual property rights could adversely affect our competitive position, business, financial condition and results of operations. We may also inadvertently infringe on the intellectual property rights of others and infringement claims could subject us to significant liability for damages and potentially injunctive action.

We rely on our trademarks to protect our intellectual property, which is critical to our business. For details in relation to our intellectual property, see "*Government and Other Approvals*" on page 408. The protection of our intellectual property rights may require financial, managerial and operational resources. We rely on a combination of laws and regulations and confidentiality of information to protect our intellectual property. Despite our efforts to protect and enforce our proprietary rights, unauthorized parties may in the future use our trademarks or similar trademarks.

Certain of our trademark applications have been objected to as on the date of this Draft Red Herring Prospectus. While we intend to take appropriate steps to respond to and address such objections, there can be no assurance that such objections will be resolved in our favour or that the relevant trademarks will ultimately be registered. Any failure or delay in obtaining registration of these trademarks could limit our ability to protect our brand and intellectual property rights and may require us to incur additional costs or modify or discontinue the use of such trademarks. Any such circumstances could adversely affect our business, financial condition, cash flows and results of operations.

Additionally, the process of obtaining intellectual property protection is expensive and time-consuming. Even where trademarks are registered, they may not adequately protect our intellectual property, as the legal standards relating to the validity, enforceability and scope of protection of trademark and other intellectual property rights are applied on a case-by-case basis and it is generally difficult to predict the results of any litigation relating to such matters. Any litigation,

whether or not it is resolved in our favour, could result in significant expense to us and divert the efforts of our technical and management personnel, which may adversely affect our business, financial condition, cash flows and results of operations. While there have not been any instances of infringement of our intellectual property rights which have come to our knowledge in the last three Fiscals, we cannot assure you that such instances shall not occur in the future.

18. ***Our business is dependent on the recognition of our brand, and our failure to maintain and enhance brand awareness and reputation could adversely affect our ability to retain and expand our customer base. This could adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.***

Our business reputation and brand under which we sell our products are critical to the success of our business. Our business is dependent on the recognition and reputation of our brands, particularly our "BS TMX" brand, to attract and retain customers and expand our presence across our target markets. Our ability to maintain and enhance brand awareness and reputation may be affected by factors including the quality and consistency of our products, customer experience, product availability, pricing, competition and any adverse publicity or negative customer perception. Our business and results of operations are influenced by the level of consumer recognition and perception of our brand. Maintaining and enhancing the recognition and reputation of our brand is, therefore, critical to our business and competitiveness. Various factors, such as our ability to manage the quality of our products and address customer grievances, brand awareness among existing and potential customers, adoption of new technologies or ability to adapt our systems to customer requirements or emerging industry standards, and protection of the intellectual property related to our brand are critical for maintaining and enhancing our brand.

As part of our marketing initiatives, we run various advertisement campaigns, including outdoor advertising through hoardings and display boards, wall paintings and rural branding campaigns in semi-urban and rural markets, participation in trade fairs, exhibitions and industry events, and social media and digital marketing campaigns. Our marketing expenditure in Fiscals 2026, 2025 and 2024 was ₹ 18.06 million, ₹ 12.55 million and ₹ 4.58 million, respectively. These initiatives may not result in the expected increase in brand awareness, customer engagement or sales, and any failure to effectively deploy our marketing expenditure could adversely affect our ability to build and maintain brand recognition. Our brand could also be harmed if our products fail to meet the expectations of our customers, fail to maintain our established standards or if we become the subject of any negative media coverage. Any deterioration in the quality or consistency of our products, delays in delivery, or failure to address customer grievances could adversely affect our brand reputation and customer relationships. Our failure to develop, maintain and enhance our brand may result in decreased revenue, an inability to retain our existing customers or expand our customer base, and in turn adversely affect our business, financial condition and results of operations.

19. ***Our research and development and product development capabilities may not be sufficient to develop new products, improve our manufacturing processes or adapt to changes in technology and customer requirements, which could adversely affect our competitiveness and business.***

Our ability to improve our manufacturing processes and techniques, introduce new products and adapt to changes in technology and customer preferences may depend on our ability to develop, evaluate and implement appropriate research and development initiatives and technologies. We have a dedicated research and development team, which comprised nine permanent employees as of March 31, 2026. If we are unable to develop or adopt new technologies or products in a timely and cost-effective manner, or if the products or processes developed by us do not meet customer requirements or market expectations, we may be unable to compete effectively or expand into higher value-added products and markets.

Further, technological developments in the steel industry and evolving customer requirements may require us to incur additional expenditure and commit additional resources towards research and development, process improvements, manufacturing equipment and product development. Such initiatives may involve significant time and costs and may not result in commercially successful products or processes or the expected improvements in operational efficiency and product quality. Our research and product development initiatives may also be affected by our ability to attract and retain personnel with the requisite technical expertise and access to appropriate technologies and resources. Any failure or delay in developing or implementing new products, technologies or manufacturing processes, or in adapting to changing customer requirements and industry developments, could adversely affect our competitiveness, business, results of operations and financial condition.

While we have not experienced any material adverse impact on our business due to any insufficiency in our research and development and product development capabilities to develop new products, improve our manufacturing processes or adapt to technological developments during the last three Fiscals, there can be no assurance that our research and product development initiatives will be successful in the future.

20. Our financing arrangements contain restrictive covenants. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry including our plans for expansion and diversification.

As of July 31, 2026, we had total outstanding borrowings of ₹ 8,595.07 million, comprising term loans of ₹ 5,317.76 million, working capital loans of ₹ 2,123.53 million, vehicle loans of ₹ 60.03 million, unsecured loans of ₹ 228.82 million and non-fund based facilities of ₹ 864.93 million. For further details, see "*Financial Indebtedness*" on page 402.

Our ability to pay interest and repay the principal of our indebtedness is dependent upon our ability to generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have significant consequences, including requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including reducing our flexibility in planning for or reacting to changes in our business, competition pressure and market conditions. While we continue to incur significant expenditure in maintaining and growing our existing operations, we cannot assure you that we will have sufficient capital for our current operations and any future expansion plans that we may have.

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of actions, which could adversely affect our business and financial condition. For example, some of our financing agreements require our Company to obtain prior written waiver or consent from, or intimate our lenders for, among other things, effecting any change in ownership, control, management of our Company; effecting any changes to the capital structure or shareholding pattern; entering into any merger, de-merger, amalgamation, reorganisation or consolidation or formulating any scheme of reconstruction, arrangement or compromise with the creditors; making any amendment to the constitutional documents; undertaking any diversification, modernisation or substantial expansion of any of our existing business, operations or projects; undertaking any new project, implementing any scheme of expansion, investing in any other entity or changing the general nature of our business; declaring or paying dividends; or disposing of the majority of our properties and assets. For further details in relation to terms of our borrowings, see "*Financial Indebtedness – Key terms of the borrowings currently availed by us*" on page 402

Our indebtedness and the covenants under the relevant agreements may restrict our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us, which may impact our growth plans. A failure to observe the covenants under the financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities and acceleration of amounts due under such facilities.

For the purpose of the Offer, the consents from our lenders as required under the relevant loan documents for undertaking activities relating to the Offer have been obtained. While we have been in compliance with the financial covenants under our loan agreements during the last three Fiscals and the respective lenders have confirmed such compliance in the consent letters obtained by us. However, there can be no assurance that we will be able to comply with these financial or other covenants in the future or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

Further, while there has been no re-scheduling/ re-structuring in relation to borrowings availed by us from any financial institutions or banks in the last three Fiscals, there is no assurance that we will not need to re-schedule / re-structure our indebtedness in the future.

21. Our business is capital-intensive, and we may require additional financing to meet our working capital requirements, fund capital expenditure, support expansion plans and meet other funding needs. Any inability to obtain adequate financing on acceptable terms, in a timely manner or at all, could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

Our business requires significant working capital for the procurement of raw materials, maintenance of inventory of raw materials, work-in-progress and finished goods, funding of trade payables and other operational requirements. In addition, we incur significant expenditure towards capital expenditure, debt repayments, expansion projects and general corporate purposes. As a result, our total funding requirements, both for day-to-day operations and longer-term growth, are substantial.

Our working capital requirements may increase further on account of factors such as increases in raw material prices, expansion of our production volumes, longer credit periods extended to customers, delays in collection of receivables, changes in credit terms from suppliers, disruption to our operations or expansion of our product portfolio. Our working capital requirements are also expected to increase significantly due to the capacity expansions being undertaken by our Company, including proposed brownfield expansions and the proposed Nawapara Facility. For further details, see "*Our Business – Our Strategies – Capacity expansion with continued focus on captive power generation*" on page 231.

Set forth below are details in relation to our inventory days, trade receivable days, trade payable days and Net Working Capital Days for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Trade receivables days	8	6	6
Inventory days	41	37	43
Trade payables days	12	11	6
Net Working Capital Days	37	32	43

Beyond working capital, we may need to raise additional capital in the future to fund our capital expenditure, expansion plans, debt repayments and general corporate purposes, depending on business conditions and our growth strategy. The factors that would require us to raise additional capital could include future acquisitions and expansions, additional capital requirements imposed due to changes in the regulatory regime or new guidelines, significant depletion in our existing capital base due to unusual operating losses and unforeseen events beyond our control. The actual amount and timing of future financing requirements may depend on several factors, including new business opportunities, opportunities for inorganic growth, regulatory changes, economic conditions, technological changes and market developments.

Our Company has incurred capital expenditure of ₹ 2,039.12 million, ₹ 2,720.35 million and ₹ 2,346.11 million in Fiscals 2026, 2025 and 2024, respectively, in relation to the expansion of installed capacity at our Manufacturing Facility. For details, see "*Restated Financial Information – Note 2: Property, plant & equipment*" and "*Restated Financial Information – Note 3: Capital work-in-progress*" on pages 318 and 320, respectively.

As of July 31, 2026, we had total outstanding borrowings of ₹ 8,595.07 million, comprising term loans of ₹ 5,317.76 million, working capital loans of ₹ 2,123.53 million, vehicle loans of ₹ 60.03 million, unsecured loans of ₹ 228.82 million and non-fund based facilities of ₹ 864.93 million.

We propose to meet our working capital requirements through internal accruals, existing and new banking facilities and, if required, additional debt or equity financing. A portion of the Net Proceeds may be utilised for repayment or prepayment of certain loan facilities availed by our Company. For further details, see "*Objects of the Offer – Details of the Objects of the Fresh Issue – Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company*" on page 105.

Our ability to arrange financing and the cost of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, regulatory developments, the continued success of our operations and other conditions conducive to our raising capital. We cannot assure you that we will be able to raise adequate additional capital in the future on terms favourable to us or at all.

If adequate funds are not available to us on acceptable terms, or in a timely manner, or at all, our ability to fund our operations, maintain inventories, extend credit to customers, take advantage of opportunities, implement our expansion or acquisition plans, repay or service our existing debt, or respond to competitive pressures could be significantly limited, which could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition. Also see *"— Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows."* on page 40.

While we have not faced any significant challenge in availing debt at commercially acceptable terms in Fiscals 2026, 2025 and 2024, we cannot assure you that additional capital will be available in the future on terms favourable to us or at all.

22. Our inability to make timely payment of our statutory dues may result in imposition of penalties and payment of additional interest, which in turn may have an adverse effect on our business, our results of operations, cash flows and financial condition. We have paid an aggregate amount of ₹ 1,911.81 million, ₹ 1,874.00 million and ₹ 1,421.02 million towards statutory due payments for the Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively.

We are required to pay certain statutory dues including provident fund contributions, employee state insurance contributions ("**ESIC**"), professional taxes, labour welfare fund, goods and services tax ("**GST**"), tax deducted at source ("**TDS**"), tax collected at source ("**TCS**") and income tax.

Set out below are the details of statutory dues paid and unpaid for the Fiscals indicated:

Statutory Dues	Fiscal 2026			Fiscal 2025			Fiscal 2024		
	Paid *(₹ in million)*	Unpaid *(₹ in million)*	No. of Employees	Paid *(₹ in million)*	Unpaid *(₹ in million)*	No. of Employees	Paid *(₹ in million)*	Unpaid *(₹ in million)*	No. of Employees
Employee Provident Fund	53.45	Nil	1,925	39.01	Nil	1,650	27.69	Nil	1,665
Employee State Insurance	6.41	Nil	1,131	6.73	Nil	1,337	5.55	Nil	1,315
Professional Taxes	0.01	Nil	4	Nil	Nil	1	Nil	Nil	1
Gratuity	Nil	Nil	N.A.	Nil	Nil	N.A.	Nil	Nil	N.A.
Income Tax Act, 1961 (TDS on Salary)	100.33	Nil	13	100.19	Nil	47	50.57	Nil	28
Income Tax Act, 1961 (TDS on other than salary)	75.32	Nil	N.A.	67.29	Nil	N.A.	49.19	Nil	N.A.
Income Tax	440.00	Nil	N.A.	500.00	Nil	N.A.	469.00	Nil	N.A.
Goods and Services Tax Act, 2017 (read with specific State amendments)	1,232.93	Nil	N.A.	1,157.59	Nil	N.A.	815.90	Nil	N.A.
Labour Welfare Fund	0.15	Nil	2,443	0.12	Nil	1,948	0.08	Nil	1,332
Tax Collected at Source	3.21	Nil	N.A.	3.08	Nil	N.A.	3.04	Nil	N.A.

There has been no delay in the payment of statutory dues/liabilities under the said acts, except as disclosed below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Number of instances	Amount delayed (₹ in million)	Number of instances	Amount delayed (₹ in million)	Number of instances	Amount delayed (₹ in million)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	2	0.04	1	0.02	2	0.35
Employee State Insurance Act, 1948	Nil	Nil	Nil	Nil	Nil	Nil
Professional Taxes	12	0.01	11	0.00	12	0.00
Labour Welfare Fund	1	0.05	1	0.06	Nil	Nil
Income Tax Act, 1961 (TDS on Salary)	2	0.70	Nil	Nil	Nil	Nil
Income Tax Act, 1961 (TDS other than Salary)	4	0.42	4	0.35	4	0.68
Income Tax Act, 1961 (TCS)	Nil	Nil	1	0.00	Nil	Nil
Goods and Services Tax	Nil	Nil	1	0.57	Nil	Nil
Total	**21**	**1.22**	**19**	**1.00**	**18**	**1.03**

Certain dues were paid annually for administrative convenience as a result of low headcount while in certain cases delays were identified during monthly tax deducted at source reconciliation, finalization of annual books of accounts or annual reconciliation.

While we have paid the dues and no penalties were imposed on our Company, there is no assurance that there will not be any future instance of delays in payment of statutory dues and any prolonged delay in payment of statutory dues may attract penalties from statutory authorities and in turn, our cash flow from operations and financial condition may be adversely affected to the extent we have to pay interest and penalties on the same.

23. Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, financial condition and results of operations.

Our operations are subject to various risks inherent in the manufacturing industry including defects, liability for product and/or property damage, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents, personal injury or death, environmental pollution and natural disasters. We maintain ongoing insurance policies in order to manage the risk of losses from potentially harmful events, including marine export

import insurance open policy, public liability industrial insurance, machinery breakdown insurance, standard fire and special perils insurance policy, burglary insurance policy, group personal accident, group term insurance and vehicle insurance. For further details of the insurance policies availed by our Company, see "*Our Business – Insurance*" on page 252. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable. Accordingly, our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability.

The following table sets forth our insurance cover in absolute amount and as a percentage of total tangible assets as at the dates indicated:

Particulars	As at March 31		
	2026	2025	2024
Total assets* (in ₹ million)	13,189.49	10,690.81	8,328.23
Total insured assets (in ₹ million)	11,640.87	9,331.03	7,292.48
Total insured assets as a percentage of total assets (%)	88.26	87.28	87.56
Total insurance coverage (in ₹ million)	10,916.97	8,360.00	6,495.00
Insurance coverage as a percentage of total insured assets (%)	93.78	89.59	89.06

** Sum of property, plant and equipment (net block), capital work in progress, inventory and investment property (buildings net block).*

We cannot assure you that, in the future, 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. To the extent that we suffer loss or damage as a result of events for which we did not obtain or maintain insurance, or which is not covered by insurance, or which exceeds our insurance coverage or the amount received pursuant to an insurance claim is less than the amount of the loss or damages, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

While we have not had any significant losses due to inadequate insurance during the last three Fiscals, there can be no assurance that our insurance policies will adequately cover all potential losses that we may incur in the future. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, in the future, our business, financial condition, cash flows and results of operations could be materially and adversely affected.

24. If we do not continue to invest in new technologies and equipment, our machines and equipment may become obsolete and our production costs may increase relative to our competitors, which may have an adverse impact on our business, results of operations and financial condition.

The steel industry is characterised by continuing advances in manufacturing technologies, process efficiencies, energy consumption norms and product quality standards. Our ability to maintain our competitive position depends in part on our ability to invest in new technologies, modernise our equipment and adopt new processes that improve productivity, reduce input and energy costs, improve product quality and meet evolving customer and regulatory expectations, including in relation to sustainability and emissions.

Our TMT Bars are manufactured using THERMEX® QST technology, developed in Germany, which enables the production of reinforcement bars with standard mechanical properties, ductility and weldability. Our TMT Bars, Wire Rods and HR Coils are manufactured using direct hot charging technology, wherein Billets and Slabs produced through the continuous casting process are directly transferred to the respective mills, minimising heat loss, reducing reheating requirements, and improving energy efficiency. Our hot strip mill is a 4-Hi rolling mill and is equipped with Automatic Gauge Control ("**AGC**") technology, which enables control over strip thickness and helps minimise thickness variation in HR Coils.

Any failure on our part to make timely and adequate investments in new technologies and equipment, or any inability to identify and adopt the technologies most relevant to our business, may result in our existing machinery and equipment becoming obsolete, an increase in our production costs relative to our competitors, deterioration in product quality, and a loss of competitiveness, which may adversely affect our business, results of operations and financial condition.

25. Our Corporate Office is not owned by us and a portion of the land parcel at our Manufacturing Facility is held on a leasehold basis. In the event that we lose such rights or are required to renegotiate arrangements for such rights, our business, results of operations, profitability and margins, cash flows and financial condition could be adversely affected.

Our Company does not own the premises in which our Corporate Office is located. Our Corporate Office premises are held pursuant to a lease arrangement, and we are therefore subject to the terms and conditions of such arrangement, including in relation to the tenure, renewal, termination and rental costs of such premises.

In addition, while our Manufacturing Facility at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India is spread across a total area of approximately 47.19 hectares, a majority of the land on which our Manufacturing Facility is located is owned by us on a freehold basis and a small portion of the land is held on leasehold basis. Specifically, of the total land parcel at our Manufacturing Facility, approximately 45.98 hectares is held on a freehold basis, while approximately 1.21 hectares is held on a leasehold basis from the Government of Chhattisgarh, Chhattisgarh State Industrial Development Corporation Limited, for a term of 99 years with effect from September 15, 2023. Our rights in respect of the leasehold portion of land are governed by the terms of the relevant lease, including in relation to compliance with usage conditions, renewal or renegotiation upon expiry, and any restrictions on transfer or encumbrance.

Our Manufacturing Facility, which is our only operational manufacturing facility as of the date of this Draft Red Herring Prospectus, is critical to our business operations. Any loss of, or disruption to, our rights over any portion of the land at our Manufacturing Facility could require us to restructure our manufacturing layout, incur significant capital expenditure, seek alternate land parcels, or in an extreme scenario, curtail production operations, all of which could have a material adverse effect on our business.

There can be no assurance that these lease arrangements will be renewed upon expiry, or renewed on commercially acceptable terms, or that the lessor will not terminate the lease arrangements prior to the expiry of the agreed term. In case we are subject to any conditions, restrictions or penalties under such leases, there is no assurance that it would not affect our ability to use such land for our manufacturing operations or such premises for our Corporate Office, or any disputes with the lessor or licensor in this regard, including in relation to breach of usage conditions, non-payment, or otherwise, will be resolved in our favour. Further, there is no assurance that we will be able to find alternate premises on commercially acceptable terms, in a timely manner, or at all, in the event we are required to relocate.

While we have not faced any such instances in relation to our leased properties in the last three Fiscals, in the event that we lose the right to use any of these premises or are required to renegotiate the terms of any such arrangement, we may incur relocation or re-arrangement costs, face operational disruptions, be subject to penalties or legal proceedings, or be unable to continue operations at our existing site in their current form, any or all of which could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition. For further details in relation to our Manufacturing Facility and our property, see "*Our Business – Property*" on page 253.

26. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

We are exposed to counterparty credit risk in the usual course of our business due to the nature of, and the inherent risks involved in, dealings and arrangements with our customers who may delay or fail to make payments or perform other contractual obligations. A portion of our sales are on open credit basis, with standard payment terms of generally between 7 and 15 days. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit we extend to what we believe is reasonable based on an evaluation of the customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay.

Set forth below are details relating to bad debts for the Fiscals indicated below:

(in ₹ million)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Bad debts written off	0.47	0.10	5.51
Trade receivables	643.87	458.42	270.26
Bad debts written off as a percentage of trade receivables (%)	0.07	0.02	2.04

Set forth below are details relating to holding levels of our trade receivables for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Trade receivables days[(1)]	8	6	6

[(1)] Trade receivables days are calculated as average trade receivables divided by revenue from operations multiplied by 365 days for the complete fiscal years.

Any increase in our trade receivable days will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could adversely affect our business, financial condition and results of operations.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, for our customers, 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, profitability and margins, cash flows and financial condition.

27. ***Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business, financial condition, cash flows and results of operations.***

Our ability to access debt capital, including bank facilities, non-convertible debentures and commercial paper, and the terms on which such capital is available to us, depend significantly on our credit ratings. Credit ratings are based on assessments by independent rating agencies of, among other things, our financial performance, leverage profile, governance, industry outlook and macroeconomic conditions, many of which are outside our control. The cost and availability of our capital depend on our credit ratings.

The table below sets forth details of our Company's credit ratings during the Fiscals indicated below:

Rating agency	Instrument	Rating/ Outlook			
		As on the date of this DRHP	Fiscal 2026	Fiscal 2025	Fiscal 2024
CRISIL Ratings Limited	Long-term bank loan facilities (fund-based and non-fund based)	CRISIL A+ / Stable	CRISIL A / Positive	CRISIL A / Stable	CRISIL A– / Stable
CRISIL Ratings Limited	Short-term bank loan facilities	CRISIL A1	CRISIL A1	CRISIL A1	—
Acuite Ratings & Research Limited	Long-term bank loan facilities	ACUITE A+ / Stable	ACUITE A+ / Stable	ACUITE A / Stable	ACUITE A– / Stable
Acuite Ratings & Research Limited	Short-term bank loan facilities	ACUITE A1	ACUITE A1	ACUITE A1	ACUITE A2+

While there has been no downgrading in our credit ratings in the last three Fiscals, any revision or change in our credit ratings could increase borrowing costs, result in an event of default under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows. Any non-availability of credit ratings, any failure by us to maintain our current credit ratings, or any downgrade in our credit ratings, may restrict our access to capital, increase our cost of borrowing, limit our ability to raise fresh debt or refinance our existing borrowings on favourable terms, and adversely affect investor and lender perception of us. Any such development may have an adverse effect on our business, financial condition, cash flows and results of operations.

28. ***Our operations are subject to environmental and workers' health and safety laws. Any instances of non-compliance with such laws may have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.***

Our operations are subject to a comprehensive framework of environmental, health and safety laws and regulations in India, including the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, the Occupational Safety, Health and Working Conditions Code, 2020, the Solid Waste Management Rules, 2016, and various rules and regulations notified thereunder, as well as conditions imposed under environmental clearances and consents to operate issued to us by regulatory authorities. These laws govern, among other things, emissions, effluent discharge, generation, storage, transport and disposal of hazardous and other waste, water and energy consumption, noise levels, and workplace health and safety. For details of the key regulations applicable to our business, see "*Key Regulations and Policies*" on page 254.

Compliance with these laws may require us to incur significant capital and operating expenditure on pollution control equipment, monitoring systems, training and reporting. Steel manufacturing, including sponge iron manufacturing in rotary kilns and steel melting in induction furnaces, is an energy-intensive process generating significant emissions and by-products, including flue gas, dolochar, and slag, and subjects us to extensive oversight under India's environmental regulatory framework.

Any breach of, or failure to comply with, such laws including as a result of any leakage, spill, emission or non-compliance with conditions under environmental clearances may result in the imposition of fines, penalties, suspension or cancellation of approvals, directions to suspend operations, civil or criminal proceedings against us, our Directors and officers, claims by affected parties, and reputational harm, any of which may have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

In addition, these requirements may become more stringent over time, and there can be no assurance that we will not incur significant environmental costs or liabilities in the future. Climate-related regulatory changes including potential introduction of carbon pricing, stricter emissions norms for industrial kilns and power plants, or tighter standards on effluent discharge and solid waste disposal applicable to steel manufacturers could require additional capital investment on our part.

While there have been no major instances of environmental and safety allegations against us in the last three Fiscals, we cannot assure you that such instances will not be made against us in the future.

29. Our inability to successfully implement some or all of our business strategies in a timely manner or at all could have an adverse effect on our business.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Capacity expansion with continued focus on captive power generation;
- Continue to increase the contribution of value-added and finished steel products to our revenue mix to improve overall realisations and EBITDA;
- Continue to focus on operational and cost optimization through strategic initiatives;
- Strengthen our market presence with our distribution network and other marketing initiatives; and
- Well positioned to capitalize on the growing demand for steel in India.

Our strategies may not succeed due to various factors, including our inability to reduce our debt and our operating costs, our failure to develop new products with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our suppliers and customers, our failure to effectively market our products or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain the highest quality in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. For further details of our strategies, see "*Our Business – Our Strategies*" on page 231.

Our growth strategy includes, among other things, enhancing our installed capacity through brownfield and greenfield expansion, increasing the share of value-added products in our portfolio, strengthening our backward integration, growing our customer base and entering new geographies. The successful implementation of our business strategies is subject to a number of risks and uncertainties, including our ability to obtain necessary regulatory approvals, our ability to source raw materials and equipment on commercially acceptable terms, the availability of skilled personnel, the performance of our contractors and vendors, our ability to access financing on acceptable terms, prevailing market conditions and the actions of our competitors. Any inability on our part to implement some or all of our business strategies in a timely manner or at all, or any failure of such strategies to achieve their intended outcomes, may adversely affect our business prospects, results of operations and financial condition.

30. Errors in forecasting demand for our products could result in failure to manage our inventory and misallocation of production capacity, which in turn, could lead to decreased efficiency, increased cost and lost opportunity which could have an adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture and trade inventory accordingly. Any misjudgement in relation to customer demand could adversely impact our business and results of operations by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write down our inventory, pay our suppliers without sales, or create additional vendor financing, which could have an adverse impact on our business, results of operations, profitability and margins, cash flows and financial condition. For finished products, we plan production and inventory levels based on prevailing market demand, customer order patterns and logistics considerations.

The table below sets forth certain details of our inventory days for the Fiscals indicated below:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Inventory days[(1)]	41	37	43

(1) Inventory days are calculated as average inventory divided by revenue from operations multiplied by 365 days for the complete fiscal years.

Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact our inventory levels. In addition, disruptions to the delivery of products to our customers may occur for reasons

such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. To improve our line capability, we try to stock our inventory at our existing Manufacturing Facility. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planned and actual sales could lead to potential excess or shortage of inventory, either of which could have an adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

31. We are highly dependent on our Promoters, our Key Managerial Personnel and our Senior Management. Any inability on our part to retain or recruit skilled personnel could adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

We are highly dependent on our Promoters, Parmanand Agarwal (Chairman, Non-Executive and Non-Independent Director), Ashish Agarwal (Managing Director), Richhi Agarwal (Whole-time Director) and Bijay Kumar Agarwal (Whole-time Director), and our other Key Managerial Personnel and Senior Management for setting our strategic business direction and managing our business.

Our success also depends, in part, on key customer, supplier and other stakeholder relationships forged by our Key Managerial Personnel and Senior Management and we cannot assure you that we will be able to continue to maintain these relationships, or renew them, if we are unable to retain such members of our Key Managerial Personnel and Senior Management, which could adversely affect our business and results of operations. For further details, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 270 and 290, respectively. A loss of the services of any of our Key Managerial Personnel and Senior Management could adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

Set out below are the details of attrition of our Key Managerial Personnel and Senior Management during the last three Fiscals:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total number of Key Managerial Personnel	3	3	3
Number of Key Managerial Personnel appointed	Nil	Nil	Nil
Number of Key Managerial Personnel resigned	Nil	Nil	Nil
Attrition rate of Key Managerial Personnel (%)	N.A.	N.A.	N.A.
Total number of Senior Management Personnel	1	0	0
Number of Senior Management Personnel appointed	1	Nil	Nil
Number of Senior Management Personnel resigned	Nil	Nil	Nil
Attrition rate of Senior Management Personnel (%)	N.A.	N.A.	N.A.

Note: Attrition rate is calculated as number of employees who left during the period divided by average number of employees during the period.

If one or more of these individuals or any other member of our senior management team are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly, which could have a material adverse effect on our business, financial results, results of operations and cash flows. We may take a significant period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. If we are unable to hire and train replacement personnel in a timely manner or increase our levels of employee compensation to remain competitive, our business, financial results, results of operations and cash flows may be materially and adversely affected.

32. There are outstanding legal proceedings involving our Company, our Directors, our Promoters, our Key Managerial Personnel and our Senior Management. Any adverse outcome in such proceedings may adversely affect our reputation, business, results of operations, profitability and margins, cash flows and financial condition.

There are outstanding legal proceedings involving our Company, our Directors, our Promoters, our Key Managerial Personnel and our Senior Management which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, continuity of our management, business, cash flows, financial condition and results of operations.

The summary of such outstanding criminal, tax and statutory and regulatory proceedings and material civil proceedings involving our Company, Promoters, and Directors, as on the date of this Draft Red Herring Prospectus is set out below:

Particulars	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations[#]	Aggregate amount involved* (₹ in million)
Company						
By our Company	1	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	1	Nil	Nil	Nil	4.13
Directors[$]						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our Directors	Nil	1	Nil	Nil	Nil	0.17
Promoters						
By our Promoters	Nil	2	Nil	Nil	1	147.55
Against our Promoters	Nil	Nil	Nil	Nil	Nil	Nil

[*]To the extent quantifiable.
[#] Determined in accordance with the Materiality Policy.
[$] Excluding Directors which are covered as Promoters, to the extent litigation pertains to them.

The summary of such outstanding criminal and statutory and regulatory proceedings involving our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus is set out below:

Particulars	Criminal proceedings	Statutory or regulatory proceedings	Aggregate amount involved* (₹ in million)
Key Managerial Personnel[$]			
By our Key Managerial Personnel	Nil	Nil	Nil
Against our Key Managerial Personnel	Nil	Nil	Nil
Senior Management Personnel			
By our Senior Management Personnel	Nil	Nil	Nil
Against our Senior Management Personnel	Nil	Nil	Nil

[*]To the extent quantifiable.
[$] Excluding our Whole-time Directors, which are covered as Promoters, to the extent litigation pertains to them.

Such proceedings could divert management's time and attention and consume financial resources in their defence or prosecution. We cannot assure you that any of these matters will be settled in favour of our Company, our Directors, our Promoters, our Key Managerial Personnel and our Senior Management or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Promoters, Key Managerial Personnel, Senior Management Personnel or Directors in the future. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, cash flows, results of operations and our reputation. For further information, see "*Outstanding Litigation and Material Developments*" on page 404.

33. There have been certain instances of non-compliances with the Companies Act in the past. Any regulatory action, penalty or other consequence in relation to such matter could adversely affect our business, financial condition, results of operations, cash flows and reputation.

There have been certain instances of non compliances with the Companies Act in the past. We have filed a voluntary application dated September 26, 2026, before the Registrar of Companies Kolkata – I, at Kolkata, under Section 454 of the Companies Act, 2013 for adjudication of the historical non-compliance with Section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to the requirement to appoint a whole-time company secretary. The application relates to a period from June 9, 2014 to March 16, 2019 and states that the issue arose in the context of determining whether the capital represented by certain redeemable preference shares was required to be included for determining the applicability of the relevant threshold. Our Company subsequently appointed a whole-time company secretary with effect from March 16, 2019 and completed the relevant statutory filing. The voluntary application has been made for seeking adjudication of the aforesaid matter. The application is currently pending, and we cannot assure you that the adjudicating officer will not impose penalties on our Company and/or its officers in default.

We have also had certain instances of delayed filings, clerical and typographical discrepancies in our statutory records. These include, among others, delays in filing certain forms with the RoC, certain forms in relation to issuance of equity shares, creation or modification of charges, and certain other statutory filings. Such filings were made with additional fees and corrections have been noted. For this purpose, reliance has been placed on the certificate dated September 30, 2026 issued by M/s S.G. Kankani & Associates, practicing company secretaries. For further details, see "*Capital Structure*" on page 86.

There can be no assurance that the relevant authorities will not initiate any further proceedings or take any regulatory action in relation to the aforesaid matters, including the delayed filings, clerical or typographical discrepancies or other non-compliances, or that any such proceedings will not result in penalties, fees, additional compliance requirements or other sanctions. Any such regulatory action or requirement to incur additional costs and management time in addressing these matters could adversely affect our business, financial condition, results of operations, cash flows and reputation.

For further details of the aforesaid application, see "*Outstanding Litigation and Material Developments – Adjudication Application*" on page 406.

34. We are unable to trace certain corporate filings made by our Company with the RoC in the past. We cannot assure you that such records will be traceable in the future

We are unable to trace certain corporate filings made by our Company with the RoC, including certain Form 32's filed in relation to cessation and change in designations of certain directors present and in the past and Form CRA 2 for appointment of cost auditor for Fiscal 2022. The relevant forms were not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs or in the physical records available at the RoC premises.

In this regard, our Company has written to the RoC pursuant to letter dated September 30, 2026, and procured a search report dated September 30, 2026 issued by M/s S.G. Kankani & Associates, independent practicing company secretaries, engaged by our Company, who have independently: (i) carried out a search/inspection of documents available in the digital records maintained on the Ministry of Corporate Affairs portal at www.mca.gov.in; (ii) carried out a digital as well as a physical search of the documents filed by our Company with the RoC; and (iii) viewed other records of our Company located at our Corporate Office. Based on these procedures, M/s S.G. Kankani & Associates, independent practicing company secretaries, have certified on September 30, 2026, that the corporate records, as set out above, are not traceable at the offices of the RoC, or available on the MCA portal or at the office of our Company.

We cannot assure you that the relevant corporate records will become available in the future, or that we will not be subject to any penalties imposed by the competent regulatory authority in this respect. Further, we cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in relation to such untraceable records, which could adversely affect our business, financial condition, results of operations, cash flows and reputation.

35. A portion of the Net Proceeds may be utilised for repayment or prepayment of certain loan facilities availed by our Company.

A portion of the Net Proceeds is proposed to be utilised for the repayment or prepayment, in full or in part, of certain outstanding loan facilities availed by our Company. For further details of the loan facilities proposed to be repaid or prepaid from the Net Proceeds, see "*Objects of the Offer*" on page 103.

The selection of the specific loan facilities to be repaid or prepaid from the Net Proceeds is based on various commercial factors, including the applicable rate of interest, outstanding amount, prepayment penalties or charges, existing terms and conditions of the relevant facility, and any other factors that our management considers relevant at the relevant time. We cannot assure you that we will be able to negotiate, or that our lenders will agree to, favourable prepayment terms, or that any applicable prepayment penalties or charges will be waived, which could reduce the amount effectively available for debt reduction.

Further, the specific loan facilities proposed to be repaid or prepaid, and the quantum of repayment or prepayment attributable to each facility, may be subject to change depending upon the timing of completion of the Offer, the final quantum of Net Proceeds received and any changes in our management's assessment of our business requirements. In the event that the amount of Net Proceeds proposed for repayment or prepayment is not fully utilized for such purpose, the unutilized portion may be redeployed towards general corporate purposes or such other objects as may be disclosed and approved in accordance with applicable law, including the SEBI ICDR Regulations and the Companies Act.

Our Company has obtained the requisite consents from its lenders for undertaking the activities relating to the Offer, including the proposed listing of our Equity Shares. However, we cannot assure you that the repayment or prepayment of the outstanding loan facilities proposed to be discharged from the Net Proceeds will not trigger any cross-default or cross-acceleration provisions under our other financing arrangements, or that our lenders will not impose any conditions in connection with such repayment or prepayment.

For further details regarding the proposed utilisation of the Net Proceeds for repayment or prepayment of borrowings, see "*Objects of the Offer*" on page 103. For further details regarding our outstanding indebtedness and the terms of our financing arrangements, see "*Financial Indebtedness*" on page 402 and "*Risk Factors – Our financing arrangements contain restrictive covenants. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry including our plans for expansion and diversification*." on page 36.

36. The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations. Further, any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.

We propose to utilize the Net Proceeds towards (i) repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company; and (ii) general corporate purposes. For further details of the proposed objects of the Offer, see "*Objects of the Offer*" on page 103. Our funding requirements are based on management estimates and are not appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Gross Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet another expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of the Shareholders through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the Shareholders in a timely manner, or at all. Any delay or inability in obtaining such approval of the Shareholders may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Offer, at a price and manner as prescribed by SEBI.

Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters 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 our Promoters of our Company if applicable, 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 Fresh Issue, 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, financial conditions, cash flows and results of operations.

37. If we are unable to establish and maintain an effective internal control and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While the agreements and arrangements we enter into with our employees, customers and suppliers include terms which require our employees and intermediaries to comply with all applicable laws including anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, results of operations and financial condition.

38. Any fraud, theft, embezzlement by our employees, vendors or contractors, employee negligence or similar incidents could adversely affect our reputation, results of operations and financial condition.

Our business is subject to incidents of vendor, contractor, employee fraud, theft or embezzlement. Our industry typically encounters some inventory loss on account of employee theft, fraud and general administrative error. 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 theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurers 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 and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have an adverse effect on our business, results of operations and financial condition. For details on the risk involving our insurance coverage, see "*— Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, financial condition and results of operations.*" on page 38.

Furthermore, our operations and contracts are subject to anti-corruption laws and regulations. If we are not in compliance with applicable anti-corruption laws, we may be subject to administrative, criminal and civil fines and penalties, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. While there have been no instances of any violations of anti-corruption laws in the last three Fiscals, we cannot assure you that there will be no such instances in future. A violation of these laws or regulations could lead to administrative, civil and criminal fines and penalties, collateral consequences or remedial measures which may adversely affect our business, results of operations, financial condition and reputation. Our policies and procedures designed to ensure compliance with these regulations may not be sufficient and our Directors, officers, employees, representatives, consultants, agents and business partners could engage in improper conduct for which we may be held responsible.

39. Any disruption, failure or breach of our technology systems, including our information technology and operational technology systems, or any failure of our cyber security measures could adversely affect our business, operations, financial condition and results of operations. Challenges in implementing new technologies for our operations could also be significant.

Our business is dependent on the efficient and uninterrupted operation of our technology infrastructure and systems. We leverage our technology infrastructure to maintain our inventory levels and track our production levels, stock and financial data. For instance, we have implemented a customized ERP which assists in various business functions such as material management, inventory management, finance and accounting, production management, procurement planning and human resource management. For further details, see "*Our Business – Information Technology*" on page 251.

If we do not allocate and effectively manage the resources necessary to implement and sustain the proper IT infrastructure or tackle instances of employee misconduct and/or frauds, we could be subject to mapping errors and inefficiencies in oversight. Our technology infrastructure is vulnerable to interruption by events beyond our control such as fire, earthquake, power loss, telecommunications or internet failures, terrorist attacks and computer viruses. There have been no such major instances of failures and interruptions to our IT systems in the Fiscals 2026, 2025 and 2024, which have adversely affected our business operations.

Unauthorized use of, or inappropriate access to, our networks, computer systems or services could potentially jeopardize the security of confidential information. The techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and often are not recognized until launched against a target. We may be unable to anticipate these techniques or to implement adequate preventative measures. Non-technical means, such as actions (or inactions) by an employee, can also result in a data breach. We cannot assure you that any security measures taken by us will be effective in preventing these activities. We may need to expend significant resources to protect against security breaches or to address problems caused by such breaches. While there have been no material data breaches during Fiscals 2026, 2025 and 2024, which had a significant impact on our operations, we cannot assure you that such data breaches will not occur in the future.

Any breaches of our IT systems may require us to incur further expenditure on repairs or more advanced security systems. A significant system failure could adversely affect our ability to manage overall operations, thereby adversely affecting our ability to deliver our products to our customers, our reputation and our revenues. If such interruption is prolonged, our business, results of operations, profitability and margins, cash flows and financial condition may be materially and adversely affected. We cannot assure you that our IT systems' service providers will continue to co-operate with us and we will be able to maintain similar relationships with them in the future. In case we decide to change our IT systems' service providers, our operations may be affected.

In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete or performing less efficiently compared to newer and better technologies and processes in the future. Certain of

our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. Further, we may also be required to upgrade our technology infrastructure and system. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could adversely affect our financial condition. Implementation of technology enhancements also entails risks such as administrative delays and failure to effectively train our personnel to operate new, emerging technologies. Any of these risks may place us at a competitive disadvantage, limit our growth opportunities and adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

40. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.

Our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, that have not been provided for as at March 31, 2026, March 31, 2025 and March 31, 2024 are as set out in the table below:

(in ₹ million, except percentages)

S. No.	Particulars	As at March 31, 2026
a.	**Contingent liabilities[(1)]**	
	Disputed liabilities in respect of Goods & Services Tax	4.13
b.	**Other litigations/Claims[(2)]**	
	Freight dispute claim	0.16
	Recovery suit	43.40
	Compensation claim	1.38
c.	**Outstanding bank guarantees[(3)]**	60.80
	Total	**109.87**

(1) Department has demanded for Interest of Rs. 4,224,186 without issuance of a show-cause notice as short-paid interest under Section 50(1) of the CGST Act for the period July 2017 to March 2021. Our Company has paid Cash portion of GST Tax before due date of filling return and filed GST Return after due date. Our company has already paid ₹ 94,756/- as interest and is contesting the balance demand. Department has demanded for Interest between payment of Cash portion of GST Tax and date of return filling. According to Department since the date of filing of return would be the acknowledgment of receipt of tax and not the payment of tax itself and since the return has been filed after a due date, therefore, there is no infirmity in issuance of a show-cause notice demanding interest on delayed payment of tax.

Main objections raised by our Company:
•Interest has been wrongly calculated up to the date of return filing instead of the actual date of tax deposit.
•Extensions in GSTR-3B due dates (especially during Mar'19, Nov'19 & May'20) were not considered.
•Reduced interest rates during COVID-19 period (Notification No. 31/2020 & 51/2020) were ignored.
•Once tax amount is deposited in the Electronic Cash Ledger, it is treated as payment to the Government; hence interest should not be charged on net cash liability.

Our company has submitted detailed reasoning, supported by legal provisions, circulars, and judicial precedents and copies of Form DRC-03 showing voluntary interest payments.

(2) The present matter pertains to a freight/payment-related civil dispute arising out of commercial transportation transactions between the parties concerning alleged outstanding dues. The suit was filed on 10.02.2023 before the competent civil court at Bhopal bearing Case No. 80/2023. The matter is being adjudicated under the applicable provisions of the Code of Civil Procedure, 1908, and relevant provisions governing contractual and commercial obligations under the Indian Contract Act, 1872. Our Company has made efforts toward amicable settlement and offered an amount of approximately ₹2.28 lakh; however, the claimant is seeking approximately ₹3.91 lakh, including legal expenses and interest. The matter is presently pending adjudication before the court.

The present matter pertains to a commercial dispute arising out of contractual and business transactions between the parties concerning alleged recovery claims and contractual obligations. The suit was filed on 02.09.2022 before the competent Commercial Court at Indore, bearing Case No. 59/2022, involving a claim amount of approximately ₹4.34 crore. The matter is being adjudicated under the applicable provisions of the Commercial Courts Act, 2015, the Code of Civil Procedure, 1908, including proceedings concerning Section 89 CPC and Order VII Rule 11 CPC, and relevant provisions of the Indian Contract Act, 1872. During the proceedings, the claimant filed an application seeking reference of the matter to mediation under Section 89 CPC, to which our Company has filed its response/objection contesting the maintainability and necessity of such application. Our Company has, inter alia, contended before the Hon'ble Court that the suit has been instituted in violation of the requirements prescribed under Section 12A of the Commercial Courts Act, 2015, and that its application under Order VII Rule 11 CPC is pending consideration. The matter is presently pending adjudication and is at the stage of arguments before the Hon'ble Court.

Compensation claim filed under Section 22 of the Employees' Compensation Act, 1923 in relation to an alleged employment-related accident/injury. Claim amount of approximately ₹ 13,81,275/- along with applicable interest and penalty has been sought by the claimant.

(3) Bank guarantees aggregating to ₹ 60.80 million furnished to South Eastern Coalfields Limited (SECL) and Mahanadi Coalfields Limited (MCL), as security towards the execution and performance of Fuel Supply Agreements (FSA).

Our contingent liabilities may materialise and become actual liabilities. In such case, our business, financial condition, cash flows and results of operations may be adversely affected. For further information, see "*Restated Financial Information – Note 37: Contingent Liabilities & Commitments (to the extent not provided for)*" on page 348.

41. We may not continue to grow at same rate as compared to our recent past years in terms of revenue, profit and net worth which may have an adverse effect on our business, results of operations and financial condition.

Our business has demonstrated strong financial performance, with revenue from operations growing at a compound annual growth rate ("**CAGR**") of 31.71% between Fiscals 2024 and 2026, profit after tax growing at a CAGR of 9.03% between Fiscals 2024 and 2026, and net worth growing at a CAGR of 36.12% between Fiscals 2024 and 2026 as depicted below:

(*in ₹ million*)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from operations	25,925.24	21,878.19	14,943.90
Profit after tax	1,711.06	1,584.33	1,439.47
Net Worth*	7,148.24	5,441.69	3,858.06

** '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.*

The sale quantity of our products such as sponge iron, Billets and Slabs, TMT Bars, HR Coils, Wire Rods, ERW Pipes and Tubes and Ferro Alloys have grown over the relevant periods. This growth has been primarily driven by the expansion of our production capacities, which has contributed to an increase in our revenue from operations and, consequently, our profit after tax. All the above factors have directly resulted in an increase of Net Worth in the last three Fiscals.

We have experienced substantial growth in our financial and operational metrics; however, there can be no assurance that we will be able to grow at the same rate in future and contribute to strong financial performance and any such slow growth could have an adverse impact on our growth, prospects, cash flows and financial condition.

42. Our Manufacturing Facility is not fully automated and partially relies on manual processes, which may limit our operational efficiency, productivity and scalability and could adversely affect our business, results of operations and financial condition.

Certain of our manufacturing processes continue to involve manual intervention and are dependent on the skill, availability and productivity of our workforce. Such reliance may increase the likelihood of production inefficiencies, human error, inconsistencies in product quality, higher labour costs and reduced throughput compared to fully automated manufacturing facilities. Further, our operations depend heavily on the availability, skill, and productivity of our workforce. Challenges such as labour shortages, employee turnover, or disruptions caused by external factors, including strikes, pandemics, or other unforeseen events, could significantly impact our production capabilities.

The scalability of our operations may also be constrained by our reliance on manual processes, particularly in the event of increased demand, which may necessitate additional investments in labour, training, or equipment and delay our ability to meet market needs. Additionally, rising labour costs, particularly in regions where we operate, could increase our overall manufacturing expenses and pressure our profit margins. While we continue to implement targeted upgrades and process optimizations to improve efficiency, there can be no assurance that these efforts will fully address the challenges associated with our current manufacturing model.

Any efforts to automate or upgrade our manufacturing processes may require significant capital expenditure and involve implementation and integration challenges. The implementation of new technologies or equipment may also require modifications to our existing manufacturing processes and systems, and could result in temporary disruptions to our operations. Further, we may not be able to realise the expected benefits from such investments within the anticipated timelines, or at all, which could adversely affect our operating performance and financial condition.

Any inability to improve operational efficiency, maintain consistent product quality or increase production capacity in a timely manner could materially and adversely affect our business, results of operations, cash flows and financial condition.

43. Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in the Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.

Certain of our operational metrics are prepared with internal systems and tools that are not independently verified by any third parties, and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring such metrics. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our

long-term strategies. Further, we will likely continue to adopt non-GAAP metrics to evaluate our performance in certain areas in the future. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition and results of operations would be adversely affected.

These operational metrics and other non-GAAP metrics presented in this Draft Red Herring Prospectus, such as production volumes by product segment and sales volumes by product segment, are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the period/year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us, as these metrics are widely used measures to evaluate an entity's operating performance. In addition, these are not standardised terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate these measures differently from us, limiting their usefulness as a comparative measure.

44. We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not adversely affect our business, results of operations, profitability and margins, cash flows and financial condition.

We have in the past entered into transactions with several related parties. Set out below is the aggregate value of our related party transactions for Fiscals 2026, 2025 and 2024:

(In ₹ million, except percentages)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Aggregate amount of related party transactions (₹ million)	1,427.45	502.29	246.29
Revenue from operations (₹ million)	25,925.24	21,878.19	14,943.90
Aggregate amount of related party transactions as a percentage of revenue from operations (%)	5.51	2.30	1.65

The increase in our related party transactions during Fiscal 2026 was primarily attributable to higher purchases of raw materials and stores and spares, increased CSR expenditure and the acquisition of immovable property from related parties. For details regarding our related party transactions for Fiscals 2026, 2025 and 2024, see "*Restated Financial Information – Note 40: Related Party Disclosure*" on page 351. While all such related party transactions that we have entered into have been conducted in accordance with applicable laws, we cannot assure you these arrangements or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Although all related party transactions that we may enter into will be on an arm's length basis, and subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations and the circulars issued by the SEBI in this regard, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that our Company could not have undertaken such transactions on more favorable terms with any unrelated parties. We cannot assure you that any dispute that may arise between us and related parties will be resolved in our favour.

45. Our Promoters, Directors, Senior Management and Key Managerial Personnel are interested in our Company, in addition to their remuneration and reimbursement of expenses. Further, certain of our Promoter Group members are interested in our Company to the extent of our shared Registered Office space.

Our Promoters and our Whole-time Directors, who are also our Key Managerial Personnel, have interests in us other than the reimbursement of expenses incurred and normal remuneration and benefits. Our Promoters collectively hold 88.45% of the pre-Offer shareholding of our Company and are interested in us to the extent of Equity Shares held by them in our Company and any dividend and other distributions payable in respect of such Equity Shares. We cannot assure you that our Promoters will exercise their rights as Shareholders to the benefit and best interest of our Company under all circumstances.

For instance, our Company has acquired, on freehold basis, two land parcels aggregating to 34.72 hectares situated at Charmar (12.73 hectares) and Nawapara (21.99 hectares), P.No. 18, Gharghoda, Raigarh, Chhattisgarh, India, pursuant to sale deeds dated November 18, 2025, for the proposed greenfield expansion of our Company, from Nachiketa Gift-Ads Private Limited. Further, our Company has entered into a letter of intent dated June 1, 2025, to purchase a property located at Sheet No.18, Online Plot No.-3/1/Kh/9, Bhagwati Charan Shukla Ward No. 57, Civil Line Raipur Chhattisgarh, for the proposed corporate office of our Company from Florance Engineering Enterprises LLP, a member of our Promoter Group.

For further details in relation to the interest of our Promoters and Directors, see "*Our Management – Interest of Directors*" and "*Our Business – Property*" on pages and 276 and 253, respectively.

Further, our Registered Office is also currently used by our Corporate Promoter and certain members of our Promoter Gorup, namely, Zortea Logistics LLP, Florance Engineering Enterprises LLP, and B S Foundation as premises for their respective offices on a leasehold basis pursuant to rent agreements entered into with our Company each dated September 1, 2026.

We cannot assure you that any other Promoters or Directors who may be interested in the future, would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, such Promoter or Director in the future will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Such interested Promoter or Director in the future may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that such interested Promoter or Director in the future will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

46. Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

We have not declared or paid any dividend in the Fiscals 2026, 2025 and 2024 or from April 1, 2026 until the date of this Draft Red Herring Prospectus. For details, see "*Dividend Policy*" on page 297. However, the amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders.

There can be no assurance that our Company will generate sufficient distributable profits or cash flows in the future to enable the payment of dividends.

47. We have availed unsecured borrowings from certain of our Promoters and members of the Promoter Group, and our ability to repay or refinance such borrowings may affect our liquidity and cash flows.

Our Company has borrowed, and may continue to borrow, funds on an unsecured basis from certain of our Promoters and members of the Promoter Group. As on March 31, 2026, we have outstanding unsecured loans amounting to ₹ 233.86 million from certain of our Promoters and members of the Promoter Group. Such borrowings constitute a source of funding for our business and are subject to their respective contractual terms, including applicable repayment schedules and other terms and conditions.

Our ability to repay such borrowings as they become due will depend on, among other factors, our cash flows from operations, availability of other sources of financing and our overall liquidity position. We may also need to refinance such borrowings or obtain alternative sources of financing upon their maturity. There can be no assurance that we will be able to generate sufficient cash flows or obtain alternative financing on commercially acceptable terms, or at all, when such amounts become due for repayment. Any inability to repay or refinance such borrowings when due could adversely affect our liquidity, cash flows and financial condition.

Further, although we have historically received and repaid unsecured borrowings from certain of our Promoters and members of the Promoter Group, there can be no assurance that such persons will continue to provide financing to us in the future or that such financing, if available, will be on terms acceptable to us. Any reduction in the availability of such funding could require us to seek alternative sources of financing, which may increase our financing costs or otherwise adversely affect our business, financial condition and results of operations.

48. Our Statutory Auditors' audit reports and the annexures to such reports, which disclose matters specified under the Companies (Auditor's Report) Order, 2020, for Fiscals 2026, 2025 and 2024 include certain observations. If similar observations are included in the Statutory Auditors' reports on our financial statements in the future, the trading price of our Equity Shares could be adversely affected.

There have been no (i) reservations; (ii) qualifications and adverse remarks; (iii) emphasis of matter; (iv) adverse/negative observations, as applicable, pursuant to the Companies (Auditor's Report) Order, 2020 ("**CARO 2020**"); and (v) any other adverse remarks in the reports of our Statutory Auditors (the "**Adverse Observations**"), on the Restated Financial Information and the audited financial statements of our Company for Fiscals 2026, 2025 and 2024, except as follows:

For Fiscal 2026:

The audit report on our audited financial statements as of and for the financial year ended March 31, 2026, included as an annexure, a statement on certain matters specified in the CARO 2020, which was modified for observations to indicate that the title deed of certain immovable property, being freehold land, is not held in the name of our Company.

For Fiscal 2025:

The audit report on our audited financial statements as of and for the financial year ended March 31, 2025, included as an annexure, a statement on certain matters specified in CARO 2020, which was modified for observations to indicate that the quarterly returns/statements filed with the bank are not in agreement with the books of account.

For Fiscal 2024:

The audit report on our audited financial statements as of and for the financial year ended March 31, 2024, included as an annexure, a statement on certain matters specified in CARO 2020, which was modified for observations to indicate that the quarterly returns/statements filed with the bank are not in agreement with the books of account.

These observations did not require any corrective adjustment in the Restated Financial Information. For further details, see "*Restated Financial Information*" on page 298. If similar observations are included in the audit reports for our financial statements in the future, the trading price of our Equity Shares may be adversely affected.

49. Changing laws, rules and regulations and legal uncertainties, including reduction in import duties on steel, adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.

The regulatory and policy environment in which we operate is evolving and is subject to change. The Governments of India and any other region we may expand into may implement new laws or other regulations and policies that could affect the steel industry in general, which could lead to new compliance requirements, including requiring us to obtain governmental approvals and licenses or impose onerous requirements.

In addition, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (collectively, the "**Labour Codes**") which consolidate, subsume and replace numerous existing central labour legislations. The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and the other Labour Codes received such assent on September 28, 2020. Some provisions of the Labour Codes came into force on November 21, 2025 (in addition to certain of the provisions thereunder notified already) and other remaining provisions will come into force on such date as may be notified in the official gazette by the Central Government and different dates may be appointed for different provisions of the Labour Codes. The implementation of these codes could increase the financial burden on our Company, which may adversely impact our profitability. We are yet to determine the impact of all or some of such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Code on Social Security, 2020 aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Code on Wages, 2019 limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50.00% of the wages payable to employees. The implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

Further, on July 1, 2024, the Government implemented the Bharatiya Nyaya Sanhita, 2023, the Bharatiya Nagarik Suraksha Sanhita, 2023 and the Bharatiya Sakshya Adhiniyam, 2023, which have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment and stamp duty laws governing our business and operations, could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body of administrative or judicial precedents may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. While we have not experienced any material impact due to changing laws or regulations in Fiscals 2026, 2025 and 2024, there is no assurance that such incidents will not occur in the future.

Further, the Digital Personal Data Protection Act, 2023 ("**DPDP Act**") received the assent of the President on August 11, 2023 and certain provisions of the DPDP Act have become enforceable from November 14, 2025 upon the notification of the Digital Personal Data Protection Rules, 2025, which provides for personal data protection and privacy of individuals. It provides for and imposes restrictions and obligations on data fiduciaries resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act. Compliance with the DPDP Act may increase operational costs for implementing data security measures, and any failure to adhere to these requirements could result in substantial penalties, affecting our business reputation and financial position.

50. Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the proceeds from the Offer for Sale.

The Offer comprises a fresh issue of Equity Shares by our Company and an offer for sale of Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale, after deduction of the proportionate Offer-related expenses and applicable taxes, will be paid to the Selling Shareholders, and our Company will not receive any portion of the proceeds from the Offer for Sale. For further information, see "*The Offer*" and "*Objects of the Offer*" on pages 68 and 103, respectively.

51. Our Promoters and members of our Promoter Group will continue to hold a significant equity stake in our Company after the Offer and there may be conflicts of interest between our Promoters, members of our Promoter Group and other Shareholders.

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group collectively hold 211,239,450 Equity Shares representing 100% of the paid-up Equity Share capital of our Company. For further information on their shareholding pre-Offer and post-Offer, see "*Capital Structure*" on page 86.

After the completion of the Offer, our Promoters and members of our Promoter Group will continue to collectively hold majority of the shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our Memorandum of Association and Articles of Association, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditure or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these Shareholders. The interests of our Promoters and members of our Promoter Group could conflict with our interests or the interests of our other shareholders. We cannot assure you that such entities will act to resolve any conflict of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further information in relation to the interests of our Promoters and members of our Promoter Group in our Company, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 290 and 270, respectively.

52. Certain of our agreements and documents, including those relating to our land holdings and certain transfers of our Equity Shares, may not have been adequately stamped or registered, which may result in additional costs, penalties and challenges to their enforceability.

We have entered into various agreements and other documents in relation to our land holdings and land bank, which are subject to applicable stamp duty and registration requirements. Further, certain gift deeds and transfer deeds relating to transfers of Equity Shares held by our Promoters and members of our Promoter Group may not have been adequately stamped. If any such agreements, deeds or other documents are found to have been inadequately stamped or registered, where applicable, we may be required to pay deficit stamp duty, registration fees and/or penalties. Further, such documents may not be admissible as evidence or may be subject to challenges as to their enforceability until the applicable stamp duty and other requirements are duly complied with. Any such claims, proceedings, penalties or additional costs could adversely affect our business, financial condition and results of operations.

53. Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks.

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CRISIL Report or extracts of the CRISIL Report prepared by CRISIL Intelligence, a division of CRISIL Limited. All such information in this Draft Red Herring Prospectus indicates the CRISIL Report as its source. The CRISIL Report is commissioned and paid for by our Company pursuant to an engagement letter dated June 10, 2026, for the purpose of confirming our understanding of the industry in connection with this Offer.

Industry sources and publications are prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the CRISIL Report is not a recommendation to invest/ disinvest in any company covered in the CRISIL Report. Accordingly, prospective investors should not place undue reliance on or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in this Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding this Offer. See "*Industry Overview*" on page 131. For the disclaimer associated with the CRISIL Report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 17.

54. The requirements of being a listed company may strain our resources which may have a material adverse impact on our operations.

As a listed company, we will be required to comply with various additional obligations under the Companies Act, 2013, the SEBI Listing Regulations, the SEBI Insider Trading Regulations, the SEBI Takeover Regulations, the SEBI ICDR Regulations and other applicable laws, including in relation to corporate governance, board and committee composition, disclosure of price-sensitive information, periodic and event-based filings, related party transactions, internal financial controls and business responsibility and sustainability reporting. Compliance with these requirements will require significant management time and attention, may necessitate the hiring of additional personnel and the upgradation of our systems and processes, and may increase our compliance costs. Any failure on our part to comply with these obligations in a timely manner may attract penalties, regulatory action and reputational harm. The requirements of being a listed company may strain our resources and divert management attention from our core business and could have a material adverse impact on our operations.

In addition, increased public scrutiny following the listing of our Equity Shares may require us to devote significant management time and resources to investor relations, analyst interactions and responding to shareholder expectations. We may also be subject to greater scrutiny by regulators, stock exchanges, investors and the media. Any inability to effectively manage these obligations or meet market expectations may adversely affect investor confidence, the market price of our Equity Shares, and our reputation.

EXTERNAL RISK FACTORS

55. Adverse geopolitical conditions, including tensions involving India and its neighbouring countries, ongoing armed conflicts, and the imposition of trade tariffs and protectionist measures, could adversely affect our business, results of operations and financial condition.

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, including the escalation in Kashmir in May 2025 following which tensions between India and Pakistan reached their highest levels in decades, could adversely affect our business and operations. Any military conflict may result in the GoI imposing certain restrictions that could adversely affect the Indian economy. Additionally, such restrictions or ancillary factors could lead to disruptions in global commodity markets, including markets for steel, iron ore, coal and energy, each of which has a direct bearing on our operations.

The conflict between Russia and Ukraine, the Israel-Gaza conflict, the Iran-Israel conflict, and ongoing tensions in the Red Sea are beyond our control and may lead to economic instability, including in India and globally. We continue to monitor any adverse impact that the conflict between Russia and Ukraine and the subsequent institution of sanctions against Russia by the United States and several European and Asian countries, and ongoing hostilities in the Middle East, may have on the global economy in general, and on the business and operations of our Company, our lenders, and other third parties with which we conduct business. The short and long-term implications of such conflicts are difficult to predict at this time.

As a manufacturer whose key raw materials include coal, iron ore, iron ore pellets and manganese ore and whose operations are heavily dependent on energy availability and transportation logistics, we are exposed to the following macro-level risks arising from geopolitical conditions: (i) volatility and sustained increases in coal and energy prices resulting from supply chain disruptions caused by international conflicts; (ii) inflation in input costs for steel manufacturing due to disruptions in global commodity supply chains; (iii) increase in freight and logistics costs due to disruptions in global trade routes; (iv) increases in interest rates in India as a consequence of global inflationary pressures; and (v) disruptions to the broader Indian economy affecting demand for steel products from our key end-user sectors, including infrastructure, construction and industrials.

The GoI has imposed additional tariffs in the nature of countervailing duty and anti-dumping duty on a number of items imported from China. Additionally, in early 2025, the United States imposed wide-ranging tariffs across a range of countries and products. These developments have resulted in an unstable global trade environment. While we do not export any of our products and derive all of our revenues from domestic sales in India, any retaliatory trade measures imposed by other countries against India, or any global trade-driven contraction in the Indian economy, could adversely affect demand for steel and steel products in India and, consequently, our business, results of operations and financial condition.

Geopolitical tensions may also heighten other risks, including adverse effects on macroeconomic conditions and inflation; cyberattacks or ransomware attacks against our IT infrastructure; political and social instability; and volatility in supply of energy resources and commodity prices. While we have not experienced any material business or supply-related disruptions due to geopolitical tensions in the past, we cannot assure you that our operations will not be adversely affected in the future. Any such occurrence could have an adverse effect on our operations, business, prospects, financial condition, results of operations and cash flows.

56. Financial instability in other countries may result in increased volatility in Indian financial markets and could adversely affect our business and results of operations.

The economic and market conditions in other countries, including conditions in the United States, Europe, China and certain other emerging economies in Asia, largely influence the economies and financial markets of India. Loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy, which in turn could adversely affect our business, financial health, future outlook, operating performance and cash flows.

Global economic developments can have a significant impact on India. Tensions related to trade wars between large economies may lead to increased volatility and risk aversion in the global capital markets. The trade tariff restrictions between China and the United States could disrupt global supply chains, which may increase the cost of imported inputs for Indian manufacturers. Additionally, a sudden rise in global oil, gas and coal prices — driven by geopolitical tensions such as the ongoing Russia-Ukraine situation or conflicts in the Middle East — could result in an increase in India's import costs, which would increase our input costs, particularly for coal, which is a key raw material for our sponge iron manufacturing operations.

China is one of India's major trading partners and a significant producer of steel. Concerns pertaining to a possible slowdown in the Chinese economy, strained bilateral relations, and the risk of surplus Chinese steel entering global markets at lower prices could exert downward pressure on domestic steel prices in India. Any sustained reduction in domestic steel prices could adversely affect our realisations and profitability.

The U.S. dollar is the dominant global currency and is widely used for international trade, including imports of raw materials. A sharp rise in the value of the U.S. dollar against the Indian Rupee could make imports of coal and other raw materials more expensive, increase the cost of servicing any foreign currency debt, and create instability in financial markets, which may negatively affect our results and business.

In early 2025, the United States imposed tariffs across a range of countries and products. The impact, timing and amount of such measures (including any retaliatory measures) cannot be predicted but could result in lower economic growth. Changes in government policies enacted in India or in key international markets with which India maintains significant trade relationships may adversely impact our business operations. Any inconsistencies, delays or uncertainties in the implementation of such policies can disrupt operational planning, affect demand conditions, and create regulatory uncertainties that may materially affect our performance. The occurrence of any major financial disruption or continued stress in global credit markets could negatively influence liquidity, access to capital, and overall market stability, which could adversely affect our business activities, future financial results, and the market price of our Equity Shares.

57. A downgrade in the sovereign credit rating of India may adversely affect the trading price of our Equity Shares and our access to capital.

The sovereign debt rating of India could be lowered because of various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside the control of our Company. Our access to debt capital markets and the terms on which we can borrow depend significantly on the credit ratings of India.

By way of background, Moody's reduced India's sovereign credit rating from Baa2 with a negative outlook to Baa3 with a negative outlook in June 2020. Moody's subsequently upgraded the outlook to stable in October 2021, which was reaffirmed in August 2023 and again in September 2025. Fitch has maintained India's rating at BBB- with a stable outlook, which was most recently affirmed in August 2026. S&P Global Ratings revised its outlook on India to positive in May

2024 and subsequently upgraded India's long-term sovereign credit rating from BBB- to BBB with a stable outlook in August 2025, citing sustained growth, fiscal consolidation, and monetary policy credibility.

If international rating agencies further downgrade the credit ratings of India, it could make it harder for us to secure additional funding and may result in less favourable interest rates, borrowing conditions and other commercial terms. A downgrading of India's credit ratings may occur for reasons beyond our control, including changes in government tax or fiscal policy, which could adversely affect our financial performance and business and the price of our Equity Shares. Additionally, international investors may perceive investments in emerging markets, including India, as carrying higher risks compared to developed markets due to political, economic, regulatory or currency-related factors, which may have an adverse effect on the demand for our Equity Shares.

58. Adverse weather conditions, natural disasters and the effects of climate change could negatively impact our business performance, operational results and overall financial health.

Our operations are affected by weather patterns, particularly severe events such as natural disasters and droughts. Our Manufacturing Facility is located at Raigarh, Chhattisgarh, which is susceptible to local and regional weather conditions, including floods, cyclones, extreme heat events and droughts. The state of Chhattisgarh, while mineral-rich and strategically located for our raw material sourcing, may experience disruptions in the availability of surface water and ground water on account of such extreme weather events, and any sustained shortage of water could adversely affect our manufacturing operations.

There is increasing concern that greenhouse gases may disrupt global temperatures, weather patterns and the frequency and severity of extreme weather events, and may cause natural disasters, pandemics and epidemics, any of which could lead to economic instability in India or globally.

Climate change may also result in stricter sustainability and environmental regulations at regional and national levels pertaining to water usage, greenhouse gas emissions, and energy consumption applicable to steel manufacturers. Steel manufacturing, including sponge iron manufacturing, is an energy-intensive process, and any tightening of applicable emissions or environmental standards — including in relation to kiln operations, power plant emissions, or waste disposal — could require us to incur significant capital and operational expenditure on compliance measures. Any failure on our part to comply with existing or evolving environmental regulations could expose us to penalties, suspension of operations or reputational harm. While there have been no major instances of such non-compliance or adverse weather-related disruptions at our Manufacturing Facility in the last three Fiscals, we cannot provide any assurance that such instances will not arise in the future.

59. Increasing climate-related and sustainability disclosure obligations, and any future tightening of environmental, social and governance ("ESG") standards applicable to steel manufacturers, may increase our compliance costs and expose us to scrutiny by investors, regulators and other stakeholders.

As a steel manufacturer, we operate in an industry that is closely monitored for its environmental impact, including greenhouse gas emissions, energy intensity, water consumption, effluent discharge, and generation and disposal of solid and hazardous waste. Steel manufacturing processes, including the direct reduction of iron ore in rotary kilns and the melting of steel in induction furnaces, generate significant emissions and by-products, which subject us to extensive oversight under India's environmental regulatory framework, including the Environment (Protection) Act, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974, and the conditions imposed under environmental clearances and consents to operate issued to us by regulatory authorities.

Upon listing of our Equity Shares, we may be required to comply with the Business Responsibility and Sustainability Reporting ("**BRSR**") requirements under the SEBI Listing Regulations, including BRSR Core, which mandates enhanced disclosures on environmental and social performance. We may also be required to disclose Scope 1, Scope 2 and, over time, Scope 3 greenhouse gas emissions, which for a steel manufacturer can involve complex measurements across raw material procurement, manufacturing processes and logistics. Any failure on our part to make accurate, complete and timely disclosures, or any perception that our sustainability disclosures are inconsistent with our actual environmental performance, could expose us to regulatory action, reputational harm and loss of investor confidence.

Additionally, institutional investors are increasingly applying ESG criteria to their investment decisions, and steel manufacturers are frequently subject to heightened scrutiny on account of their carbon intensity. Any tightening of ESG disclosure obligations under SEBI regulations, Indian legislation, or the standards applied by international institutional investors, may increase our compliance costs, require significant management time and resources, and could adversely affect our reputation, business, results of operations, financial condition and cash flows.

60. Factors such as political instability or adverse economic conditions in India, which lie outside our control, may have an adverse effect on our business and results of operations.

Our Company's Manufacturing Facility and all operations are located in India, and specifically in the state of Chhattisgarh. Accordingly, our business is directly and exclusively dependent on the prevailing economic and political conditions in India. Any deterioration in the general economic, political or social environment in India could have an adverse effect on our business, results of operations, financial condition, cash flows and prospects.

The risks that could arise from such factors include, among others, the following:

- the broader macroeconomic environment, including rising interest rates or inflationary pressures;
- a tightening of credit or limited access to financing, which could weaken economic conditions and restrict our ability to fund future expansions;
- prevailing income conditions among corporations, businesses and consumers affecting demand for steel products;
- outbreaks of epidemics, pandemics or other public health crises, including in neighbouring countries, any of which could adversely affect our operations and those of our suppliers and customers;
- fluctuations in, and actual or perceived shifts in, trading patterns on the major stock exchanges in India;
- governmental laws and regulations in India, along with any unforeseen or sudden changes thereto;
- the political and regulatory environment in the state of Chhattisgarh, which is the location of our Manufacturing Facility;
- potential unfavourable tax implications arising from changes in tax laws or their interpretation;
- the risk of a downgrade in India's sovereign debt ratings by credit rating agencies;
- the occurrence of force majeure events, including natural or man-made disasters (such as floods, earthquakes, or fires), which may require suspension of our manufacturing operations;
- fluctuations in the balance of trade, including changes in key imports such as oil, coal and other commodities;
- social or political instability, terrorism, or military conflicts within India or in the region; and
- adverse economic, political and regulatory conditions affecting the Indian steel industry and its key downstream sectors.

Furthermore, the Indian economy continues to face uncertainty arising from shifts in global trade policies, including higher tariff barriers and trade restrictions imposed by key trading partners, which may affect the cost competitiveness of Indian manufacturers and contribute to volatility in the broader economic environment. Changes of this kind are beyond our control and may adversely affect demand conditions for our products and our results of operations.

61. Significant differences exist between the Indian Accounting Standards (Ind AS) used to prepare our financial information and other accounting frameworks such as United States Generally Accepted Accounting Principles (U.S. GAAP) and the International Financial Reporting Standards (IFRS), which investors may be more familiar with and may deem significant when evaluating our financial condition.

Our Restated Financial Information for Fiscals 2026, 2025 and 2024, included in this Draft Red Herring Prospectus, has been derived from the audited financial statements of our Company prepared in accordance with Ind AS, Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations, and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI, and other accounting principles generally accepted in India. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. No attempt has been made on our part to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus. Further, we do not provide any reconciliation of our financial statements to U.S. GAAP or IFRS. If our financial statements were to be prepared in accordance with such other accounting principles, our cash flows, financial position and results of operations may be substantially different. The extent of meaningful information provided by the Ind AS financial statements, which are restated as per the Companies Act, SEBI ICDR Regulations and the Guidance Note, is entirely dependent on the reader's level of familiarity with Indian accounting practices.

Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisors for an understanding of the differences between those accounting principles and those with which they may be more familiar.

62. Investors may face challenges in enforcing foreign judgments against us or our management.

Our Company is incorporated under the laws of India. A significant majority of our executive officers and Directors reside in India, and all of our assets are situated in India. This may pose challenges to investors seeking to effect service of process on us or such persons in jurisdictions outside India, or to enforce judgments obtained in courts outside India against them, predicated upon civil liabilities under laws other than Indian law.

India is not a party to any international treaty governing the recognition or enforcement of foreign judgments. The reciprocal recognition and enforcement of judgments in civil and commercial matters is exercised by India with a limited number of jurisdictions, including the United Kingdom, United Arab Emirates, Singapore and Hong Kong. However, no reciprocity has been established with the United States. For a judgment from a reciprocating jurisdiction to be enforceable, the judgment must meet certain requirements of the Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, which are not in the nature of amounts payable as taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions not having reciprocal recognition with India cannot be enforced by proceedings in execution in India. A judgment of a court of a country that is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except where: (i) the judgment has not been pronounced by a court of competent jurisdiction; (ii) the judgment has not been given on the merits of the case; (iii) it appears on the face of the proceedings that the judgment was not given on the merits; (iv) the proceedings in which the judgment was obtained were opposed to natural justice; (v) the judgment has been obtained by fraud; or (vi) the judgment sustains a claim founded on a breach of any law then in force in India.

It is not necessary that courts in India would award damages on the same basis as a foreign court if an action were brought in India. Indian courts may be unlikely to enforce foreign judgments if the quantum of damages awarded is considered inconsistent with or excessive by Indian standards. In case a party seeks to enforce a foreign judgment in India, prior approval from the RBI under FEMA may be required to repatriate any amount recovered. Any judgment denominated in a foreign currency would be converted into Indian Rupees based on the exchange rate prevailing on the date of the judgment and not on the date of payment. Further, considerable time is taken by Indian courts to dispose of suits.

63. Amendment to existing laws or regulations, including those related to taxation or shifts in how they are interpreted, could have a significant impact on our business.

Our business, results of operations, financial condition, and cash flows could be materially affected by unfavourable changes in, interpretations of, or the enactment of new laws, policies, and regulations applicable to us and our operations. The regulatory and policy environment governing our operations is constantly evolving and are subject to change. The GoI may introduce new laws, regulations, or policies that could affect our business broadly, that may in turn create additional compliance obligations, including the requirement to obtain additional approvals and licenses from government authorities and regulatory bodies.

The GoI has presented the Union Budget for Fiscal 2027, under which the Finance Bill, 2026 has put forward amendments to the Income Tax Act, 1961, including changes to the provisions governing minimum alternate tax credits. The Finance Bill, 2026 proposes to treat minimum alternate tax paid up to this point as final tax liability, meaning no new minimum alternate tax credits will be generated from April 1, 2026 onwards. The effects of these recent and proposed laws and regulations on our business have not been fully determined by us. Further, the impact of the Union Budget on tax laws or other regulations, on our business, financial condition, results of operations and cash flows, or the industry in which we operate cannot be ascertained.

The newly introduced Income Tax Act, 2025, intended to modernise India's direct tax framework, has provided a number of amendments to the direct tax regime. For instance, the provisions relating to TDS, which were earlier distributed across multiple sections, have now been grouped and streamlined under a single section. This consolidation is intended to simplify the legal framework, making it easier for taxpayers, professionals, and authorities to locate and interpret TDS related rules without navigating through numerous scattered clauses. It is advised that investors seek guidance from their own tax consultants regarding the tax implications of purchasing or trading the Equity Shares. Additionally, the Taxation Laws (Amendment) Act, 2019, prescribed certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits or exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30.00% to 22.00% (exclusive of applicable health and education cess and surcharge). Future amendments may affect our ability to claim exemptions that we have benefitted from, over the years, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities or tribunals or courts would have an effect on our profitability.

The Securities Market Code Bill, 2025 was introduced in the Parliament on December 18, 2025 and seeks to consolidate and amend the laws relating to the securities market and for matters connected to securities market. Further, it seeks to repeal the SCRA, the SEBI Act and the Depositories Act, 1996. The SCRA, SEBI Act and the Depositories Act, 1996 shall continue to be in force until the Securities Market Code Bill, 2025 receives assent from the President.

The Government of India has also enacted the DPDP Act on personal data protection for implementing technical and organizational measures in processing personal data and lays down norms for cross-border transfer of personal data,

thereby, ensuring that entities processing personal data are accountable. Companies that collect and deal with high volumes of personal data are required to fulfill certain additional obligations under the DPDP Act, such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the DPDP Act. In 2025, the GoI notified the Digital Personal Data Protection Rules, 2025 ("**DPDP Rules, 2025**") on November 13, 2025, to put into effect the DPDP Act. Companies are required to obtain clear, informed consent for collecting personal data, implement robust security and breach-reporting measures, and ensure the rights of individuals to access, correct, or delete their data under the DPDP Rules, 2025. Certain additional obligations such as audits, impact assessments, and stricter safeguards, with mandatory compliance under phased roll out are imposed on Significant Data Fiduciaries. We may incur burdens and increased costs relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Recently, the GoI has notified the Code on Social Security, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020 and the Code on Wages, 2019, which consolidate, subsume and replace numerous existing central labor legislations (collectively, the "**Labor Codes**"). The enforcement of these laws may restrict our ability to grow our business in the future, increase our expenses and could lead to higher labor and employee costs, which in turn could have an adverse effect on our results of operations, financial condition and cash flows. India effectively replaced 29 older labor laws with these consolidated labor codes intended to simplify labor regulations across the country. The Code on Social Security, 2020, as per the latest amendment, extends social protection and welfare for workers in both organized and unorganized sectors including gig and platform workers. Under the Occupational Safety, Health and Working Conditions Code, 2020, there needs to be an establishment of safety committees for large establishments with 500 or more workers. Further, the Code on Wages, 2019 also introduced a national floor wage to ensure minimum income protection for workers, linked to basic living standards such as food, clothing, and shelter. Additionally, the Code on Wages, 2019 reshaped salary structures through the "50% rule", limiting allowances to 50% of total wages and treating any excess (including HRA, bonuses, commissions and employer contributions) as wages, resulting in increase in base for calculating PF, ESI, gratuity, bonus and statutory benefits costs. Maintaining flexible labor policies and emphasize a degree of control over labor costs may prove to be challenging due to these regulations, which could escalate our expenses and affect our business.

Uncertainty regarding the applicability, interpretation, or implementation of amendments to, or changes in, applicable laws, regulations or policies across the jurisdictions in which we operate, particularly in the absence of, or with limited, administrative or judicial precedent may be time consuming and costly to resolve, and could adversely affect the viability of our existing business or constrain our future growth. We cannot predict if any new tax laws or regulations having an impact on our operations and services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse impact on our business, cash flows and results of operations.

64. Significant modifications to India's tax laws and regulations may adversely impact our business operations and the market value of our Equity Shares.

Our business operations are affected by the taxation rules and regulations in India. In emerging markets such as India, where our operations are carried out, the legislation and other laws and regulations (including in relation to tax) are often underdeveloped. Further, the enforcement, application and interpretation of such laws and policies in such emerging market conditions is uncertain and often evolving due to which, we face the risk of being unable to accurately ascertain our tax liabilities and compliance requirements. Assessing tax obligations involves considerable judgment and approximation, and there are calculations, transactions and classifications where the ultimate tax payable is uncertain. Unfavourable rulings or decisions made by revenue authorities regarding our tax obligations could negatively impact our business, financial standing, and operational performance, while also potentially harming our activities in the relevant jurisdiction.

The GoI has also recently presented the Union Budget for Fiscal 2027, which introduces major tax reforms to be enacted via the new Income Tax Act, 2025 and the upcoming Finance Act, 2026. The proposed changes span wide-ranging structural overhauls, simplified tax regulations, revamped return filing mechanisms, and rationalized penalty provisions, all of which could have implications on our business operations. Further, the taxation framework applicable to our Company and to the investors may be affected by certain tax related changes announced in the Budget, such as revised compliance timelines, updated return-filing procedures, modified penalty provisions, and other clarifications. We are still in the process of evaluating the full impact of these new laws and regulatory developments on our business. Investors are advised to seek independent advice from their tax consultants to determine their personal tax obligations based on the laws in effect at the time they sell their Equity Shares. Any adverse changes to existing laws or regulations or the introduction of new ones governing our business could expose us to non-compliance risks and may require us to obtain additional regulatory approvals. Additionally, any amendments to the existing tax laws, rules or regulations in our markets, or the introduction of new tax laws, rules or regulations, may increase our effective tax rate, tax liabilities and/or associated costs.

65. Our business may be subject to the provisions of competition law in India and any unfavorable application or interpretation of the Competition Act could have a negative impact on our business and operations.

The Competition Act, 2002 (as amended) ("**Competition Act**") was enacted with the objective of prohibiting business practices that cause, or are likely to cause, an appreciable adverse effect on competition. The Competition Act vests the Competition Commission of India ("**CCI**") with the mandate to regulate, investigate, and prevent such anti-competitive conduct. Under the Competition Act, any agreement, arrangement, or understanding, whether formal or informal in nature, that causes or is likely to cause an appreciable adverse effect on competition shall be void and unenforceable, and may expose the parties thereto to substantial penalties. Further, agreements between competing entities that directly or indirectly pertain to price fixation (whether on the purchase or sale side), restriction or control of production, supply, markets, technical development, investment, or provision of services, or that involve the allocation of markets or sources of supply, including allocation on the basis of geography or customer base, or that result in bid-rigging or collusive bidding, are presumed to have an appreciable adverse effect on competition and are therefore void and unenforceable. The Competition Act further prohibits enterprises from abusing their dominant position in the market. Additionally, where a contravention of the Competition Act by a company is established to have taken place with the consent, connivance and attributable neglect of any director, manager, secretary or any other officer of such company, such individuals shall also be deemed to be guilty of the contravention and shall be liable to face penalties. The objective of the Competition Act is, among other things, to prohibit all agreements and transactions, which may have an appreciable adverse effect on competition in India. Accordingly, all agreements entered into by our Company may potentially fall within the scope and purview of the Competition Act.

The Competition Act prohibits any enterprise from abusing its dominant position in the market. Further the combination regulations (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets, or control, as well as mergers or amalgamations, that exceed the prescribed asset and turnover thresholds, be compulsorily notified to, and receive prior approval from the CCI. Any violation of the provisions of the Competition Act may result in significant monetary penalties being imposed on our Company. The GoI has enacted the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") pursuant to which several amendments have been made to the Competition Act, including the introduction of deal value thresholds for the purposes of determining whether a merger or acquisition constitutes a combination, streamlined merger review timelines, codification of the lowest standard of 'control' for the purposes of the Competition Act, and imposition of enhanced penalties in the event of submission of false information or non-disclosure of material information to CCI. Further, Competition Commission of India (Lesser Penalty) Regulations, 2024 were also notified on February 20, 2024 subsequent to which the Competition Commission of India, on March 6, 2024, notified the (i) CCI (Commitment) Regulations, 2024; (ii) CCI (Settlement) Regulations, 2024; and (iii) CCI (Determination of Turnover or Income) Regulations, 2024. The Ministry of Corporate Affairs, vide Notification No. S.O. 4031 (E), has notified clause (f) of Section 19 of the Competition (Amendment) Act, 2023, with effect from September 19, 2024, pursuant to which sub-section (9) has been inserted to Section 26 of the Competition Act, empowering the CCI to either close an investigation or pass a final order under Section 27 upon completion of its inquiry, subject to prior issuance of a show cause notice to the concerned parties setting out allegations against them. The CCI has notified the Competition Commission of India (Determination of Cost of Production) Regulations, 2025, superseding the erstwhile regulations of 2009, which prescribe a revised and comprehensive methodology for computation of cost of production, including standardised treatment of fixed and variable costs, depreciation, and sector-wise consistency. These updated regulations may subject our pricing strategies to increased regulatory scrutiny under the predatory pricing provisions under the Competition Act. This may expose us to investigations, penalties, or restrictions if our pricing is found to be below the cost benchmarks prescribed under these regulations, thereby adversely affecting our competitive positioning and profitability.

The CCI is vested with extra-territorial jurisdiction under the Competition Act, pursuant to which it is empowered to scrutinize and investigate agreements, instances of abuse of dominant position, or combinations that may have been entered into or have occurred outside the territorial limits of India, to the extent that such agreements, conduct, or combinations have or are likely to have, an appreciable adverse effect on competition in India. As on the date of this Draft Red Herring Prospectus, we are not party to any pending proceedings and nor have we received any notice alleging non-compliance with the provisions of the Competition Act. However, the applicability or interpretation of the Competition Act to any merger, amalgamation, or acquisition that we may propose in the future, any enforcement proceedings that may be initiated by the CCI against us, or any adverse publicity arising from regulatory scrutiny or prosecution by the CCI could materially and adversely affect our business, financial condition, and results of operations.

66. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been and may continue to be volatile and subject to uncertainty. Sustained or increasing levels of inflation may lead to a rise in interest rates and result in a material increase in our operating costs, including costs relating to coal, iron ore, power, transportation, employee salaries and benefits, and other expenses incidental to our business operations. Significant fluctuations in inflation rates may impair our ability to accurately forecast or control our operating costs. Steel product prices are often set by market conditions and may not move in tandem with input cost inflation; as a

result, any increase in inflation may result in a rise in our operating expenses that we may not be able to recover through corresponding increases in prices charged to our customers.

Furthermore, elevated inflation and the consequent rise in interest rates may contribute to a broader economic slowdown, adversely impact credit growth and reduce demand for steel products from our key end-user sectors, including construction, infrastructure and industrials. In the event that we are unable to sufficiently increase our revenues to offset higher costs arising from inflationary pressures, our business, prospects, financial condition, results of operations and cash flows may be materially and adversely affected. The GoI has, from time to time, initiated various economic and policy measures aimed at curbing inflationary pressures; however, there can be no assurance that such measures will be sustained, will remain in effect, or will prove effective in containing inflation at acceptable levels.

67. Our ability to raise capital from foreign sources may be subject to constraints imposed under applicable Indian laws and regulations.

Being an Indian company, we are subject to exchange control regulations, which govern and regulate borrowings denominated in foreign currencies. Such regulatory restrictions may significantly limit the range of financing sources available to us and could impair our ability to access foreign capital markets, negotiate financing arrangements on competitive terms, or refinance our existing indebtedness in a timely and cost-effective manner. We cannot assure you that any regulatory approvals required for borrowing in foreign currencies will be granted in a timely manner, without onerous conditions, or at all. Any tightening of such exchange control regulations or any adverse change in the regulatory framework governing foreign currency borrowings could further constrain our financing flexibility and have a material adverse effect on our business, financial condition and results of operations.

68. Upon listing of the Equity Shares on the Stock Exchanges, we may be subject to pre-emptive surveillance frameworks such as the Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM"), as may be imposed by the Stock Exchanges from time to time.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance mechanisms from time to time, including the ASM and GSM frameworks, with a view to enhancing market integrity and safeguarding the interests of investors. The imposition of ASM and GSM on the securities of a company is determined on the basis of various objective parameters, including but not limited to significant variations in the price and trading volume of the securities, concentration of specific client accounts as a percentage of aggregate trading volume, average delivery ratios, and instances where the price of a security witnesses an abnormal or disproportionate increase that is not commensurate with the underlying financial health and fundamentals of the company, such as earnings, book value, fixed assets, net worth, price-to-earnings multiples, and market capitalisation.

Subsequent to listing of our Equity Shares, the trading thereof may be influenced by prevailing market conditions as well as various other factors, which may give rise to significant volatility in the price of our Equity Shares, low trading volumes, and a disproportionate concentration of client accounts as a percentage of the combined trading volume of our Equity Shares. The materialisation of any of the aforementioned circumstances or any combination thereof may result in the triggering of one or more objective parameters prescribed by SEBI and the Stock Exchanges for placement of securities under the GSM and/or ASM framework. Any such placement could result in the imposition of significant trading restrictions on our Equity Shares, including higher margin requirements, mandatory trade-for-trade settlement without netting off, limitations on trading frequency, reduction of applicable price bands, gross basis settlement, and freezing of prices on the upper side of trading. Such restrictions and curbs on the trading of our Equity Shares may adversely affect the market price, liquidity, tradability and reputation of our Company.

69. A slowdown in the rate of economic growth in India may have an adverse effect on our business, financial condition and results of operations.

The performance and growth of our business are necessarily contingent upon the overall health and stability of the Indian economy. Our business is entirely domestic and our revenues are derived from sales of steel and steel products in India. As a result, any actual or perceived slowdown in Indian economic growth, or significant volatility in commodity prices, may have an adverse impact on demand for our products across our key end-use sectors, including construction, real estate, infrastructure, industrials and agriculture.

Additionally, a deterioration in India's trade balance or a significant decline in India's foreign exchange reserves could adversely impact the stability of the Indian Rupee, exert upward pressure on domestic interest rates, and constrain liquidity in the financial system. Such developments could have an adverse effect on the broader Indian economy and, consequently, on our business, financial condition, prospects and results of operations.

The Indian economy is subject to a range of macroeconomic risks, including a general increase in interest rates or inflationary pressures, adverse weather conditions and their consequent impact on agricultural productivity, and significant volatility in global commodity and energy prices. Furthermore, as an emerging market economy, India's economic performance is considerably influenced by economic and market conditions prevailing in other countries, and any adverse developments in such markets may have a spillover effect on the Indian economy. The rapid adoption of automation and AI across industries may give rise to structural shifts in India's labour markets, including the emergence of new job categories, redundancy of certain existing roles, wage volatility, and increased job transitions, which could adversely impact consumers' disposable income, credit quality and spending patterns.

Additional factors that may adversely affect the Indian economy include: scarcity of credit or financing impacting both economic conditions and our expansion plans; volatility in trading activity on India's principal stock exchanges; changes in tax, trade, fiscal or monetary policies, including amendments to the GST framework; political instability, terrorism or military conflict in India or in neighbouring countries; occurrence of natural or man-made disasters; pandemics or widespread public health crises; and other significant regulatory or economic developments in or affecting India.

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

Foreign exchange regulations currently in force in India freely permit transfer of shares between non-residents and residents (subject to certain conditions), provided such transfers comply with the pricing guidelines and reporting requirements prescribed by the RBI. Prior approval of the RBI will be required if the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under the bracket of any exceptions referred to above. Furthermore, shareholders who wish to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India must obtain a no-objection certificate or tax clearance certificate from the Indian income tax authorities. Under the prevailing foreign exchange control regime in India, the RBI requires that the transfer price of Equity Shares be determined in accordance with internationally accepted valuation methodologies on an arm's length basis, and a price higher (or lower, as applicable) than such determined value may not be permitted. We cannot assure investors that any necessary approvals from RBI or any other governmental authority in India will be obtained on favorable terms, or at all. Additionally, potential delays in securing the necessary approvals may prevent investors in Equity Shares from capitalizing on price rises or protecting themselves from losses during periods of price decline.

The Equity Shares will be listed and traded on the Stock Exchanges in Indian Rupees. Any dividends declared on the Equity Shares will be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation. Any unfavorable fluctuations in exchange rates during delays in repatriating proceeds from the sale of Equity Shares outside India, such as delays in obtaining required regulatory approvals may reduce the net proceeds received by shareholders.

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

It cannot be assured to the investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 459.

71. The ability of a third party to acquire control of our Company may be restricted by anti-takeover provisions under applicable Indian laws and regulations.

Applicable Indian laws and regulations contain certain provisions that may have the effect of delaying, deterring or preventing a future takeover bid or change in control of our Company, including transactions involving an actual or threatened change in control. Such provisions may operate to restrict or impede certain types of transactions that would result in the acquisition of our Equity Shares at a premium to their prevailing market price or that would otherwise be beneficial to our investors or shareholders.

Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. While these provisions have been formulated with the objective of protecting the interests of investors and shareholders,

they may also have the incidental effect of discouraging third parties from attempting to acquire control of our Company. Consequently, even if a potential takeover of our Company would result in the acquisition of Equity Shares at a premium to their prevailing market price or would otherwise be beneficial to our stakeholders, there can be no assurance that such a takeover would be attempted.

RISKS RELATING TO THE OFFER

72. This is the first public issue of Equity Shares of our Company. There has been no formal market for the Equity Shares, and the Offer Price may not be indicative of the market price of the Equity Shares upon listing.

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Offer Price will be [●] times the face value of the Equity Shares. The Floor Price, Cap Price and Offer Price will be determined by our Company in consultation with the BRLMs, through the Book Building Process, and will be based on numerous factors, including the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of certain quantitative and qualitative factors as set out in "*Basis for Offer Price*" on page 114, and may not be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

73. The Offer Price of our Equity Shares, our price to earnings ratio and our enterprise value to EBITDA ratio may not be indicative of the trading price of our Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.

Our market capitalization is contingent upon the determination of the Offer Price, which shall be determined by our Company in consultation with the BRLMs through the Book Building Process. Our enterprise value to EBITDA ratio for Fiscal 2026 is set out below:

Particulars	Ratio vis-à-vis Floor Price	Ratio vis-à-vis Cap Price
Enterprise value to EBITDA (in multiples, unless otherwise specified)	[●]	[●]

The details of our price to earnings ratio and market capitalization to revenue from our operations at the Offer Price have been provided in the table below:

Particulars	Price to earnings ratio*	Market capitalization to revenue from our operations*
Fiscal 2026	[●]	[●]

**Considering the Offer Price*

Further, the Offer Price and the multiples and ratios specified herein may not be comparable to the prevailing market prices, market capitalization, and the price-to-earnings ratios of our peers and would be dependent on various factors. Accordingly, any valuation exercise undertaken for the purposes of the Offer by our Company in consultation with the BRLMs would not be based on a benchmarking exercise with our industry peers.

74. Investors may be subject to Indian taxes on income arising from the sale of, or dividends declared on, the Equity Shares.

Gains arising from the sale or transfer of our Equity Shares are generally liable to capital gains tax in India. Where our Equity Shares have been held by an investor for a period exceeding 12 months prior to their sale on a recognized stock exchange, the gains arising therefrom shall be characterized as long-term capital gains and shall accordingly be subject to long-term capital gains tax under the provisions of the Income Tax Act, 1961. Securities transaction tax ("**STT**") shall be levied and collected by the Indian stock exchange on which our Equity Shares are sold. Any gains realized on the sale of our Equity Shares held for a period exceeding 12 months by an Indian resident, where such sale is effected, otherwise than on a recognized stock exchange and consequently no STT has been paid, shall be subject to long-term capital gains tax in India. Any gain realized on the sale of our Equity Shares held for a period of 12 months or less shall be subject to short-term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less, where such sale is effected otherwise than on a recognized stock exchange and no STT has been paid in respect thereof, shall be subject to short-term capital gains tax at a higher rate as compared to transactions where STT has been paid. Capital gains arising from the sale of our Equity Shares may be exempt from taxation in India where such exemption is available under a tax treaty entered into between India and the country of which the seller is a tax resident. Subject to the availability of any relief under an applicable tax treaty or under the laws of their respective jurisdictions, residents of countries other than India may be liable to tax in India as well as in their own jurisdictions on gains arising from the sale of our Equity Shares.

Additionally, the Income Tax Act, 2025, which, among other things, overhauls the existing income tax regime and replaces the Income Tax Act, 1961, has come into force with effect from April 1, 2026. The impact of the Income Tax Act, 2025 on the prevailing tax laws and regulations remains uncertain, and any adverse changes thereunder may materially affect our business, results of operations, financial condition, and cash flows.

Historically, dividends distributed by domestic companies were subject to Dividend Distribution Tax ("**DDT**") in the hands of the distributing company at an effective rate of 20.56% (inclusive of applicable surcharge and cess), and such dividends were generally exempt from tax in the hands of the shareholders. However, pursuant to the Finance Act, 2020 dividends paid by the Indian companies are now taxable in the hands of the shareholders at applicable rates, with the distributing company being required to withhold tax on such dividends. The Finance Act, 2021 further abolished the requirement to pay DDT in respect of dividends declared, distributed, or paid by a domestic company after March 31, 2020, and accordingly, such dividends are no longer exempt in the hands of shareholders, whether resident or non-resident. Non-resident shareholders may avail of the benefits of an applicable tax treaty, subject to satisfaction of the prescribed conditions. Our Company may or may not extend the benefit of an applicable tax treaty to a non-resident shareholder for the purposes of deduction of tax at source in connection with any corporate action, including the payment of dividends. Any business income arising from the transfer of Equity Shares held as trading assets shall be taxable at the applicable tax rates, subject to the availability of relief under an applicable tax treaty, in the case of a non-resident seller.

We may be subject to tax-related inquiries and claims from time to time. We cannot predict whether any amendments pursuant to the Finance Act or any new tax laws or regulations applicable to us will be enacted, or the nature and extent of their impact on our business. Further, any adverse order passed by the appellate authorities, tribunals, or courts in connection with tax matters could have an adverse effect on our profitability.

75. ***Our Equity Shares have not been publicly traded prior to the Offer. Subsequent to the Offer, the Equity Shares may experience significant price and volume fluctuations, and there can be no assurance that an active trading market for the Equity Shares will develop or be sustained. Further, the Offer Price may not be indicative of the market price at which the Equity Shares will trade following the completion of the Offer.***

Prior to the Offer, there has been no public market for our Equity Shares, and our Equity Shares have not been listed or traded on any recognized stock exchange. There can be no assurance that an active, liquid, and orderly trading market for our Equity Shares will develop on the Stock Exchanges following the completion of the Offer, or that, if such a market develops, it will be sustained over any period of time. The listing and quotation of our Equity Shares on the Stock Exchanges pursuant to the Offer does not, in itself, guarantee or assure the development of an active trading market for our Equity Shares, nor does it provide any assurance as to the depth, liquidity, or continuity of any such market that may develop. The Offer Price of our Equity Shares is proposed to be determined through the Book Building Process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading on the Stock Exchanges or at any time thereafter. The Offer Price is based on certain factors, including our Key Performance Indicators, as described under "*Basis for Offer Price*" on page 114. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of securities analysts to initiate or maintain coverage of our Equity Shares following the Offer, or any downward revision in the estimates of our financial or operational performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

In addition, following the expiry of the six-month lock-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. As a result of the foregoing factors, investors may not be able to resell their Equity Shares at or above the Offer Price. Furthermore, stock markets are often subject to price and volume fluctuations that are unrelated or disproportionate to the operating performance of individual companies, and such broad market fluctuations and industry-specific factors may materially reduce the market price of our Equity Shares, irrespective of our Company's actual performance. There can be no assurance that investors will be able to resell their Equity Shares at or above the Offer Price.

76. Qualified institutional buyers ("QIBs") and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after the Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors Bidders are required to pay the Bid Amount on submission of the Bid are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on the Stock Exchanges, including Allotment pursuant to the Offer, within three Working Days from the Bid/Offer Closing Date or such other timeline as may be prescribed under applicable law, events that may materially affect a Bidder's decision to invest in our Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, or in our business, results of operations, or financial condition may arise between the date of submission of the Bid and the date of Allotment. Our Company may proceed with and complete the Allotment of our Equity Shares notwithstanding the occurrence of any such events, and such events may limit the ability of the Bidders to sell the Equity Shares Allotted to them pursuant to the Offer or may cause the trading price of our Equity Shares to decline upon listing on the Stock Exchanges.

77. Volatility in interest rates may adversely affect our results of operations.

We are exposed to interest rate risk arising from fluctuations in prevailing interest rates in respect of our borrowings, including borrowings denominated in Indian Rupees. As of March 31, 2026, our total outstanding borrowings (excluding non-fund based facilities) amounted to ₹ 7,709.86 million. We have not entered into any interest rate hedging arrangements to mitigate our exposure to fluctuations in interest rates. Any upward movement in prevailing interest rates may lead to rise in our borrowing costs, which could adversely affect our competitiveness relative to competitors carrying lower levels of indebtedness, due to which our business, financial condition, cash flows and results of operations may be adversely affected. We can offer no assurance that prevailing stress in global credit markets will not adversely impact the pricing, tenure, or other terms governing our existing financing arrangements, or constrain our ability to raise fresh credit or access the capital markets on favorable terms.

78. Volatility in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our underlying operating performance.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar, the British pound sterling, the Euro, the Hong Kong Dollar, the Singapore Dollar and the Japanese Yen, has changed substantially in recent years and may fluctuate substantially in the future. Movements in the exchange rate between the Indian Rupee and the foreign currency in which an investor originally purchased Rupees, may affect the value of such investor's investment in our Equity Shares. On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the period required to convert dividend proceeds may reduce the net dividend receivable by foreign investors or by our Company, as applicable. Similarly, any adverse exchange rate movement during any delay in repatriating outside India the proceeds from sale of our Equity Shares, including delays arising from regulatory approvals required in connection therewith, may reduce the net proceeds received by shareholders. We currently do not have any hedging agreements or similar arrangements in place to cover our exposure to foreign exchange rate fluctuations. The exchange rate between the Indian Rupee and the U.S. Dollar has experienced substantial fluctuations in recent years and may continue to do so in the future, which may adversely affect the trading price of our Equity Shares and returns thereon, independent of our operating results.

In particular, any change in the relative value of the Indian Rupee against a foreign currency may adversely affect each of the following:

(i) the foreign currency equivalent of the Rupee trading price of our Equity Shares in India;
(ii) the foreign currency equivalent of the proceeds receivable upon the sale of our Equity Shares in India; and
(iii) the foreign currency equivalent of any cash dividends on our Equity Shares, which will be paid exclusively in Indian Rupees.

Investors may be unable to convert Indian Rupee proceeds into a foreign currency of their choice, or the rate at which any such conversion may be effected, could fluctuate. Further, any devaluation of the Indian Rupee may materially harm our Company's market valuation, particularly where investors in jurisdictions outside India assess our value on the basis of the foreign currency equivalent of our results of operations and financial condition.

79. Investors will not be able to immediately sell on an Indian stock exchange the Equity Shares purchased by them pursuant to the Offer.

Our Equity Shares are proposed to be listed on the Stock Exchanges. In accordance with applicable Indian laws and regulations, certain actions and formalities are required to be completed prior to the listing of our Equity Shares and the commencement of trading therein. The demat accounts of successful Allottees maintained with Depository Participants in India are expected to be credited with the Allotted Equity Shares within one Working Day from the date on which the Basis of Allotment is approved by the Designated Stock Exchange. The Allotment and transfer of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately three Working Days from the Bid/Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/Offer Closing Date. There may be a failure or delay in the listing of our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the requisite listing and trading approvals, or any other delay in the commencement of trading in our Equity Shares, would restrict the ability of investors to dispose of their Allotted Equity Shares. There can be no assurance that our Equity Shares will be credited to the demat accounts of investors, or that trading in our Equity Shares will commence, within the time periods specified in this risk factor. We may be required to pay interest at the applicable rates in the event Allotment is not made, refund orders are not dispatched, or demat credits are not made to investors within the time periods prescribed under applicable law.

80. The current market price of certain securities listed pursuant to previous issues managed by the BRLMs is currently below their respective issue prices.

The current market price of securities listed pursuant to certain prior initial public offerings managed by the BRLMs is lower than their respective issue prices. For further information, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers*" on page 420. The market price of our Equity Shares may be influenced by several factors, including broad market trends, financial performance and results of our Company, and other factors beyond our control. We cannot assure you that an active trading market for our Equity Shares will develop or continue after listing, or that the Equity Shares will trade at any particular price.

81. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute shareholding of the investors of our Company and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

We may need to fund our future growth through additional equity offerings. Any such issuance of Equity Shares, convertible securities or securities linked to Equity Shares including upon exercise of employee stock options, when issued, may dilute the shareholding of the investors in our Company. Any future equity issuances by us for sale of Equity Shares by our shareholders may negatively impact the trading price of the Equity Shares, which could result in additional adverse consequences, including challenges in raising capital through further equity offerings or increased reliance on debt financing. Any sale of Equity Shares by our major shareholders, or even the perception that such sales or issuance may occur, including for compliance with the minimum public shareholding requirements applicable to listed companies in India, may adversely impact the trading price of the Equity Shares. This could result in difficulties in raising capital through future equity offerings or necessitate additional debt financing. There can be no assurance that we will not issue additional Equity Shares, convertible securities or securities linked to Equity Shares, or that our shareholders will not dispose of, pledge or encumber their Equity Shares in the future. Any future issuances may also dilute the value of your investment in the Equity Shares. Further, any perception among investors that such issuances or sales may take place could adversely affect the market price of our Equity Shares.

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

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction in which you are located require us to file an offering document or registration statement with the relevant authority in order for you to exercise such pre-emptive rights, you will be unable to exercise such pre-emptive rights, unless we make such a filing. We may choose not to undertake such registration or filing in connection with the pre-emptive rights otherwise available to you under Indian law. If we choose not to file a registration statement, the new securities may instead be issued to a custodian, who may sell such securities for the benefit of the investor. The proceeds realised by the custodian from such sale, as well as the associated transaction costs, cannot be predicted. Further, to the extent that investors are unable to exercise the pre-emptive rights available in respect of their Equity Shares, their proportionate ownership interest in our Company may be diluted. In addition, investors may continue

to face risk of dilution if shareholders approve preferential issuances through special resolutions or undertake any other similar actions.

83. The rights available to shareholders of companies under Indian law may be more limited compared to those available under the laws of certain other jurisdictions.

Our Articles of Association, the composition of our Board, and the Indian laws governing our corporate affairs, including matters relating to corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights, may differ from those applicable to companies incorporated in other jurisdictions. Consequently, the rights available to shareholders under Indian law may not be as broad or extensive as those available under the laws of certain other countries or jurisdictions. As a result, investors may face challenges in asserting their rights as shareholders in an Indian company than as shareholders of an entity in another jurisdiction.

84. There can be no assurance that our Equity Shares will be listed on the Stock Exchanges within the expected timeline or at all.

In accordance with applicable Indian laws and market practice, approval for listing and trading of our Equity Shares will be granted only after completion of certain actions relating to this Offer and upon Allotment of Equity Shares pursuant to the Offer.

In accordance with the prevailing regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within the timeline prescribed under the UPI Circulars, subject to any revisions to such timeline. However, we cannot assure you that trading in our Equity Shares will commence within the expected timeframe or at all. Any delay or failure in obtaining the final listing and trading approvals may limit your ability to transfer or sell your Equity Shares.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer [(1)(2)(3)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ 10,000.00 million
Consists of:	
Fresh Issue [(1)(2)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹8,000.00 million
Offer for Sale[(3)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹2,000.00 million
Employee Reservation Portion[(8)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] million
The Net Offer consists of:	
A) QIB Portion [(4)(5)(6)]	Not more than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] million
of which:	
i. Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
of which up to 40% of the Anchor Investor Portion shall be reserved in the following manner	
a. up to 33.33% of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds	Up to [●] Equity Shares of face value of ₹ 10 each
b. up to 6.67% of the Anchor Investor Portion available shall be reserved for allocation to Life Insurance Companies and Pension Funds	Up to [●] Equity Shares of face value of ₹ 10 each
ii. Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 10 each
of which:	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares of face value of ₹ 10 each
b. Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares of face value of ₹ 10 each
B) Non-Institutional Portion[(4)(6)(7)]	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 0.20 million and up to ₹ 1.00 million	Up to [●] Equity Shares of face value of ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1.00 million	Up to [●] Equity Shares of face value of ₹ 10 each
C) Retail Portion[(4)(6)]	Not less than [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million
Pre-Offer and Post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	211,239,450 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 10 each
Use of proceeds of the Offer	See "*Objects of the Offer*" beginning on page 103

[*] *To be updated upon finalization of the Offer Price*

[(1)] *The Offer has been authorized by a resolution of our Board dated September 16, 2026. Our Shareholders have authorised the Fresh Issue pursuant to their resolution dated September 16, 2026.*

[(2)] *Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

[(3)] *Our Board has taken on record consents and authorisations for the Offer for Sale by each of the Selling Shareholders pursuant to its resolution dated September 30, 2026. For details of consents and authorisations (as applicable) received from the Selling Shareholders for the Offer for Sale, see "Other Regulatory and Statutory Disclosures – Authority for the Offer – Approvals from the Selling Shareholders" on page 414. Each of the Selling Shareholders, severally and not jointly, has confirmed that the respective portion of the Offered Shares of such Selling Shareholder is eligible for being offered for sale in the*

Offer in accordance with Regulation 8 of the SEBI ICDR Regulations. See "The Offer" and "Other Regulatory and Statutory Disclosures" beginning on pages 68 and 414, respectively.

(4) Subject to valid bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.

(5) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Shares allocated to Anchor Investors. Up to 40% of the Anchor Investor Portion shall be reserved in the following manner: 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulation. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 436. Allocation to all categories shall be made in accordance with the SEBI ICDR Regulations.

(6) Allocation to Bidders in all categories except the Anchor Investor Portion, the Non-Institutional Portion and the Retail Portion, if any, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price, as applicable. The allocation to each RII shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For further details, see "Offer Procedure" on page 436.

(7)Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors of which one-third will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds will be available for allocation to Bidders with an application size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion.

(8)Eligible Employees Bidding in the Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹ 0.50 million (net of Employee Discount, if any). However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of Employee Discount, if any). In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion after allocation of up to ₹ 0.50 million (net of Employee Discount, if any), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion which shall be announced at least two Working Days prior to the Bid/Offer Opening Date. See "Offer Procedure" and "Offer Structure" beginning on pages 436 and 432, respectively.

Allocation to Bidders in all categories shall be made in accordance with the SEBI ICDR Regulations. For further information, see "*Terms of the Offer*", "*Offer Structure*" and "*Offer Procedure*" beginning on pages 425, 432 and 436, respectively.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables set forth summary of our financial information derived from our Restated Financial Information as at and for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024. The summary financial information presented below should be read in conjunction with "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 298 and 369, respectively.

(*The remainder of this page is intentionally left blank*)

SUMMARY OF RESTATED STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9,597.83	8,223.37	6,138.53
Capital work-in-progress	1,513.10	1,294.28	1,003.84
Intangible assets	8.01	5.19	1.35
Financial assets			
Investments	-	0.06	0.06
Other financial assets	155.77	328.44	54.17
Investments	-	-	4.01
Other non-current assets	121.12	171.16	236.11
TOTAL NON-CURRENT ASSETS (A)	**11,395.83**	**10,022.50**	**7,438.07**
CURRENT ASSETS			
Inventories	3,539.07	2,313.73	2,084.32
Financial Assets			
Investments	0.84	-	-
Trade Receivables	643.87	458.42	270.26
Cash and cash equivalents	2.69	18.96	112.44
Bank balances other than cash and cash equivalents	30.65	24.92	-
Loans	-	-	20.41
Other financial assets	888.99	567.18	103.95
Current tax assets (net)	1.12	0.91	-
Other current assets	1354.39	1,243.21	758.32
TOTAL CURRENT ASSETS (B)	**6,461.62**	**4,627.33**	**3,349.70**
TOTAL ASSETS (A+B)	**17,857.45**	**14,649.83**	**10,787.77**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	46.94	46.94	46.94
Other Equity	7,927.81	6,132.66	4,475.16
TOTAL EQUITY (A)	**7,974.75**	**6,179.60**	**4,522.10**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	4,835.20	4,258.96	3,062.68
Lease liabilities	21.03	18.73	15.66
Provisions	42.48	32.34	19.24
Deferred tax liabilities (Net)	436.67	356.95	407.39
TOTAL NON-CURRENT LIABILITIES (B)	**5,335.38**	**4,666.98**	**3,504.97**
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	2,874.66	1,985.84	2,074.41
Lease liabilities	1.33	0.85	0.23
Trade Payables			
Total outstanding dues of micro and small enterprises	168.26	86.08	55.67
Total outstanding dues of creditors other than micro and small enterprises	616.68	890.23	238.84
Other financial liabilities	573.58	566.38	288.21
Other current liabilities	129.94	198.54	50.58
Provisions	106.42	75.33	24.74
Current tax liabilities (net)	76.45	-	28.02
TOTAL CURRENT LIABILITIES (C)	**4,547.32**	**3,803.25**	**2,760.70**
TOTAL EQUITY & LIABILITIES (A+B+C)	**17,857.45**	**14,649.83**	**10,787.77**

SUMMARY OF RESTATED STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Revenue from operations	25,925.24	21,878.19	14,943.90
Other income	135.36	46.99	18.56
TOTAL INCOME	**26,060.60**	**21,925.18**	**14,962.46**
EXPENSES			
Cost of materials consumed	19,097.84	16,196.79	10,223.16
Purchase of stock-in-trade	-	0.24	4.45
Changes in inventories of finished goods and work-in-progress	44.96	(286.66)	(90.19)
Employee benefits expense	813.68	753.71	465.85
Finance costs	618.62	525.54	430.66
Depreciation and amortization expense	927.63	745.60	613.91
Other expenses	2,238.66	1,848.21	1,489.86
TOTAL EXPENSES	**23,741.38**	**19,783.44**	**13,137.68**
PROFIT BEFORE TAX	**2,319.22**	**2,141.74**	**1,824.78**
TAX EXPENSE			
Current tax	546.88	523.61	473.16
Deferred tax	65.32	23.67	(95.81)
Income tax adjustment for earlier years	(4.04)	10.13	7.97
PROFIT FOR THE YEAR (A)	**1,711.06**	**1,584.33**	**1,439.47**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement gains on defined benefit obligations	3.02	(0.95)	1.33
Fair valuation of an item of property, plant & equipment	95.48	-	-
Income tax relating to items that will not be reclassified to profit or loss			
Remeasurement gains on defined benefit obligations	(0.76)	0.24	(0.28)
Fair valuation of an item of property, plant & equipment	(13.65)	73.88	3.58
OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)	**84.09**	**73.16**	**4.63**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)	**1,795.15**	**1,657.50**	**1,444.09**
Earnings per Equity Share (In Rs.)			
Basic (Face value of Rs. 10 each)	8.10	7.50	6.81
Diluted (Face value of Rs. 10 each)	8.10	7.50	6.81

SUMMARY OF RESTATED CASH FLOWS

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(A) Cash flow from operating activities			
Profit before tax	2,319.22	2,141.74	1,824.78
Adjustments for:			
Depreciation and amortization expense	927.64	745.61	613.91
Interest income	(81.53)	(35.26)	(12.64)
Rent income	(2.13)	(0.19)	(0.18)
Reversal for expected credit loss	-	-	(1.25)
Interest expense	572.33	461.17	384.07
Provision for gratuity	13.58	11.56	7.45
Provision for doubtful advances	2.50	5.01	-
Allowance for expected credit loss	5.18	1.76	-
(Profit) on disposal of property, plant & equipment	(1.01)	(2.61)	-
Realised (gain)/loss on financial instruments	(28.41)	-	-
Unrealised (gain)/loss on financial instruments	(15.22)	6.62	4.78
Sundry balances written off/others (net)	8.69	9.73	21.96
Cash generated from operation before working capital changes	**3,720.85**	**3,345.12**	**2,842.88**
Adjusted for :			
(Increase) / Decrease in Inventories	(1,225.33)	(229.41)	(643.94)
(Increase) / Decrease in Trade receivables	(190.63)	(200.99)	(86.65)
(Increase) / Decrease in other current assets	(163.24)	(491.02)	89.70
(Increase) / Decrease in other assets	0.24	0.94	-
Increase / (Decrease) in Trade payables	(185.53)	687.33	109.40
Increase / (Decrease) in other financial liabilities	(10.70)	260.62	53.75
Increase / (Decrease) in provision	30.67	51.19	(47.94)
Increase / (Decrease) in other current liabilities	(68.59)	147.96	(10.82)
Cash generated from operations	**1,907.74**	**3,571.74**	**2,306.38**
Direct Taxes paid	(467.07)	(562.66)	(481.12)
Net cash flow from / (used in) operating activities (A)	**1,440.67**	**3,009.08**	**1,825.26**
(B) Cash flow from investing activities			
Expenditure for Property, Plant & Equipment (including capital advances & Capital work-in-progress)	(2,367.37)	(3,049.54)	(2,701.14)
(Addition) in Intangible assets	(3.34)	(4.09)	(0.71)
Investment in fixed deposit (net)	(104.45)	(761.48)	(50.82)
(Increase) / Decrease in loan given	-	20.41	(1.47)
Disposal of investments	0.13	-	-
Purchase of investments	(1.00)	-	(0.74)
Interest income	81.53	35.26	12.64
Rent income	2.13	0.19	0.18
Net cash flow from / (used in) investing activities (B)	**(2,392.37)**	**(3,759.27)**	**(2,742.06)**
(C) Cash flow from financing activities			
Proceeds from non-current borrowings (net)	1,002.21	1,297.31	607.29
Proceeds / (repayment) of current borrowings (net)	454.32	(208.75)	752.83
Finance cost	(521.10)	(431.84)	(338.73)
Net cash flow from / (used in) financing activities (C)	**935.43**	**656.72**	**1,021.40**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(16.27)**	**(93.48)**	**104.60**
Cash and cash equivalents at the beginning of the year	18.96	112.44	7.84
Cash and cash equivalents at the end of the year	**2.69**	**18.96**	**112.44**

Note : The above Cash flow statement has been prepared under the indirect method as set out in the IND AS 7 - "Statement of Cash Flows".

SUMMARY OF CONTINGENT LIABILITIES

The contingent liabilities of our Company as on March 31, 2026, based on the Restated Financial Information are as follows:

(in ₹ million, except percentages)

S. No.	Particulars	As at March 31, 2026
a.	**Contingent liabilities[(1)]**	
	Disputed liabilities in respect of Goods & Services Tax	4.13
b.	**Other litigations/Claims[(2)]**	
	Freight dispute claim	0.16
	Recovery suit	43.40
	Compensation claim	1.38
c.	**Outstanding bank guarantees[(3)]**	60.80
	Total	**109.87**

(1) Department has demanded for Interest of Rs. 4,224,186 without issuance of a show-cause notice as short-paid interest under Section 50(1) of the CGST Act for the period July 2017 to March 2021. Our Company has paid Cash portion of GST Tax before due date of filling return and filed GST Return after due date. Our company has already paid ₹ 94,756/- as interest and is contesting the balance demand. Department has demanded for Interest between payment of Cash portion of GST Tax and date of return filling. According to Department since the date of filing of return would be the acknowledgment of receipt of tax and not the payment of tax itself and since the return has been filed after a due date, therefore, there is no infirmity in issuance of a show-cause notice demanding interest on delayed payment of tax.

Main objections raised by our Company:

- *Interest has been wrongly calculated up to the date of return filing instead of the actual date of tax deposit.*
- *Extensions in GSTR-3B due dates (especially during Mar'19, Nov'19 & May'20) were not considered.*
- *Reduced interest rates during COVID-19 period (Notification No. 31/2020 & 51/2020) were ignored.*
- *Once tax amount is deposited in the Electronic Cash Ledger, it is treated as payment to the Government; hence interest should not be charged on net cash liability.*

Our company has submitted detailed reasoning, supported by legal provisions, circulars, and judicial precedents and copies of Form DRC-03 showing voluntary interest payments.

(2) The present matter pertains to a freight/payment-related civil dispute arising out of commercial transportation transactions between the parties concerning alleged outstanding dues. The suit was filed on 10.02.2023 before the competent civil court at Bhopal bearing Case No. 80/2023. The matter is being adjudicated under the applicable provisions of the Code of Civil Procedure, 1908, and relevant provisions governing contractual and commercial obligations under the Indian Contract Act, 1872. Our Company has made efforts toward amicable settlement and offered an amount of approximately ₹2.28 lakh; however, the claimant is seeking approximately ₹3.91 lakh, including legal expenses and interest. The matter is presently pending adjudication before the court.

The present matter pertains to a commercial dispute arising out of contractual and business transactions between the parties concerning alleged recovery claims and contractual obligations. The suit was filed on 02.09.2022 before the competent Commercial Court at Indore, bearing Case No. 59/2022, involving a claim amount of approximately ₹4.34 crore. The matter is being adjudicated under the applicable provisions of the Commercial Courts Act, 2015, the Code of Civil Procedure, 1908, including proceedings concerning Section 89 CPC and Order VII Rule 11 CPC, and relevant provisions of the Indian Contract Act, 1872. During the proceedings, the claimant filed an application seeking reference of the matter to mediation under Section 89 CPC, to which our Company has filed its response/objection contesting the maintainability and necessity of such application. Our Company has, inter alia, contended before the Hon'ble Court that the suit has been instituted in violation of the requirements prescribed under Section 12A of the Commercial Courts Act, 2015, and that its application under Order VII Rule 11 CPC is pending consideration. The matter is presently pending adjudication and is at the stage of arguments before the Hon'ble Court.

Compensation claim filed under Section 22 of the Employees' Compensation Act, 1923 in relation to an alleged employment-related accident/injury. Claim amount of approximately ₹ 13,81,275/- along with applicable interest and penalty has been sought by the claimant.

(3) Bank guarantees aggregating to ₹ 60.80 million furnished to South Eastern Coalfields Limited (SECL) and Mahanadi Coalfields Limited (MCL), as security towards the execution and performance of Fuel Supply Agreements (FSA).

For further information of our contingent liabilities as at March 31, 2026, as per Ind AS 37, see "*Restated Financial Information – Note 37: Contingent Liabilities & Commitments (to the extent not provided for)*" on page 348.

SUMMARY OF RELATED PARTY TRANSACTIONS

A summary of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures read with SEBI ICDR Regulations entered into by our Company with related parties for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, derived from our Restated Financial Information are as follows:

(*₹ in million*)

Particulars	Name of Related Party	Nature of Relationship	Financial Year ended March 31, 2026		Financial Year ended March 31, 2025		Financial Year ended March 31, 2024	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Short-term employee benefits	Ashish Agarwal	Key management personnel	120.00	0.46%	120.00	0.55%	60.00	0.40%
	Parmanand Agarwal	Key management personnel	120.00	0.46%	120.00	0.55%	60.00	0.40%
	Bijay Kumar Agarwal	Key management personnel	1.03	Negligible	0.93	Negligible	0.85	0.01%
	Richhi Agarwal	Relatives of Key management personnel	13.20	0.05%	12.00	0.05%	6.00	0.04%
	Priti Agarwal	Relatives of Key management personnel	-	-	1.20	0.01%	5.10	0.03%
Interest Expenses	Ashish Agarwal	Key management personnel	1.75	0.01%	0.50	Negligible	1.43	0.01%
	Parmanand Agarwal	Key management personnel	14.00	0.05%	16.16	0.07%	14.38	0.10%
	Parmanand Agarwal HUF	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	-	-	0.47	Negligible
	Florance Engineering Enterprises LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	0.87	Negligible	0.41	Negligible	0.42	Negligible
Rent Expenses	Ashish Agarwal	Key management personnel	-	-	2.00	0.01%	-	-
Corporate social responsibility expenses	Zortea Logistics LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	-	-	1.21	0.01%
	B S Foundation	Entities over which Key Managerial Personnel and their relatives have control / significant influence	23.45	0.09%	-	-	0.09	Negligible
Purchase of Raw Materials	Zortea Logistics LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	575.59	2.22%	119.08	0.54%	-	-
Purchase of stores & spares	Panache Solutions	Entities over which Key Managerial Personnel and their relatives have control / significant influence	24.27	0.09%	-	-	-	-
Earnest money deposit (EMD) forfeited	Zortea Logistics LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	10.00	0.05%	-	-

Particulars	Name of Related Party	Nature of Relationship	Financial Year ended March 31, 2026		Financial Year ended March 31, 2025		Financial Year ended March 31, 2024	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
Hire Charges	Zortea Logistics LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	28.84	0.11%	26.73	0.12%	20.61	0.14%
IT service expense	Panache Solutions	Entities over which Key Managerial Personnel and their relatives have control / significant influence	0.02	Negligible	0.01	Negligible	0.01	Negligible
Sale of Products	Ashish Agarwal	Key management personnel	-	-	0.01	Negligible	-	-
	B S Foundation	Entities over which Key Managerial Personnel and their relatives have control / significant influence	0.68	Negligible	-	-	-	-
Interest Earned	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	10.11	0.04%	2.57	0.01%	1.67	0.01%
Acquisition of immovable property	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	109.95	0.42%	-	-	-	-
Capital advances given	Florance Engineering Enterprises LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	22.42	0.09%	-	-	-	-
Loan Given	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	-	-	15.00	0.10%
Loan Received Back	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	-	-	15.00	0.10%
Advance given against pre-emptive rights for immovable property	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	68.93	0.27%	47.78	0.22%	-	-
Advance given	Richhi Agarwal	Relatives of Key management personnel	-	-	2.40	0.01%	1.07	0.01%
	Zortea Logistics LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	-	-	2.30	0.02%
Advance received back	Richhi Agarwal	Relatives of Key management personnel	-	-	3.47	0.02%	-	-

Particulars	Name of Related Party	Nature of Relationship	Financial Year ended March 31, 2026		Financial Year ended March 31, 2025		Financial Year ended March 31, 2024	
			Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)	Amount	As a percentage of revenue from operations (in %)
	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	139.43	0.54%	-	-	-	-
Payout on redemption of optionally convertible preference shares	Nachiketa Gift-Ads Pvt. Ltd.	Entities over which Key Managerial Personnel and their relatives have control / significant influence	84.44	0.33%	-	-	-	-
Loan Taken	Ashish Agarwal	Key management personnel	17.00	0.07%	14.60	0.07%	-	-
	Parmanand Agarwal	Key management personnel	1.10	-	-	-	8.70	0.06%
	Florance Engineering Enterprises LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	17.67	0.07%	-	-	-	-
Loan Repaid	Ashish Agarwal	Key management personnel	-	-	-	-	23.00	0.15%
	Parmanand Agarwal	Key management personnel	32.70	0.13%	1.34	0.01%	-	-
	Parmanand Agarwal HUF	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	0.43	Negligible	8.63	0.06%
	Florance Engineering Enterprises LLP	Entities over which Key Managerial Personnel and their relatives have control / significant influence	-	-	0.67	Negligible	0.35	Negligible

GENERAL INFORMATION

Registered address of our Company

B.S. Sponge Limited
34A, Metcalfe Street
2nd Floor, Room No. 2C/3
Kolkata – 700 013
West Bengal, India

For further details, including in relation to changes in the name and the registered office of our Company, see "*History and Certain Corporate Matters – Brief history of our Company*" and "*History and Certain Corporate Matters – Changes in our Registered Office*" both on page 264.

Corporate Office of our Company

B.S. Sponge Limited
202, 2nd Floor, Block A
Crystal Arcade, Lodhipara Chowk
Raipur – 492 001
Chhattisgarh, India

Corporate Identity Number: U27102WB2000PLC091975

Registration Number: 091975

Address of the Registrar of Companies

Our Company is registered with the RoC which is situated at the following address:

Registrar of Companies, Kolkata – I at Kolkata
Corporate Bhawan,
4th Floor Plot No. IIIF/16,
in AA-IIIF Rajarhat,
New Town, Akandakeshari
Kolkata – 700 135
West Bengal, India.

Board of Directors

Our Board comprises the following Directors, as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Parmanand Agarwal	Chairman, Non-Executive and Non-Independent Director	00585415	F- 2B, 11 B.P. Road, Ballygunge, Kolkata – 700019, Ballygunge West Bengal, India
Ashish Agarwal	Managing Director	01218609	House No- 122, Las Vista, Amlidih, Raipur, - 492001 Chhattisgarh, India
Richhi Agarwal	Whole-time Director	03041292	11 Flat 2B, Ballygunge Park Road, Ballygunge, Kolkata – 700019, West Bengal, India
Bijay Kumar Agarwal	Whole-time Director	03505035	Shree Ram Hydraulics, Urdana Road, Near Dhimrapur Chowk, Raigarh – 496001, Chhattisgarh, India
Mazhar Hussain Arif	Independent Director	00095056	F-1901, Ashok Gardens, Tower 2 T.J. Road, Swan Mills Compound, Sewri West – 400015, Mumbai, India
Prem Sagar Mishra	Independent Director	07379202	Bungalow No. 1, C.M.D. Bungalow, Nehru Shatabdi Nagar, Seepat Road, Lingiyadih, Bilaspur – 495006, Chhattisgarh, India
Deepali Soni	Independent Director	06738006	House No. 136, Sapphire Greens Phase-1, Ama Seoni, Raipur - 493111, Chhattisgarh, India
Pooja Sadhwani	Independent Director	11943845	20/A Ramswarup Khettry Road, New Alipore S.O., New Alipore, Kolkata – 700053, West Bengal, India

For brief profiles and further details in relation to our Board of Directors, see "*Our Management*" on page 270.

Company Secretary and Compliance Officer

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

Himanshu Pandey
H No. 72, Shreeji V3 Balaji Greens Colony
Near Petrol Pump, Amlidih
Raipur – 492 001, Chhattisgarh, India
Tel Number: +91 62647 98833
E-mail: cs@bsstmx.com

Investor grievances

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

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

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

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

Book Running Lead Managers:

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Tel: +91 22 6807 7100
E-mail: bssponge.ipo@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Nikita Chirania
Investor Grievance ID:
customercare@icicisecurities.com
SEBI Registration No.: INM000011179

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower
Rahimtullah Sayani Road, Opposite Parel ST Depot
Prabhadevi, Mumbai 400 025
Maharashtra, India
Tel: +91 22 7193 4380
E-mail: bssponge.ipo@motilaloswal.com
Website: www.motilaloswalgroup.com
Contact person: Disha Doshi/ Nischay Marda
Investor grievance ID:
moiaplredressal@motilaloswal.com
SEBI registration no.: INM000011005

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

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Coordination
1.	Due diligence of our Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	BRLMs	I-Sec

S. No.	Activity	Responsibility	Coordination
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	I-Sec
3.	Drafting and approval of all statutory advertisements	BRLMs	I-Sec
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report (including Audio Visual Presentation)	BRLMs	Motilal
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Banks, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	Motilal
6.	Preparation of road show presentation and frequently asked questions	BRLMs	Motilal
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	BRLMs	Motilal
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule	BRLMs	I-Sec
9.	Non-Institutional marketing of the Offer, which will cover, *inter alia*: • Finalizing media, marketing and public relations strategy; and • Finalizing centres for holding conferences for brokers, etc. • Formulating marketing strategies, preparation of publicity budget;	BRLMs	Motilal
10.	Retail marketing of the Offer, which will cover, inter alia, • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres	BRLMs	I-Sec
11.	Coordination with Stock Exchanges for book building software, bidding terminals and Mock trading	BRLMs	Motilal
12.	Anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	I-Sec
13.	Managing the book and finalization of pricing in consultation with our Company	BRLMs	I-Sec
14.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI	BRLMs	Motilal

Syndicate Members

[●]

Legal Counsel to our Company as to Indian law

Trilegal
One World Centre
10th floor, Tower 2A & 2B
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4079 1000
E-mail: ipo@trilegal.com

Statutory Auditors of our Company

ARSK & Associates, Chartered Accountants
Unimark Asian
16th Floor
52/1, Shakespeare Sarani

Kolkata – 700017, India
Tel: +91(33) 4095-2000
E-mail: info@arsk.in
Firm registration number: 315082E
Peer review number: 025028

Changes in the auditors

There has been no change in the Statutory Auditors of our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

Registrar to the Offer

MUFG Intime India Private Limited (*Formerly Link Intime India Private Limited*)
C-101, Embassy 247
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Telephone: +91 810 811 4949
E-mail: bssponge.ipo@in.mpms.mufg.com
Investor grievance e-mail: bssponge.ipo@in.mpms.mufg.com
Website: www.inm.mpms.mufg.com
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Bankers to the Offer

Escrow Collection Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank(s)

[●]

Banker(s) to our Company

HDFC Bank Limited
1st Floor, Bajrang Tower
Opposite UCO Bank
New Rajendra Nagar, Raipur, CG
Contact Person: Mohit Sharda
Tel: 8839438195
E-mail: mohit.sharda1@hdfc.bank.in
Website: https://www.hdfc.bank.in/

Axis Bank Limited
Mega Wholesale Banking Centre,
1st Floor, Poojari Complex,
Near Pachpedi Naka Chowk,
Raipur – 492001, Chhattisgarh, India
Contact Person: Sushmita Patnaik/ Naveen k.Singh
Tel: 7894409190/ 9852182703/ 9022747933
E-mail:sushmita.patnaik@axis.bank.in/
MWBCRaipur.Branchhead@axis.bank.in
Website: http://www.axisbank.com/

Indian Bank
254-260 Avvai Shanmugam Salai
Royapettah
Chennai, Tamil Nadu
Contact Person: Santosh Kumar Singh/ Amit Kumar
Tel: 7070129053/8584931337
E-mail: missionrow.kolkata@indianbank.bank.in
Website: https://indianbank.bank.in/

State Bank of India
Commercial Branch
2nd Floor, Pujari Chambers
Pachpedinaka, Raipur (C.G.)
Pincode - 492001
Contact Person: Shobhit Misra
Tel: 9967789161
E-mail: amt1.08536@sbi.co.in
Website: https://www.sbi.co.in/

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services (i) in relation to ASBA (other than through UPI Mechanism) where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEB at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Syndicate SCSB Branches

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

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, the SEBI ICDR Master Circular and other applicable UPI Circulars, each applicable to the extent not rescinded by the SEBI ICDR Master Circular, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is provided in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

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

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures respectively, as updated from time to time.

Experts to the Offer

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

(i) Our Company has received written consent dated September 30, 2026, from ARSK & Associates, Chartered Accountants, with firm registration number 315082E, to include their name as required under section 26(5) of the Companies Act, read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent applicable and in their capacity as the Statutory Auditors, and in respect of (i) their examination report dated September 26, 2026 on our Restated Financial Information; and (ii) their report dated September 30, 2026, on the statement of possible special tax benefits available

to our Company and Shareholders, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated September 30, 2026, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(iii) Our Company has received written consent dated September 30, 2026, from M/s S.G. Kankani & Associates, Company Secretaries, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the practicing company secretary, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(iv) Our Company has received written consent dated September 30, 2026, from Prakash Upadhyay, independent chartered engineer (the "**ICE Certificate**"), to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered engineer, in respect of their certificate in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Monitoring Agency

Our Company will appoint a monitoring agency to monitor utilization of the Gross Proceeds, in compliance with Regulation 41 of the SEBI ICDR Regulations, prior to filing of the Red Herring Prospectus with the RoC. See "*Objects of the Offer*" on page 103.

Credit Rating

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

IPO Grading

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

Debenture Trustees

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus along with the Draft Abridged Prospectus has been uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and pursuant to the SEBI ICDR Master Circular and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure –Division of Issues and Listing –CFD*". It will also be filed with the Securities and Exchange Board of India at:

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

Filing of the Red Herring Prospectus and the Prospectus

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, would be filed with the RoC and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, would be filed with the RoC and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do. For details of the address of the RoC, see "— *Address of the Registrar of Companies*" on page 78.

Book Building Process

The Book Building Process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company, in consultation with the Book Running Lead Managers, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Bengali daily newspaper, Bengali being the regional language of West Bengal, 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 Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "*Offer Procedure*" on page 436.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks. Additionally, Retail Individual Investors shall participate through the ASBA process only using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors (subject to the Bid Amount being up to ₹ 0.20 million) and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

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

Illustration of Book Building Process and Price Discovery Process

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer. For an illustration of the Book Building Process and the price discovery process, see "*Terms of the Offer*" and "*Offer Procedure"* on pages 425 and 436, respectively.

Underwriting Agreement

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

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares :

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)

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

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

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

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

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement.

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus, with the RoC.

CAPITAL STRUCTURE

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

(in ₹, except share data)

S. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORIZED SHARE CAPITAL(1)**		
	Equity Shares comprising		
	1,000,000,000 Equity Shares of face value of ₹ 10 each.	10,000,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER#**		
	Equity Shares comprising		
	211,239,450 Equity Shares of face value of ₹ 10 each	2,112,394,500	-
C)	**OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹10 each aggregating up to 10,000 million(2)(3)	[●]	[●]
	of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹8,000.00 million(2)(4)	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹2,000 million(2)(3)	[●]	[●]
	Employee Reservation Portion of up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] million. (5)	[●]	[●]
	Net Offer of up to [●] Equity Shares of face value of ₹10 each	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹10 each#	[●]	[●]
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer		[●]

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

(1) *For details in relation to changes in the authorized Share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to the Memorandum of Association" on page 265.*

(2) *The Offer has been authorized by our Board pursuant to its resolution dated September 16, 2026, and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution dated September 16, 2026.*

(3) *Our Board has taken on record consents for the Offer for Sale by each of the Selling Shareholders pursuant to its resolution dated September 30, 2026. For details of consents received from the following Selling Shareholders for the Offer for Sale as set out below:*

S. No.	*Name of Selling Shareholder*	*Type*	*Maximum number of Equity Shares offered in the Offer for Sale*	*Date of consent letter*
1.	*Parmanand Agarwal*	*Promoter Selling Shareholder*	*Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 700 million*	*September 28, 2026*
2.	*Ashish Agarwal*	*Promoter Selling Shareholder*	*Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 600 million*	*September 28, 2026*
3.	*Sulochana Agarwal*	*Promoter Group Selling Shareholder*	*Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 700 million*	*September 28, 2026*

For further details, see "Other Regulatory and Statutory Disclosures – Authority for the Offer – Approvals from the Selling Shareholders" on page 414.

Each of the Selling Shareholders, severally and not jointly, has confirmed that the respective portion of the Offered Shares of such Selling Shareholder is eligible for being offered for sale in the Offer in accordance with Regulation 8 of the SEBI ICDR Regulations. For further details, see "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 68 and 414, respectively.

(4) *Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

(5) *The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 0.20 million (net of Employee Discount), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ 0.50 million, net of Employee Discount), shall be added to the Net Offer. Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% on the Offer Price (equivalent of ₹[●] per Equity Share) to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/ Offer Opening Date. For further details, see the sections titled "Offer Procedure" and "Offer Structure" on pages 436 and 432 respectively.*

\# *Assuming full subscription in the Offer*

Notes to capital structure

1. Share capital history of our Company

(a) Equity Share capital history

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

Date of allotment of Equity Shares	Nature of allotment	Names of allottees		Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
June 12, 2000	Initial subscription to the Memorandum of Association[(1)]	**Name**	**Number of Equity Shares**	400	10	10.00	Cash	400	4,000
		Parmeshwar Das Agarwal	100						
		Parmanand Agarwal	100						
		Radha Kishan Agarwal	100						
		Sanjay Agarwal	100						
March 30, 2002	Further issue	**Name**	**Number of Equity Shares**	16,500	10	10.00	Cash	16,900	169,000
		Parmanand Agarwal	16,500						
March 31, 2003	Further issue	**Name**	**Number of Equity Shares**	390,000	10	50.00	Cash	406,900	4,069,000
		Mira Finalease Private Limited	40,000						
		Garg Brothers Private Limited	40,000						
		Ramakant Sales & Services Private Limited	40,000						
		Greenchip Trexim Private Limited	40,000						
		Sugam Securities Private Limited	40,000						
		Oliver Niryat Private Limited	37,000						
		Hanuman Coke Plant Private Limited	30,000						
		Arrow Syntex Private Limited	30,000						
		Flexo Impex Private Limited	30,000						
		Clara Vanijya Private Limited	30,000						
		Rajnish Finvest Private Limited	23,000						
		Prerna Shares Private Limited	10,000						
March 22, 2007	Further issue	**Name**	**Number of Equity Shares**	400,000	10	10.00	Cash	806,900	8,069,000
		Sulochana Agarwal	400,000						
March 24, 2009	Bonus issue in the ratio of three Equity Shares for every one Equity Share	**Name**	**Number of Equity Shares**	2,420,700	10	N.A.	N.A.	3,227,600	32,276,000
		Parmanand Agarwal	328,800						
		Ashish Agarwal	360,900						
		Sulochana Agarwal	1,731,000						

Date of allotment of Equity Shares	Nature of allotment	Names of allottees		Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
March 30, 2009	Further issue	**Name**	**Number of Equity Shares**	167,500	10	200.00	Cash	3,395,100	33,951,000
		Nachiketa Gift-Ads Private Limited	167,500						
December 28, 2009	Further issue	**Name**	**Number of Equity Shares**	107,600	10	250.00	Cash	3,502,700	35,027,000
		Urch Traders Private Limited	27,440						
		Sun Moon Vanijya Private Limited	6,000						
		PR Niryat Private Limited	4,000						
		Goodview Agencies Private Limited	2,560						
		Nobel Consultancy Private Limited	4,000						
		Nishu Leasing & Finance Limited	3,600						
		Nachiketa Gift-Ads Private Limited	60,000						
March 28, 2011	Further issue	**Name**	**Number of Equity Shares**	129,620	10	500.00	Cash	3,632,320	36,323,200
		Sudarshan Goods Private Limited	129,620						
March 30, 2012	Further issue	**Name**	**Number of Equity Shares**	42,300	10	1,000.00	Cash	3,674,620	36,746,200
		B S Agarwal Developers Private Limited	36,300						
		Vardhman Developers Private Limited	6,000						
March 31, 2012[(2)(3)]	Further issue	**Name**	**Number of Equity Shares**	63,190	10	1,000.00	Cash	3,737,810	37,378,100
		Sudarshan Goods Private Limited	63,190						
March 31, 2014	Further issue	**Name**	**Number of Equity Shares**	956,400	10	100.00	Cash	4,694,210	46,942,100
		B. S. Agarwal Developers Private Limited	30,000						
		Florance Eng. Enterprises Limited	80,000						
		Maritime Merchants Private Limited	157,000						
		Nachiketa Gift-Ads Private Limited	226,400						
		Parampara Impex Private Limited	100,000						
		SPA Mettallicks Private Limited	110,000						
		SPA Sponge & Power Private Limited	60,000						

Date of allotment of Equity Shares	Nature of allotment	Names of allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital
		Variety Commotrade Private Limited: 193,000						
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	Parmanand Agarwal: 47,493,600 Ashish Agarwal: 73,972,800 Sulochana Agarwal: 20,152,000 Nachiketa Gift-Ads Private Limited: 61,010,840 Florance Engineering Enterprises LLP: 3,520,000 Richhi Agarwal: 220,000 Avyakt Agarwal: 88,000 Kaivalya Agarwal: 88,000	206,545,240	10	N.A.	N.A.	211,239,450	

[(1)] *Our Company was incorporated on June 12, 2000. The date of subscription to the Memorandum of Association is June 12, 2000, and the allotment of Equity Shares pursuant to such subscription was taken on record by our Board on June 12, 2000.*

(b) Preference Share capital history

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding preference shares.

Our Company is in compliance with the Companies Act, 1956 and Companies Act, 2013 and the rules made thereunder, to the extent applicable, with respect to issuance of securities from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus, as certified by M/s S.G. Kankani & Associates, Company Secretaries, pursuant to their certificate dated September 30, 2026.

2. Secondary transactions involving our Promoters, Promoter Group and the Selling Shareholders

Except as disclosed below and under "— *History of the share capital held by our Promoters*" on page 94, there has been no acquisition or transfer of Equity Shares through secondary transactions involving our Promoters, members of the Promoter Group and the Selling Shareholders, as on the date of this Draft Red Herring Prospectus:

Date of transaction	Number of securities transferred	Face value per Equity Shares (in ₹)	Price per Equity Share (in ₹)	Details of transferor(s)	Details of transferee(s)	Nature of transaction	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)
Promoter Group								
Sulochana Agarwal[#]								
March 28, 2006	30,000	10	10.00	Flexo Impex Private Limited	Sulochana Agarwal	Transfer	Cash	0.01
May 7, 2007	37,000	10	10.00	Neat & Clean Holdings Private Limited	Sulochana Agarwal	Transfer	Cash	0.02
May 7, 2007	30,000	10	10.00	Shakhi Vinimay Private Limited	Sulochana Agarwal	Transfer	Cash	0.01
May 7, 2007	40,000	10	10.00	Pickup Credit & Trading Company Private Limited.	Sulochana Agarwal	Transfer	Cash	0.02
May 7, 2007	40,000	10	10.00	Ramakant Sales &	Sulochana Agarwal	Transfer	Cash	0.02

Date of transaction	Number of securities transferred	Face value per Equity Shares (in ₹)	Price per Equity Share (in ₹)	Details of transferor(s)	Details of transferee(s)	Nature of transaction	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)
				Services Private Limited				
June 30, 2017	(650,000)	10	10.00	Sulochana Agarwal	Parmanand Agarwal	Transfer	Cash	(0.31)
June 30, 2017	(1,200,000)	10	10.00	Sulochana Agarwal	Ashish Agarwal	Transfer	Cash	(0.57)
Avyakt Agarwal								
August 31, 2026	2,000	10	N.A.	Parmanand Agarwal	Avyakt Agarwal	Transfer by way of gift	Gift	0.00
Kaivalya Agarwal								
August 31, 2026	2,000	10	N.A.	Parmanand Agarwal	Kaivalya Agarwal	Transfer by way of gift	Gift	0.00

[#] *Also a selling Shareholder*

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

Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation.

Except for the allotment of Equity Shares pursuant to the bonus issue undertaken by our Company on March 24, 2009 and September 17, 2026, as set forth below, our Company has not issued any Equity Shares for consideration other than cash or by way of a bonus issue since its incorporation as on the date of this Draft Red Herring Prospectus:

Date of allotment	Nature of allotment	Details of allottees/ Shareholders and Equity Shares allotted		Number of Equity Shares allotted	Face value per Equity Share (₹)	Offer price per Equity Share (₹)	Benefits, if any, that have accrued to our Company
March 24, 2009	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	**Name**	**No. of Equity Shares**	2,420,700	10	N.A.	Nil
		Parmanand Agarwal	328,800				
		Ashish Agarwal	360,900				
		Sulochana Agarwal	1,731,000				
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	**Name**	**Number of Equity Shares**	206,545,240	10	N.A.	Nil
		Parmanand Agarwal	47,493,600				
		Ashish Agarwal	73,972,800				
		Sulochana Agarwal	20,152,000				
		Nachiketa Gift-Ads Private Limited	61,010,840				
		Florance Engineering Enterprises LLP	3,520,000				
		Richhi Agarwal	220,000				
		Avyakt Agarwal	88,000				
		Kaivalya Agarwal	88,000				

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

Except as disclosed above in "*— Notes to Capital Structure - Share capital history of our Company*" on page 87, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

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

5. Issue of equity shares pursuant to Sections 391 to 394 of the Companies Act, 1956, or 230 to 234 of the Companies Act, 2013

As on the date of this Draft Red Herring Prospectus, our Company has not issued or allotted any equity shares pursuant to schemes of amalgamation approved under Sections 391-394 of the Companies Act, 1956, or Sections 230-234 of the Companies Act, 2013.

6. Issue of equity shares under employee stock option schemes or stock appreciation right schemes

Our Company has not issued any equity shares pursuant to any employee stock option scheme or stock appreciation right schemes since its incorporation. As on the date of this Draft Red Herring Prospectus, our Company has no employee stock option scheme or stock appreciation right schemes.

(*The remainder of this page has intentionally been left blank*)

7. Shareholding pattern of our Company

The table below presents the Shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of Shares underlying Depository Receipts (VI)	Total number of Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total number of Shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc. (XI)=(VII+X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Share capital) (XII)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XIII)		Number of Equity Shares pledged or otherwise encumbered (XIV)		Non-Disposal Undertaking (XV)		Other encumbrances, if any (XVI)		Total Number of Shares encumbered (XVII)=(XIV+XV+XVI)		Number of Equity Shares held in dematerialized form (XVIII)
								Number of voting rights			Total as a % of (A+B+C)				Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class (Equity Shares)	Class (Others)	Total																
(A)	Promoter and Promoter Group	8	211,239,450	-	-	211,239,450	100.00%	1	-	1	100.00	N.A.	N.A.	-	N.A.	N.A.	N.A.	N.A.	-	-	-	-	-	-	211,239,450
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C+C1+C2)	**8**	211,239,450	-	-	211,239,450	100.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211,239,450

8. Other details of Shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has eight holders of Equity Shares. Further, our Company is in compliance with applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and has not made any allotment(s) to an aggregate of more than 200 allottees in a financial year, since its incorporation.

9. Details of Shares held by our Directors, Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Directors or Key Managerial Personnel and Senior Management hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name	Designation	No. of Equity Shares held	Pre-Offer (%)	Post-Offer (%)*
1.	Ashish Agarwal	Managing Director	75,654,000	35.81	[●]
2.	Parmanand Agarwal	Chairman, Non-Executive and Non-Independent Director	48,573,000	22.99	[●]
3.	Richhi Agarwal	Whole-time Director	225,000	0.11	[●]
Total			**124,452,000**	**58.91**	**[●]**

** Subject to finalisation of Basis of Allotment.*

10. Details of Equity Shareholding of the major Shareholders of our Company

(a) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, as on the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held*	Percentage of the pre-Offer Equity Share capital (%)
1.	Ashish Agarwal	75,654,000	35.81
2.	Nachiketa Gift-Ads Private Limited	62,397,450	29.54
3.	Parmanand Agarwal	48,573,000	22.99
4.	Sulochana Agarwal	20,610,000	9.76
5.	Florance Engineering Enterprises LLP	3,600,000	1.71
	Total	**210,834,450**	**99.81**

** As per the beneficiary position statement dated September 25, 2026.*

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held*	Percentage of the pre-Offer Equity Share capital (%)
1.	Ashish Agarwal	75,654,000	35.81
2.	Nachiketa Gift-Ads Private Limited	62,397,450	29.54
3.	Parmanand Agarwal	48,573,000	22.99
4.	Sulochana Agarwal	20,610,000	9.76
5.	Florance Engineering Enterprises LLP	3,600,000	1.71
	Total	**210,834,450**	**99.81**

** As per the beneficiary position statement dated September 18, 2026.*

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

S. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held*	Percentage of the pre-Offer Equity Share capital (%)
1.	Ashish Agarwal	1,681,200	35.81
2.	Nachiketa Gift-Ads Private Limited	1,386,610	29.54
3.	Parmanand Agarwal	1,088,400	23.19
4.	Sulochana Agarwal	458,000	9.75
5.	Florance Engineering Enterprises LLP	80,000	1.71
	Total	**4,694,210**	**100.00**

** As per the beneficiary position statement dated September 26, 2025.*

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

S. No.	Name of the Shareholder	Number of Equity Shares of face value of ₹ 10 each held*	Percentage of the pre-Offer Equity Share capital (%)
1.	Ashish Agarwal	1,681,200	35.81
2.	Nachiketa Gift-Ads Private Limited	1,386,610	29.54
3.	Parmanand Agarwal	1,088,400	23.19
4.	Sulochana Agarwal	458,000	9.75
5.	Florance Engineering Enterprises LLP	80,000	1.71
	Total	**4,694,210**	**100.00**

** As per the beneficiary position statement dated September 28, 2024.*

11. Aggregate pre-Offer shareholding as at the date of this Draft Red Herring Prospectus and post-Offer shareholding as at Allotment of our Promoters, members of the Promoter Group and top 10 Shareholders of our Company

The pre-Offer shareholding as at the date of this Draft Red Herring Prospectus and post-Offer shareholding as at Allotment, of our Promoter, members of our Promoter Group and the additional top 10 Shareholders (excluding our Promoter and members of our Promoter Group) is set out below:

Name of the Shareholder	Pre-Offer Equity Share capital[#]		Post-Offer Equity Share capital *^	
	Number of Equity Shares of face value of ₹ 10 each	% of total Shareholding	Number of Equity Shares of face value of ₹ 10 each	% of total Shareholding
Promoters				
Ashish Agarwal	75,654,000	35.81	[●]	[●]
Nachiketa Gift-Ads Private Limited	62,397,450	29.54	[●]	[●]
Parmanand Agarwal	48,573,000	22.99	[●]	[●]
Bijay Kumar Agarwal	Nil	Nil	[●]	[●]
Richhi Agarwal	225,000	0.11	[●]	[●]
Total	**186,849,450**	**88.45**	[●]	[●]
Promoter Group (Other than the Promoters)				
Sulochana Agarwal	20,610,000	9.76	[●]	[●]
Florance Engineering Enterprises LLP	3,600,000	1.71	[●]	[●]
Avyakt Agarwal	90,000	0.04	[●]	[●]
Kaivalya Agarwal	90,000	0.04	[●]	[●]
Total	**24,390,000**	**11.55**	**[●]**	**[●]**
Additional top 10 Shareholders				
Nil	Nil	Nil	[●]	[●]
Other public Shareholders				
Other public shareholders**	Nil	Nil	[●]	[●]
Total	**211,239,450**	**100.00**	**[●]**	**[●]**

** The post-Offer shareholding shall be updated in the Prospectus. It includes any transfer of Equity Shares by existing Shareholders prior to the date of the Prospectus.*

*** As per the beneficiary position statement dated September 25, 2026.*

^ Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Also, this table assumes there is no transfer of Equity Shares by the above-mentioned shareholders between the date of the Price Band advertisement and Allotment (if any such transfers occur prior to the date of the Prospectus, it will be updated in the shareholding pattern in the Prospectus.

12. History of the share capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 186,849,450 Equity Shares, equivalent to 88.45% of the issued, subscribed and paid-up Equity Share capital of our Company.

The build-up of the Equity Shareholding of our Promoters since incorporation of our Company is set forth in the table below:

Date of allotment/ transfer/acquisition of Equity Shares	Nature of transaction	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
Parmanand Agarwal							
June 12, 2000	Initial subscription to the	100	10	10.00	Cash	0.00	[●]

Date of allotment/ transfer/acquisition of Equity Shares	Nature of transaction	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
	Memorandum of Association						
March 30, 2002	Further issue	16,500	10	10.00	Cash	0.01	[●]
March 28, 2006	Transfer of 23,000 Equity Shares from Rajnish Finvest Private Limited	23,000	10	10.00	Cash	0.01	[●]
March 28, 2006	Transfer of 30,000 Equity Shares from Hanuman Coke Plant Private Limited	30,000	10	10.00	Cash	0.01	[●]
May 7, 2007	Transfer of 40,000 Equity Shares from Greenchip Trexim Private Limited	40,000	10	10.00	Cash	0.02	[●]
March 24, 2009	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	328,800	10	N.A.	N.A.	0.15	[●]
June 30, 2017	Transfer of 650,000 Shares from Sulochana Agarwal	650,000	10	10.00	Cash	0.31	[●]
August 25, 2026	Transfer to Richhi Agarwal by way of a gift.	(5000)	10	N.A.	Gift	0.00	[●]
August 31, 2026	Transfer to Avyakt Agarwal by way of a gift.	(2000)	10	N.A.	Gift	0.00	[●]
August 31, 2026	Transfer to Kaivalya Agarwal by way of a gift.	(2000)	10	N.A.	Gift	0.00	[●]
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	47,493,600	10	N.A.	N.A.	22.48	[●]
Total		**48,573,000**				**22.99**	[●]
Ashish Agarwal							
March 28, 2006	Transfer of 40,000 Equity Shares from Mira Finalease Private Limited	40,000	10	10.00	Cash	0.02	[●]
March 30, 2007	Transfer of 10,000 Equity Shares from Prerna Shares Private Limited and 40,000 Equity Shares from Garg Brothers Private Limited	50,000	10	10.00	Cash	0.02	[●]
May 7, 2007	Transfer of 30,000 Equity Shares from Arrow Syntex Private Limited	30,000	10	10.00	Cash	0.01	[●]
May 7, 2007	Transfer of 100 equity shares from Sanjay Agarwal	100	10	10.00	Cash	0.00	[●]
May 7, 2007	Transfer of 100 equity shares from	100	10	10.00	Cash	0.00	[●]

Date of allotment/ transfer/acquisition of Equity Shares	Nature of transaction	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
	Parmeshwar Das Agarwal						
May 7, 2007	Transfer of 100 equity shares from Radha Kishan Agarwal	100	10	10.00	Cash	0.00	[●]
March 24, 2009	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	360,900	10	N.A.	N.A.	0.17	[●]
June 30, 2017	Transfer from Sulochana Agarwal	1,200,000	10	10.00	Cash	0.57	[●]
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	73,972,800	10	N.A.	N.A.	35.02	[●]
Total		**75,654,000**				**35.81**	[●]
***Bijay Kumar Agarwal*[#]**							
N.A.	N.A.	Nil	Nil	Nil	N.A.	Nil	N.A.
Richhi Agarwal							
August 25, 2026	Transfer from Parmanand Agarwal by way of a gift.	5,000	10	N.A.	Gift	0.00	[●]
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	220,000	10	N.A.	N.A.	0.11	[●]
Total		**225,000**				**0.11**	[●]
Nachiketa Gift-Ads Private Limited							
March 30, 2009	Further Issue	167,500	10	200.00	Cash	0.08	[●]
December 28, 2009	Further Issue	60,000	10	250.00	Cash	0.03	[●]
March 31, 2014	Further Issue	226,400	10	100.00	Cash	0.11	[●]
May 15, 2017	Transfer of 60,000 Equity Shares from SPA Sponge & Power Private Limited	60,000	10	10.00	Cash	0.03	[●]
May 15, 2017	Transfer of 110,000 Equity Shares from SPA Metallicks Private Limited	110,000	10	10.00	Cash	0.05	[●]
May 15, 2017	Transfer of 93,740 Equity Shares from B.S. Agarwal Developers Private Limited	93,740	10	10.00	Cash	0.04	[●]
December 1, 2018[(1)]	Transfer from Variety Commotrade Private Limited pursuant to scheme of amalgamation	193,000	10	35.11*[*]	Other than cash	0.09	[●]
December 1, 2018[(1)]	Transfer from Parampara Impex Private Limited	114,600	10	35.11*[*]	Other than cash	0.06	[●]

Date of allotment/ transfer/acquisition of Equity Shares	Nature of transaction	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Offer price/ transfer price per Equity Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post-Offer Equity Share capital (%)
	pursuant to scheme of amalgamation						
December 1, 2018[(1)]	Transfer from Maritime Merchants Private Limited pursuant to scheme of amalgamation	134,900	10	35.11**	Other than cash	0.06	[●]
December 1, 2018[(1)]	Transfer from Vardhaman Developers Private Limited pursuant to scheme of amalgamation	33,660	10	35.11**	Other than cash	0.02	[●]
December 26, 2023[(2)]	Transfer of Equity Shares from Sudarshan Goods Private Limited pursuant to scheme of amalgamation	192,810	10	325.47**	Other than cash	0.09	[●]
September 17, 2026	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share held	61,010,840	10	N.A.	N.A.	28.88	[●]
Total		**62,397,450**				**29.54**	[●]
Total Shares held by our Promoters		**186,849,450**				**88.45**	[●]

[#] Bijay Kumar Agarwal, one of the Promoters of our Company, does not hold any Equity Shares as on date of this Draft Red Herring Prospectus.

*** The aforesaid shares have been transferred in the name of Nachiketa Gifts-Ad Private Limited pursuant to the Scheme of Amalgamation, by operation of law. The consideration in respect of such shares had been paid by the respective transferor companies at the time of their original acquisition of the said shares.*

[(1)] Pursuant to the NCLT, Kolkata Bench order dated November 1, 2018, the scheme of amalgamation of Maritime Merchants Private Limited, Parampara Impex Private Limited, Vardhaman Developers Private Limited, Variety Commotrade Private Limited and other parties with Nachiketa Gift-Ads Private Limited was sanctioned and the assets, liabilities and obligations (including the Equity Shares of our Company held by such companies) of such companies were vested in Nachiketa Gift-Ads Private Limited against issue of its equity shares of Nachiketa Gift-Ads Private Limited to their shareholders in the agreed exchange ratios.

[(2)] Pursuant to the NCLT, Kolkata Bench order dated December 20, 2023, the scheme of amalgamation of Sudarshan Goods Private Limited with Nachiketa Gift-Ads Private Limited was sanctioned and, the assets, liabilities and obligations of Sudarshan Goods Private Limited (including shares of the Company held by it) vested in Nachiketa Gift-Ads Private Limited against issue of equity shares of Nachiketa Gift-Ads Private Limited to the shareholders of Sudarshan Goods Private Limited.

13. All Equity Shares held by our Promoters, Promoter Group and Directors are in dematerialized form as on the date of this Draft Red Herring Prospectus.

14. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares.

15. Except as disclosed in "*— History of the share capital held by our Promoters*" and "*— Secondary transactions involving our Promoters, Promoter Group and the Selling Shareholders*" on pages 94 and 90, respectively, none of the members of our Promoter Group, our Promoters and/or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

17. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

18. Details of price at which specified securities of our Company were acquired in the last three years preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, there have been no specified securities that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other special rights:

Name of acquirer/shareholder	Promoter/ Promoter Group/ Selling Shareholders/ Shareholder(s) with nominee director rights or other rights	Date of acquisition	Number of Equity Shares Acquired	Acquisition price per Equity Share (in ₹)	Nature of the transaction
Parmanand Agarwal	Promoter*	September 17, 2026	47,493,600	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Ashish Agarwal	Promoter*	September 17, 2026	73,972,800	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Nachiketa Gift-Ads Private Limited	Promoter	September 17, 2026	61,010,840	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Richhi Agarwal	Promoter	September 17, 2026	220,000	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Avyakt Agarwal	Promoter Group	September 17, 2026	88,000	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Kaivalya Agarwal	Promoter Group	September 17, 2026	88,000	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Florance Engineering Enterprises LLP	Promoter Group	September 17, 2026	3,520,000	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Sulochana Agarwal	Promoter Group*	September 17, 2026	20,152,000	N.A.	Bonus issue in the ratio of forty-four Equity Shares for every one Equity Share
Richhi Agarwal	Promoter	August 25, 2026	5,000	N.A.	Transfer from Parmanand Agarwal by way of gift
Avyakt Agarwal	Promoter Group	August 31, 2026	2,000	N.A.	Transfer from Parmanand Agarwal by way of gift
Kaivalya Agarwal	Promoter Group	August 31, 2026	2,000	N.A.	Transfer from Parmanand Agarwal by way of gift
Nachiketa Gift-Ads Private Limited#	Promoter	December 26, 2023	192,810	325.47**	Transfer of equity shares from Sudarshan Goods Private Limited pursuant to scheme of amalgamation#

As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.

** Also a Selling Shareholder*

*** The aforesaid shares have been transferred in the name of Nachiketa Gifts-Ad Private Limited pursuant to the Scheme of Amalgamation, by operation of law. The consideration in respect of such shares had been paid by the transferor company at the time of their original acquisition of the said shares.*

Pursuant to the NCLT, Kolkata Bench order dated December 20, 2023, the scheme of amalgamation of Sudarshan Goods Private Limited with Nachiketa Gift-Ads Private Limited was sanctioned and, the assets, liabilities and obligations of Sudarshan Goods Private Limited (including shares of the Company held by it) vested in Nachiketa Gift-Ads Private Limited against issue of equity shares of Nachiketa Gift-Ads Private Limited to the shareholders of Sudarshan Goods Private Limited.

None of the Shareholders of our Company have the right to nominate directors or any other rights, as on the date of this Draft Red Herring Prospectus.

19. Weighted average cost of acquisition at which the specified securities were acquired by our Promoters and Selling Shareholders as on date of this Draft Red Herring Prospectus, within one year preceding the date of this Draft Red Herring Prospectus and within three years preceding the date of this Draft Red Herring Prospectus

The weighted average cost of acquisition at which the Equity Shares were acquired by our Promoters and Selling Shareholders, as on date of this Draft Red Herring Prospectus, within one year preceding the date of this Draft Red Herring Prospectus and within three years preceding the date of this Draft Red Herring Prospectus, is as follows:

Name of the Shareholder	Number of Equity Shares held as of the date of this Draft Red Herring Prospectus	Weighted average cost of acquisition ("WACA") of Equity Shares of face value of ₹10 each	WACA of Equity Shares face value of ₹10 each (in ₹ per Equity Share) acquired in last one year	WACA of Equity Shares face value of ₹10 each (in ₹ per Equity Share) acquired in last three years
Promoters				
Parmanand Agarwal*	4,85,73,000	0.15	Nil	Nil
Ashish Agarwal*	7,56,54,000	0.17	Nil	Nil
Nachiketa Gifts-Ads Private Limited	6,23,97,450	2.46	Nil	1.03
Richhi Agarwal	2,25,000	Nil	Nil	Nil
Bijay Kumar Agarwal	Nil	Nil	Nil	Nil
Selling Shareholders				
Sulochana Agarwal*	2,06,10,000	Nil	Nil	Nil

As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.
** Also a Selling Shareholder.*

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

Period	Weighted average cost of acquisition (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition (1)	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Draft Red Herring Prospectus	Nil	[●]	Nil
Last 18 months preceding the date of this Draft Red Herring Prospectus	Nil	[●]	Nil
Last three years preceding the date of this Draft Red Herring Prospectus	0.30	[●]	0.00-10

** As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*
(1) To be updated at the time of filing the Prospectus

21. Details *of Promoters' contribution and lock-in*

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

Details of the Equity Shares to be locked-in for three years from the date of Allotment, and such other period as may be prescribed by SEBI ICDR Regulations, as Promoters' Contribution are set forth in the table below:

Name of our Promoters	Date of allotment of the Equity Shares	Nature of transaction	Number of Equity Shares of face value of ₹ 10 each	Face value per Equity Share (₹)	Offer/ acquisition price per Equity Share (₹)	Number of Equity Shares of face value of ₹ 10 each locked-in*	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						[●]	[●]	

Note: To be updated at the Prospectus stage.
** Subject to finalisation of Basis of Allotment.*

Our Promoters have given their consent to include such number of Equity Shares held by them as disclosed above, constituting 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or

for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not, and will not, be ineligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the equity share capital held by our Promoters, see *"– Build-up of our Promoters' shareholding in our Company (including the Promoter Selling Shareholders)*" on page 95.

In this connection, we confirm the following:

The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoters' Contribution;

i The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

ii The Equity Shares offered for Promoters' Contribution shall not consist of Equity Shares held by our Promoters that are subject to any pledge or any other form of encumbrance;

iii While our Company has been formed pursuant to conversion of a limited liability partnership firm into a company, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm; and

iv All the Equity shares held by our Promoters and offered as part of the minimum Promoters' Contribution are not subject to pledge or any other form of encumbrance.

22. *Details of other Equity Shares locked- in for six months*

In terms of Regulation 17 of the SEBI ICDR Regulations, in addition to the Promoters' Contribution and any Equity Shares held by our Promoters in excess of Promoter's Contribution, which shall be locked in as above, and the Offered Shares successfully transferred by the Promoter Selling Shareholders pursuant to the Offer for Sale, the entire pre-Offer Equity Share capital of our Company, shall, unless otherwise permitted under the SEBI ICDR Regulations, be locked in for a period of six months from the date of Allotment in the Offer. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholder, and such shareholders hold, individually or with persons acting in concert, less than 20% of pre-Offer Equity Share capital of the Company (on a fully diluted basis).

Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.Further, in the event lock-in of Equity Shares as per Regulation 17(1) of the SEBI ICDR Regulations cannot be created, the depositories shall, upon receipt of instructions from our Company, record such Equity Shares as "non-transferable" for the duration of the applicable lock-in period.

Other requirements in respect of lock-in:

Pursuant to Regulation 20 of the SEBI ICDR Regulations, details of locked-in Equity Shares will be recorded by relevant depositories.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoters or any member of our Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoters and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the provisions of the Takeover Regulations.

In terms of Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public

financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

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

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in in the following manner: There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and such other period as may be prescribed by SEBI ICDR Regulations, and such other period as may be prescribed by SEBI ICDR Regulations, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and such other period as may be prescribed by SEBI ICDR Regulations, and such other period as may be prescribed by SEBI ICDR Regulations.

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

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

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

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

(a) With respect to the Equity Shares locked-in as Promoters' Contribution for three years from the date of Allotment, and such other period as may be prescribed by SEBI ICDR Regulations, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer.

(b) With respect to the Equity Shares locked-in for one year from the date of Allotment, and such other period as may be prescribed by SEBI ICDR Regulations, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

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

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

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

26. Our Company, the Promoters, the Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

27. There are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus Equity Shares to be issued pursuant to the Offer shall be fully paid-up at the time of Allotment.

28. As on the date of this Draft Red Herring Prospectus, none of the BRLMs or their respective associates hold any Equity Shares. Further, none of the investors of our Company are directly or indirectly related with the BRLMs and their associates. The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company and its respective directors and officers, partners, trustees, affiliates, associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and each of its respective directors and officers, partners, trustees, affiliates, associates or third parties, for which they have received, and may in the future receive,

compensation. Further, as on the date of this Draft Red Herring Prospectus, none of the BRLMs are the associates of our Company as defined in the Securities and Exchange Board of India (Merchant Bankers Regulations), 1992, as amended.

29. Except to the extent of sale of the Offered Shares in the Offer for Sale by the Promoter Selling Shareholder, none of our Promoters or the members of our Promoter Group will participate in the Offer nor receive any proceeds from the Offer.

30. Our Company has not granted any employee stock option plan, employee stock appreciation rights or any employee stock purchase scheme, as on the date of this Draft Red Herring Prospectus.

31. Except as disclosed in " *– Details of Shares held by our Directors, Key Managerial Personnel and Senior Management*" on page 93, none of our Directors, Key Managerial Personnel or Senior Management, hold any Equity Shares in our Company.

32. Except for the issuance of Equity Shares pursuant to (i) the Pre-IPO Placement; and (ii) the Offer, there will be no further issue of Equity Shares whether by way of issue of bonus Shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

33. Our Company shall ensure that all transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

34. The BRLMs and any associates of the BRLMs and their respective associates (except for Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs which are sponsored by entities that are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associate of the BRLMs) shall not apply in the Offer under the Anchor Investor Portion. Further, no person related to our Promoter or members of our Promoter Group shall apply in the Offer under the Anchor Investor Portion.

35. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.

36. Except to the extent of the Offered Shares by the Selling Shareholders, none of the Promoters and members of our Promoter Group will participate in the Offer nor receive any proceeds from the Offer.

37. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

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

39. Except for the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, there is no proposal or intention or negotiations or consideration by our Company to alter our 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 issue or further public offer of specified securities within a period of six months from the Bid/ Offer Opening Date.

40. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

SECTION IV – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and an Offer for Sale by the Selling Shareholders. For further details, see "*The Offer*" on page 68.

Offer for Sale

Each of the Selling Shareholders shall be entitled to their respective portion of the proceeds of the Offer for Sale, in proportion to the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale, after deducting their proportion of Offer-related expenses and relevant taxes thereon, as applicable. For further details on Offer-related expenses, see "*– Offer-related expenses*" on page 110. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

The Fresh Issue

The details of the proceeds of the Fresh Issue are summarized in the table below:

(in ₹ million)

Particulars	Estimated amount
Gross proceeds of the Fresh Issue[(1)^]	Up to 8,000.00
(Less) Offer expenses in relation to the Fresh Issue[(2)(3)]	[●]
Net Proceeds[(3)]	**[●]**

^ *Subject to full subscription of the Fresh Issue.*

(1) Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

(2) For details see, "— Offer related expenses" on page 110.

(3) To be determined after finalization of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company; and

2. General corporate purposes.

(together, the "**Objects**")

Further, our Company expects to receive the benefits of listing the Equity Shares on the Stock Exchanges, including enhancement of our brand image among our existing and potential customers and creation of a public market for the Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us to undertake (i) our existing business activities; and (ii) the activities for which loan facilities were raised and which are proposed to be prepaid or repaid from the Net Proceeds and (iii) the activities for which the funds are earmarked for general corporate purposes.

Requirement of funds and utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided hereunder:

Particulars	Estimated amount (*in ₹ million*)
Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company	6,500.00
General corporate purposes[(1)(2)]	[●]
Net Proceeds[(3)]	[●]

(1) The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

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

(3) Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus

Proposed schedule for implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(in ₹ million)

Particulars	Amount proposed to be funded from Net Proceeds[(2)]	Estimated utilisation of the Net Proceeds[(1)]
		Fiscal 2027
Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company	6,500.00	6,500.00
General corporate purposes[(1)]	[●]	[●]
Total[(2)]	[●]	[●]

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

(2) Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Pursuant to a resolution dated September 30, 2026, passed by our Board, our Company has approved the utilisation of the Net Proceeds for the Objects, in accordance with the aforementioned schedule of implementation and deployment.

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time, and the certificate dated September 30, 2026, from the Statutory Auditors of our Company, certifying the utilization of all or certain borrowings that are proposed to be repaid/pre-paid out of the Net Proceeds of our Company, for the purposes of such borrowings. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, access to capital, competition and interest rates and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the schedule of the planned repayment/ prepayment of loans at the discretion of our management, subject to compliance with applicable laws. For further details, see "*Risk Factors – The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations. Further, any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.*" on page 46.

Subject to applicable law, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met due to the reasons stated above, such funds shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable law. In case the actual utilisation towards full or partial repayment or prepayment of certain borrowings availed by our Company is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes does not exceed 25% of the Gross Proceeds from the Offer, subject to compliance with applicable law.

Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. Any such change in our plans may require rescheduling of deployment schedule our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Means of Finance

As the entire requirement of funds for the Objects of the Offer are proposed to be met from the Net Proceeds, we confirm that there is no requirement to make firm arrangements of finance towards at least 75% of the stated means of finance through verifiable means, excluding the amount to be raised through the Offer. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 7(1)(e) of the SEBI ICDR Regulations.

Details of the Objects of the Fresh Issue

1. Repayment/ pre-payment, in full or in part, of all or certain outstanding borrowings and accrued interest thereon availed by our Company

Our Company has entered into various borrowing arrangements from time to time with banks, financial institutions and other entities, in the form of term loans, vehicle loans and working capital loans, including fund based and non-fund based borrowings. As at July 31, 2026, we had total borrowings of ₹ 8,595.07 million, which includes fund based borrowings and accrued interest on borrowings. For further details, see "*Financial Indebtedness*" on page 402.

We propose to utilise an estimated amount of up to ₹6,500.00 million from the Net Proceeds towards full or partial repayment or prepayment of all or certain borrowings availed by our Company and/or payment of accrued interest thereon, comprising 75.62% of our total borrowings, as of July 31, 2026. The repayment/ prepayment will help our Company reduce outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio, reduce our interest outflow and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion. We believe that owing to improvement in our debt-equity ratio we will be able to raise additional funds/ capital at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed is at the discretion of the Board and has been based on various factors, including (i) costs, expenses and charges relating to the facility including interest rates involved; (ii) ease of operation of the facility; (iii) levy of any prepayment or repayment penalties and the quantum thereof, if any; (iv) provisions of any law, rules, regulations governing such borrowings; (v) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, if any; (vi) mix of credit facilities provided by lenders; (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan and (viii) receipt of consents for prepayment or repayment from respective lenders as required under financing documents.

Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such prepayment penalties or premiums, such excessive amount shall be met from our internal accruals. Owing to the nature of our business, we may avail additional facilities or repay certain instalments of our borrowings after the filing of this Draft Red Herring Prospectus. Accordingly, we may choose to repay/ prepay certain borrowings and accrued interest thereon availed by our Company other than those identified in the table below, which may include additional borrowings and accrued interest thereon availed after the filing of this Draft Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment/ prepayment, the aggregate outstanding borrowing amounts may vary from time to time and our Company may, in accordance with the relevant repayment schedule, prepay and/or repay or refinance some of its existing borrowings from one or more financial institutions in the ordinary course of business, prior to filing of the Red Herring Prospectus. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. In light of the above, if at the time of filing of the Red Herring Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which

have been availed by us. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of outstanding borrowings and accrued interest thereon availed by our Company (including refinanced or additional borrowings and accrued interest thereon availed, if any, or otherwise), in part or in full, would not exceed ₹ 6,500.00 million.

The details of the outstanding loans and accrued interest thereon availed by our Company as of July 31, 2026, proposed to be repaid or prepaid, in full or in part, from the Net Proceeds for an aggregate amount of ₹ 6,500.00 million (pursuant to the criteria set out above) are set forth below:

(*The remainder of this page has intentionally been left blank*)

S. No.	Name of the lender	Date of latest sanction letter/ renewal of loans	Nature of borrowing	Principal amount sanctioned as of July 31, 2026 *(in ₹ millions)*	Amount outstanding as on July 31, 2026 (including interest accrued and due) *(in ₹ millions)*	Rate of interest as on July 31, 2026	Prepayment conditions/ penalty	Tenure	Repayment schedule	Purpose of the borrowing	Whether funds were utilised for the purpose for which they were availed
1.	HDFC Bank	November 6, 2021	Term loan	300.00	171.79	7.50% p.a.	Nil	96 months	30 quarterly instalments starting from September 2022, and ending in December 2029	Capital expenditure for installation of 10MW power plant	Yes
2.	HDFC Bank	February 21, 2022	Term loan	50.60	21.08	7.50% p.a.	Nil	72 months	48 equal monthly instalments starting from April 2024, and ending in March 2028	To augment working capital requirement to enable business unit to meet operating liabilities & restart/ increase operations	Yes
3.	HDFC Bank	June 26, 2024	Term loan	800.00	705.43	7.50% p.a.	Up to 2% of the loan outstanding	117 months	35 quarterly instalments starting from September 2025, and ending in March 2034	Capital expenditure for expansion of sponge iron plant	Yes
4.	HDFC Bank	August 26, 2025	Term loan	1,000.00	999.53	7.25% p.a.	Up to 2% of the loan outstanding	120 months	32 quarterly instalments starting from December 2027, and ending in September 2035	Capital expenditure for induction furnace and wire rod mill	Yes
5.	HDFC Bank	March 23, 2026	Working capital loan (Cash credit/working capital demand loan)	Cash credit - 460.00 Working capital demand loan - 690.00	Cash credit - 245.17 Working capital demand loan – 690.00	Cash credit - 8.00% p.a. Working capital demand loan – 7.50% p.a.	Up to 2% of Sanctioned amount	Cash credit - 12 months Working capital demand loan – 90 days	Repayable on demand	Working capital	Yes
6.	HDFC Bank	January 3, 2023	Term loan	700.00	601.42	7.50% p.a.	Nil	120 months	31 quarterly instalments starting from March 2025, and ending in September 2032	Capital expenditure for (i) 2 Kiln (DRI Plant), (ii). Induction furnace (2*15MT each), (iii). Ferro (1* 9MVA) (iv). Captive power plant (20 MW)	Yes
7.	State Bank of India	January 20, 2023	Term loan	900.00	795.78	8.70% p.a.	2% of pre-paid amount (Exempt if loan is prepaid using surplus cash	10 years	31 quarterly instalments starting from March 2025, and ending in September 2032		Yes

S. No.	Name of the lender	Date of latest sanction letter/ renewal of loans	Nature of borrowing	Principal amount sanctioned as of July 31, 2026 *(in ₹ millions)*	Amount outstanding as on July 31, 2026 (including interest accrued and due) *(in ₹ millions)*	Rate of interest as on July 31, 2026	Prepayment conditions/ penalty	Tenure	Repayment schedule	Purpose of the borrowing	Whether funds were utilised for the purpose for which they were availed
							generated by the project itself.)				
8.	State Bank of India	January 23, 2026	Cash credit	320.00	145.06	8.70% p.a.	2% of the outstanding amount being taken over	12 months	Repayable on demand	Working capital	Yes
9.	Axis Bank	February 11, 2022	Term loan	220.00	117.22	8.75% p.a.	2% of the loan outstanding	8 years	32 equal quarterly instalments starting from October 2022, and ending in July 2030	Capital expenditure for installation of strip mill 1,65,000 TPA	Yes
10.	Axis Bank	June 11, 2024	Term loan	240.00	240.85	8.80% p.a.	Nil	10 years	90 monthly instalments starting from July 2026, and ending in December 2033	Installation of ferro alloys capacity by 15,000 TPA and fresh installation of pipe mill of capacity 1,20,000 TPA	Yes
11.	Axis Bank	July 27, 2026	Working capital loan (Cash credit/working capital demand loan)	Cash credit - 60.00 Working capital demand loan - 220.00	Cash credit - 39.38 Working capital demand loan - 220.00	Cash credit - 8.00% p.a. Working capital demand loan - 7.95% p.a.	2% on entire working capital limit	Cash credit - 12 months Working capital demand loan – Minimum 7 and maximum180 Days	Repayable on demand	Working capital	Yes
12.	Indian Bank	November 5, 2019	Term loan	130.00	16.15	9.00% p.a.	Nil	7 years 9 months	Principal amount to be repaid in 25 quarterly installments starting from April 2021, and ending in June 2027	Capital expenditure for hot charged rolling mills having capacity of 1,05,000 TPA	Yes
13.	Indian Bank	May 27, 2022	Term loan	680.00	524.79	9.15% p.a.	Nil	9 years 9 months	Principal amount to be repaid in 32 quarterly instalments starting	Capital expenditure for installation of 2 DRI Kiln having capacity of 1,65,000 TPA	Yes

S. No.	Name of the lender	Date of latest sanction letter/ renewal of loans	Nature of borrowing	Principal amount sanctioned as of July 31, 2026 *(in ₹ millions)*	Amount outstanding as on July 31, 2026 (including interest accrued and due) *(in ₹ millions)*	Rate of interest as on July 31, 2026	Prepayment conditions/ penalty	Tenure	Repayment schedule	Purpose of the borrowing	Whether funds were utilised for the purpose for which they were availed
									from January 2024, and ending in December 2031		
14.	Indian Bank	October 15, 2024	Term loan	580.00	580.90	8.85% p.a.	Nil	7 years	21 quarterly installments starting from October 2026, and ending in January 2032	Capital expenditure for captive power plant from existing 38 MW to 48 MW (expansion by 10 MW)	Yes
15.	Indian Bank	December 15, 2025	Working capital loan (Cash credit/working capital demand loan)	Cash credit - 400.00 Working capital demand loan - 600.00	Cash credit - 179.59 Working capital demand loan - 604.00	Cash credit - 9.00% p.a. Working capital demand loan - 7.85% p.a.	Nil	Cash credit - 12 months Working capital demand loan - 12 months	Repayable on demand	Working capital	Yes
16.	Indian Bank	December 15, 2025	Term loan	540.00	542.83	8.90% p.a.	Nil	10 years	32 quarterly installments starting from March 2028, and ending in December 2035	Part financing of capacity expansion of captive power plant by 15 MW	Yes
Total				**8,890.60**	**7,440.96**						

As certified by ARSK & Associates, Chartered Accountants, with firm registration number 315082E, the Statutory Auditors of our Company, pursuant to their certificate dated September 30, 2026.

For details in relation to the borrowings availed by our Company, see "*Financial Indebtedness*" on page 402.

There has neither been any delays or defaults by us in relation to the above-mentioned borrowings intended to be repaid/ prepaid using the Net Proceeds nor has there been any rescheduling/ restructuring of such borrowings.

For the purposes of the Offer, our Company has intimated and has obtained necessary consents from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Offer, including consequent actions, such as change in the capital structure, change in shareholding pattern of our Company, amendment to the Articles of Association of our Company, etc. For further details, please see "*Risk Factors – Our financing arrangements contain restrictive covenants. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry including our plans for expansion and diversification*." and "*Financial Indebtedness*" on page 36 and 402, respectively.

2. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹ [●] million[*] towards general corporate purposes and the business requirements of our Company as approved by our Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds from the Offer, in compliance with the SEBI ICDR Regulations.

[*] *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation:

(1) funding business development, strategic initiatives and growth opportunities;

(2) strengthening marketing capabilities and brand building exercises;

(3) funding capital expenditure towards maintenance and/or upkeep of our Manufacturing Facility;

(4) meeting corporate contingencies and expenses incurred in ordinary course of business;

(5) funding working capital requirements and/or business requirements of our Company; and

(6) any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. In addition to the above, our Company may utilise the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such remaining amount(s) in the next Fiscal.

Our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel and Senior Management do not have any interest in the proposed investment to be made by our Company.

Offer-related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million.

Other than the (i) listing fees, audit fees (to the extent not attributable to the Offer), and expenses for any product or corporate advertisements consistent with past practice of our Company (other than the expenses relating to marketing and advertisements in connection with the Offer) and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, which will be borne by our Company, and (ii) fees and expenses for the legal counsel to each of the Selling Shareholders, which shall be borne solely by the respective Selling Shareholders, all costs, charges, fees and expenses associated with and incurred in connection with the Offer, including Offer advertising, printing, road show expenses, accommodation and travel expenses, stamp, transfer, issuance, documentary, registration, costs for execution and enforcement of the Offer Agreement, the Registrar's fees, fees to be paid to the BRLMs, fees and expenses of legal counsel to our Company and the BRLMs, fees and expenses of the auditors, fees to be paid to sponsor banks, SCSBs (processing fees and selling commission), brokerage for Syndicate Members, commission to Registered Brokers, CDPs and CRTAs, and payments to consultants and advisors, shall be shared among our Company and the Selling Shareholders in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by the Selling Shareholders through the Offer for Sale.

The estimated Offer-related expenses are set forth in the table below:

Activity	Estimated expenses* (in ₹million)	As a % of the total estimated Offer-related expenses	As a % of the total Offer size
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/ processing fee for SCSBs and Sponsor Banks, brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(1)(2)(3)(4)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: (i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory expenses; (ii) Printing and stationery expenses; (iii) Fees payable to legal counsel; (iv) Fees payable to the Statutory Auditors; (v) Fees payable to industry service provider and practicing company secretary; and (vi) Miscellaneous#	[●]	[●]	[●]
Total estimated Offer-related expenses	**[●]**	**[●]**	**[●]**

** Estimated Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated in the Prospectus after finalisation of the Offer Price. Offer expenses are estimates and are subject to change.*

Comprising fees payable to depositories, stamp duty, additional intermediaries and agencies (if any), chartered engineer, that may be appointed in the course of the Offer.

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors, and Non-Institutional Investors and Eligible Employees, which are directly procured by them would be as follows:

*Portion for Retail Individual Investors***	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors***	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Eligible Employees***	*[●]% of the Amount Allotted (plus applicable taxes)**

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

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.
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 or NSE.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), RTAs or CDPs from Retail Individual Investors, Eligible Employees and Non-Institutional Investors and submitted to the SCSBs for blocking as follows:

Portion for Retail Individual Investors&	*₹ [●] per valid ASBA Forms (plus applicable taxes)*
Portion for Non-Institutional Investors&	*₹ [●] per valid ASBA Forms (plus applicable taxes)*
Portion for Eligible Employees&	*₹ [●] per valid ASBA Forms (plus applicable taxes)*

& Based on valid ASBA Forms

(2) The processing fees for applications made by UPI Bidders would be as follows: Sponsor Bank will be entitled to processing fee of ₹ [●] per valid ASBA Form for Bids made by UPI Bidders using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.

(3) Brokerage, selling commission and processing/ uploading charges on the portion for UPI Bidders, RIIs and NIIs, which are procured by the members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs or for using 3-in- type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

*Portion for UPI Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors (not using the UPI Mechanism)**	*[●]% of the Amount Allotted (plus applicable taxes)**

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

The selling commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member.

The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading charges/ processing charges of ₹ [●] per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs for applications made by UPI Bidders.
Uploading charges/ processing charges of ₹ [●] per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using 3-in-1 type accounts*
- *for Non-Institutional Investor Bids using Syndicate ASBA mechanism/ using 3- in -1 type accounts.*

The Bidding/ uploading charges payable to the Syndicate/ Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(4) Selling commission payable to the registered brokers on the portion for Retail Individual Investors, Eligible Employees and Non Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, would be as follows: Portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors: ₹ [●] per valid ASBA Form (plus applicable taxes).

The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.
Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI RTA Master Circular (to the extent applicable).
The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Interim use of funds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge loan

Our Company has not raised any bridge loans from any banks or financial institutions, as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilisation of funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilization of Gross Proceeds prior to the filing of the Red Herring Prospectus with the RoC, as the Offer size exceeds ₹ 1,000.00 million. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full, and Company shall provide details/ information/ certifications obtained from statutory auditors on the utilization of the Gross Proceeds to the Monitoring Agency. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head, in its balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the relevant Fiscal period, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly results.

Pursuant to Regulation 18(3) and Regulation 32(3) of Part C of Schedule II of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in [●] editions of [●], a widely circulated English national daily newspaper, in [●] editions of [●], a widely circulated Hindi national daily newspaper, [●] edition of [●], a widely circulated Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located) simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013 and the applicable, and the SEBI ICDR Regulations, our Company shall not vary the Objects of the Fresh Issue unless our Company is authorized to do so by way of a special resolution of our Shareholders and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (the "**Notice**") shall specify the prescribed details as required under the Companies Act, 2013 and such notice shall be placed on the website of our Company. The Notice shall simultaneously be published in the newspapers, one in English and one in Bengali (Bengali being the regional language of West Bengal, where our Registered Office is situated) in accordance with the Companies Act, 2013 and applicable rules. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoter or significant shareholder(s) will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013, our Articles of Association and the SEBI ICDR Regulations.

Appraising agency

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or financial institutions. For further details, see "*Risk Factor – The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. Any variations in our funding requirements and the proposed deployment of Net Proceeds may affect our business and results of operations. Further, any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company."* on page 46.

Other confirmations

Except to the extent of the proceeds received by the Selling Shareholders pursuant to the Offer for Sale, none of our Promoters, Directors, Key Managerial Personnel, Senior Management or members of our Promoter Group will receive any portion of the Offer Proceeds, directly or indirectly. There is no existing or anticipated interest of such individuals and entities in relation to utilisation of the Offer Proceeds, except as set out above.

Our Company has not entered into and is not planning to enter into any arrangement/ agreement with any of our Directors, Promoters, members of our Promoter Group, Key Managerial Personnel, or Senior Management in relation to the utilisation of the Net Proceeds.

Further, pursuant to the Offer, the Net Proceeds received by our Company shall only be utilised for Objects identified by our Company and for general corporate purposes.

The Net Proceeds shall not be used for lending, or for financing transactions with any related parties of our Company. The Net Proceeds shall be maintained by our Company in a separate account to be monitored by the Monitoring Agency, until utilization in accordance with the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections "*Risk Factors*", "*Our Business*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 20, 219, 298, and 369, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Diversified product portfolio spanning the steel value chain;
- Integrated steel Manufacturing Facility with captive power infrastructure providing significant cost and operational efficiency;
- Strategically located Manufacturing Facility resulting in procurement and supply chain stability, procurement and logistics efficiencies;
- Demonstrated execution capability and track record of timely capacity expansion;
- Skilled and experienced promoters and management team; and
- Track record of healthy financial performance and robust financial risk profile.

See "*Our Business – Our Strengths*" on page 231.

Quantitative Factors

Some of the information presented below, relating to our Company, is derived from the Restated Financial Information. For details, see "*Restated Financial Information*" on page 298.

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 ("EPS") (face value of each Equity Share is ₹10):

Particulars	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2026	8.10	8.10	3
Fiscal 2025	7.50	7.50	2
Fiscal 2024	6.81	6.81	1
Weighted average EPS*	**7.69**	**7.69**	

** As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*

Notes:

i. The face value of each Equity Share is ₹ 10.

ii. Basic Earnings per Share = Net profit / (loss) after tax as restated / Weighted average number of Equity Shares outstanding during the financial year.

iii. Diluted Earnings per Share = Net profit / (loss) after tax as restated / Weighted average number of potential Equity Shares outstanding during the financial year.

iv. Weighted average = Aggregate of financial year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each financial year /Total of weights.

v. Earnings per Equity Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per Share.

vi. The figures disclosed above are based on the Restated Financial Information of our Company.

vii. Our Company has allotted 206,545,240 fully paid-up bonus equity shares of face value of ₹10 each, in the ratio of 44:1 (i.e. 44 Equity Shares of face value of ₹ 10 for every one Equity Share of face value of ₹ 10 each held) to the eligible shareholders in accordance with the resolution passed by the members of our Company at an Extraordinary General meeting held on September 16, 2026 and resolution passed by the Board for allotment of bonus shares at its meeting held on September 17, 2026.

2 Price/Earnings ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

3 Particulars	P/E at the Floor Price (no. of times) [#]	P/E at the Cap Price (no. of times) [#]
Based on basic EPS as per the Restated Financial Information for the Fiscal 2026	**[●]**	**[●]**
Based on diluted EPS as per the Restated Financial Information for the Fiscal 2026	**[●]**	**[●]**

[#] *To be updated on finalisation of the Price Band.*

4 Industry peer group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 44.61, the lowest P/E ratio is 26.86 and the industry average P/E ratio is 32.97.

Particulars	P/E Ratio*	Name of peer company
Highest	44.61	Jai Balaji Industries Limited
Lowest	26.86	Gallantt Ispat Limited
Industry Average	32.97	NA

[*] *As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*

Notes:

i. The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.

ii. P/E figures for the peer are computed based on closing market price as on September 29, 2026, on NSE, divided by Diluted EPS based on the financial results declared by the peers available on website of www.nseindia.com for the Financial Year ending March 31, 2026.

5 Return on Net Worth ("RoNW")

As derived from the Restated Financial Information of our Company:

Financial Year ended	RONW* (%)	Weight
March 31, 2026	27.18	3
March 31, 2025	34.07	2
March 31, 2024	45.88	1
Weighted Average*	**32.59**	

[*] *As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*

Notes:

i. Weighted average = Aggregate of financial year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each financial year / Total of weights

ii. Return on Net Worth (%) = PAT Profit / (loss) for the year / Average of net worth

iii. 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.

6 Net Asset Value ("NAV") per Equity Share (face value of ₹ [●] each)

NAV per Equity Share	Amount (in ₹)
As at March 31, 2026	33.84
- At Floor Price	[●]*
- At Cap Price	[●]*
After completion of the offer	
- At Offer Price	[●]#

[*] *To be computed after finalization of price band.*

[#] *To be determined on completion of the book building process.*

Notes:

1) Net Asset Value per equity share is calculated as total equity at the end of the period/ year (excluding revaluation reserve) divided by the weighted average number of equity shares outstanding at the end of the financial year 2026 Denominator is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

2) Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

3) *Our Company has allotted 206,545,240 fully paid-up bonus equity shares of face value of ₹10 each, in the ratio of 44:1 (i.e. 44 Equity Shares of face value of ₹ 10 for every one Equity Share of face value of ₹ 10 each held) to the eligible shareholders in accordance with the resolution passed by the members of our Company at an Extraordinary General meeting held on September 16, 2026 and resolution passed by the Board for allotment of bonus shares at its meeting held on September 17, 2026.*

7 Comparison of Accounting Ratios with listed industry peers (as at or for the period ended March 31, 2026, as applicable)

Name of the company	Standalone/ Consolidated	Total income (₹ in million)	Face value per equity share (₹)	Closing price as on September 29, 2026	P/E Ratio	EPS (Basic and Diluted) (₹)		RoNW (%)	NAV (₹ per share)	Profit after tax (₹ in million)
						Basic	Diluted			
B.S. Sponge Limited *(formerly known as B.S. Sponge Private Limited)*	Standalone	26,060.60	10	NA	NA*	8.10	8.10	27.18	33.84	1,711.06
Listed peers										
Shyam Metalics and Energy Limited	Consolidated	187,558.20	10	1,074.00	28.29	38.10	37.97	9.70	412.72	10,702.40
Gallant Ispat Limited	Consolidated	44,785.16	10	539.10	26.86	20.07	20.07	15.73	137.44	4,842.68
Jai Balaji Industries Limited	Consolidated	58,205.90	2	63.35	44.61	1.42	1.42	5.93	24.75	1,299.50
Sambhv Steel Tubes Limited	Consolidated	24,204.61	10	162.24	32.13	5.05	5.05	18.35	35.76	1,421.51

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the filings made with Stock Exchanges available on www.nseindia.com for the Financial Year ending March 31, 2026.

Source for B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited): Based on the Restated Financial Information for the year ended March 31, 2026.

**To be included in respect of our Company at the Prospectus stage after determination of the Offer Price.*

Notes:

i. P/E Ratio for the listed peers has been computed based on the closing market price of equity shares on NSE as on September 29, 2026, divided by the Diluted EPS.

ii. Return on Net Worth (%) = PAT Profit / (loss) for the year / Average of net worth.

iii. "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.

iv. Net Asset Value per equity share is calculated as total equity at the end of the period/ year (excluding revaluation reserve) divided by the weighted average number of equity shares outstanding at the end of the financial year 2026 Denominator is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

8 Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand, analyze and track or monitor our operational and/or financial 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 30, 2026. Further, the members of our Audit Committee have confirmed that the KPIs pertaining to our Company that have been disclosed to investors at any point of time during the three years period prior to the date of this Draft Red Herring Prospectus have been disclosed in this section. Further, the KPIs disclosed herein have been certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, by their certificate dated September 30, 2026, and such certificate has been included as part of the "*Material Contracts and Documents for Inspection*" on page 493. Further, our Chief Financial Officer has certified pursuant to certificate dated September 30, 2026, the KPIs disclosed below, comprising the GAAP financial measures, Non-GAAP financial measures and operational measures. In addition to the above, the Audit Committee also noted that other than the below mentioned KPIs, there are certain items/metrics which have been included in the business description, management discussion and analysis or financials in this DRHP but these are not considered to be a performance indicator or deemed to have a bearing on the determination of Offer Price.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "O*ur Business*", and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 219 and 369, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of Directors of our Company) until one year after the date of listing of the Equity Shares on the Stock Exchanges or for such other duration as may be required under the SEBI ICDR Regulations.

(₹ in million, unless mentioned otherwise)

Key performance indicators	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs				
GAAP Measures				
Revenue from Operations [(1)]	₹ in million	25,925.24	21,878.19	14,943.90
Profit After Tax (PAT) for the year [(2)]	₹ in million	1,711.06	1,584.33	1,439.47
Total Income [(3)]	₹ in million	26,060.60	21,925.18	14,962.46
Debt [(4)]	₹ in million	7,732.22	6,264.38	5,152.98
Non-GAAP Measures				
Net Debt [(5)]	₹ in million	6,721.42	5,341.78	4,898.38
Y-o-Y Revenue growth [(6)]	%	18.50	46.40	83.93
Operating EBITDA [(7)]	₹ in million	3,730.11	3,365.89	2,850.79
Operating EBITDA Margin [(8)]	%	14.39	15.38	19.08
EBITDA (including other income) [(9)]	₹ in million	3,865.47	3,412.88	2,869.35
EBITDA Margin (including other income) [(10)]	%	14.83	15.57	19.18
PAT Margin [(11)]	%	6.60	7.24	9.63
Return on Equity (ROE) [(12)]	%	24.18	29.61	37.88
Return on Capital Employed (ROCE) [(13)]	%	22.90	25.51	29.68
Debt /Equity Ratio [(14)]	Times	0.97	1.01	1.14
Net Debt/ Operating EBITDA [(15)]	Times	1.80	1.59	1.72
Interest Coverage Ratio [(16)]	Times	4.75	5.08	5.24
Fixed Asset Turnover Ratio [(17)]	Times	2.70	2.66	2.43
Net Working Capital Days [(18)]	Days	37	32	43
Operational KPIs				
Production volumes by product segment (TPA) [(19)]				
Sponge Iron	TPA	7,29,918	6,57,370	4,27,644
Billets and Slabs	TPA	3,10,057	2,50,150	2,30,721
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	74,523	81,073	59,432
Wire Rod	TPA	12,080	-	-
Hot Rolled Coils (Strips)	TPA	1,48,419	1,33,210	1,32,250
Electric Resistance Welded Pipes and Tubes	TPA	42,129	16,059	-
Ferro Alloys	TPA	33,564	29,965	2,727
Sales volumes by product segment (TPA) [(20)]				
Sponge Iron	TPA	4,55,617	3,92,614	1,68,890
Billets and Slabs	TPA	62,932	22,938	30,219
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	76,788	79,661	57,763
Wire Rod	TPA	11,579	-	-
Hot Rolled Coils (Strips)	TPA	1,05,820	1,16,520	1,30,707
Electric Resistance Welded Pipes and Tubes	TPA	41,589	14,296	-
Ferro Alloys	TPA	33,514	26,762	1,602

Note: As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026. The certificate dated September 30, 2026, issued by S K Patodia & Associates LLP, Chartered Accountants, has been included in "Material Contracts and Documents for Inspection" on page 493.

Notes:

(1) Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.

(2) Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.

(3) Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(4) Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.

(5) Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by EBITDA, as enumerated above for and as at the relevant fiscal.

(6) Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.

(7) Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(8) Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.

(9) EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.

(10) EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(11) PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.

(12) Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.

(13) Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total

equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.

(14) *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

(15) *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

(16) *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

(17) *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

(18) *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

(19) *Production volumes by product segment: Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal.*

(20) *Sales volumes by product segment: Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal.*

For details, see "*Management's Discussion and Analysis of Financial Position and Results of Operations – Reconciliation of non-GAAP measures*" on page 385.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1.

S. No.	Key performance indicators	Explanation
Financial KPIs		
GAAP Measures		
1.	Revenue from Operations	Revenue from Operations is a key measure used by management to monitor the Company's core operating performance and revenue generated from its principal business activities.
2.	Profit After Tax (PAT) for the year	Profit After Tax represents the Company's net earnings after all expenses, finance costs, taxes, and other charges, and is used to evaluate overall profitability.
3.	Total Income	Total Income comprises Revenue from Operations and Other Income and provides a comprehensive measure of the Company's overall income during the reporting period.
4.	Debt	Total Debt measures the Company's outstanding borrowings and is used to assess its financial leverage and capital structure.
Non-GAAP Measures		
5.	Net Debt	Net Debt represents Total Debt less Cash and Cash Equivalents and reflects the Company's actual indebtedness after considering available liquidity.
6.	Y-o-Y Revenue growth	Year-on-year revenue growth indicates the Company's ability to expand its business, increase market share, and drive sustainable growth over comparable periods.
7.	Operating EBITDA	Operating EBITDA measures the operating profitability of the Company's core business before depreciation, amortization, finance costs, taxes, and non-operating income. It reflects the underlying operating performance of the business.
8.	Operating EBITDA Margin	Operating EBITDA Margin measures operating profitability as a percentage of Revenue from Operations and is used to evaluate operational efficiency and cost management.
9.	EBITDA (including other income)	EBITDA, including Other Income, measures the Company's overall earnings before interest, taxes, depreciation, and amortization, considering both operating and non-operating income.
10.	EBITDA Margin (including other income)	EBITDA Margin reflects overall profitability relative to Total Income and is an indicator of the Company's operating efficiency and financial performance.
11.	PAT Margin	PAT Margin measures net profitability as a percentage of Revenue from Operations and indicates the Company's ability to convert revenue into net earnings.
12.	Return on Equity (ROE)	ROE measures the Company's ability to generate returns on shareholders' equity and reflects the efficiency with which shareholders' capital is utilized to generate profits.
13.	Return on Capital Employed (ROCE)	ROCE measures the efficiency with which the Company utilizes total capital employed to generate operating profits and is an important indicator of capital efficiency.
14.	Debt /Equity Ratio	The Debt-to-Equity Ratio measures the proportion of debt relative to shareholders' equity and indicates the Company's financial leverage and long-term solvency.
15.	Net Debt/ Operating EBITDA	This ratio measures the Company's ability to repay its net debt using operating earnings and is an important indicator of leverage and debt servicing capacity.
16.	Interest Coverage Ratio	The Interest Coverage Ratio measures the Company's ability to meet its interest obligations from operating earnings and reflects its debt servicing capability.
17.	Fixed Asset Turnover Ratio	The Fixed Asset Turnover Ratio measures how efficiently the Company utilizes its fixed assets to generate revenue and indicates asset utilization efficiency.
18.	Net Working Capital Days	Net Working Capital Days measures the efficiency of working capital management by assessing the time taken to convert working capital into revenue, thereby indicating liquidity and operational efficiency.

S. No.	Key performance indicators	Explanation
Operational KPIs		
19.	Production volumes by product segment	Production volumes by product segment measure manufacturing output across various product categories and help management monitor capacity utilization, production efficiency, and demand planning.
20.	Sales volumes by product segment	Sales volumes by product segment measure the quantity of products sold across different product categories and assist management in assessing market demand, product mix, customer preferences, and the effectiveness of sales strategies.

Description on the historic use of the key performance indicators by us to analyze, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see sections titled "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" starting on pages 219 and 269, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations – Technical and industry-related terms*" on page 13. Bidders are encouraged to review the Ind AS financial statements and not to rely on any single financial or operational metric to evaluate our business. For further details, see "*Risk Factors – Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in the Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.*" on page 49.

Comparison of our key performance indicators with our listed industry peers

The following table provides a comparison of our KPIs with those of our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

Key performance indicators	Unit	Our Company			Shyam Metalics Limited			Gallant Ispat Limited			Sambhv Steel Tubes Limited			Jai Balaji Industries Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs																
GAAP Measures																
Revenue from Operations[(1)]	₹ in million	25,925.24	21,878.19	14,943.90	185,522.10	151,375.00	131,952.20	44,189.22	42,927.29	42,271.18	24,132.43	15,113.55	12,857.57	57,842.70	63,508.00	64,137.80
Profit After Tax (PAT) for the year[(2)]	₹ in million	1,711.06	1,584.33	1,439.47	10,601.70	9,092.60	10,290.00	4,842.68	4,007.42	2,253.38	1,421.51	572.65	824.39	1,299.50	5,578.80	8,795.60
Total Income[(3)]	₹ in million	26,060.60	21,925.18	14,962.46	187,558.20	153,681.30	133,542.00	44,785.16	43,083.44	42,339.68	24,204.61	15,167.01	12,893.75	58,205.90	64,184.60	66,288.70
Debt[(4)]	₹ in million	7,732.22	6,264.38	5,152.98	10,050.70	7,894.30	5,969.10	5,476.87	3,776.65	4,619.11	3,733.41	5,067.03	3,505.40	4,166.30	5,586.50 %	4,725.30
Non-GAAP Measures																
Net Debt[(5)]	₹ in million	6,721.42	5,341.78	4,898.38	8,994.10	7,211.80	5,464.40	445.40	1,195.32	4,496.03	2,891.32	4,904.50	3,075.53	356.29	432.45	381.55
Y-o-Y Revenue growth[(6)]	%	18.50%	46.40%	83.93%	22.56%	14.72%	22.60%	2.94%	1.55%	4.20%	59.67%	17.55%	37.19%	(8.92) %	(0.98) %	4.71%
Operating EBITDA[(7)]	₹ in million	3,730.11	3,365.89	2,850.79	23,330.40	18,655.30	15,700.20	7,164.44	6,944.32	4,481.97	2,762.05	1,544.82	1,598.72	3,495.40	8,667.80	9,062.60
Operating EBITDA Margin[(8)]	%	14.39%	15.38%	19.08%	12.58%	12.32%	11.90%	16.21%	16.18%	10.60%	11.45%	10.22%	12.43%	6.04%	13.65%	14.13%
EBITDA (including other income) [(9)]	₹ in million	3,865.47	3,412.88	2,869.35	25,366.50	20,961.60	17,290.00	7,760.38	7,100.48	4,550.48	2,834.23	1,598.28	1,634.90	3,858.60	9,344.40	11,213.50
EBITDA Margin (including other income) [(10)]	%	14.83%	15.57%	19.18%	13.52%	13.64%	12.95%	17.33%	16.48%	10.75%	11.71%	10.54%	12.68%	6.63%	14.56%	16.92%
PAT Margin[(11)]	%	6.60%	7.24%	9.63%	5.71%	6.01%	7.80%	10.96%	9.34%	5.33%	5.89%	3.79%	6.41%	2.25%	8.78%	13.71%
ROE[(12)]	%	24.18%	29.61%	37.88%	9.60%	9.00%	12.16%	15.73%	15.14%	9.64%	18.35%	12.27%	25.42%	5.93%	30.75%	85.39%
ROCE[(13)]	%	22.90%	25.51%	29.68%	14.21%	12.92%	10.81%	18.88%	20.04%	13.31%	18.34%	15.16%	22.88%	11.30%	36.98%%	57.29%
Debt /Equity Ratio[(14)]	Times	0.97	1.01	1.14	0.09	0.07	0.06	0.17	0.13	0.19	0.35	1.02	0.80	0.18	0.26	0.31
Net Debt/ Operating EBITDA[(15)]	Times	1.80	1.59	1.72	0.39	0.39	0.35	0.06	0.17	1.00	1.05	3.17	1.92	1.02	0.50	0.42
Interest Coverage Ratio[(16)]	Times	4.75	5.08	5.24	8.61	9.62	8.05	15.49	26.83	12.04	5.69	2.65	4.48	3.96	13.42	14.28

Key performance indicators	Unit	Our Company			Shyam Metalics Limited			Gallant Ispat Limited			Sambhv Steel Tubes Limited			Jai Balaji Industries Limited		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Fixed Asset Turnover Ratio[17]	Times	2.70	2.66	2.43	2.30	2.42	3.38	2.49	2.53	2.41	3.30	2.02	3.82	3.69	3.94	4.64
Net Working Capital Days[18]	Days	37	32	43	14	16	25	41	39	43	14	26	41	61	37	13
Operational KPIs																
Production volumes by product segment (TPA) [19]																
Sponge Iron	TPA	7,29,918	6,57,370	4,27,644	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Billets and Slabs	TPA	3,10,057	2,50,150	2,30,721	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
TMT	TPA	74,523	81,073	59,432	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Wire Rod	TPA	12,080	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
HR Coils (Strips)	TPA	1,48,419	1,33,210	1,32,250	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Electric Resistance Welded Pipes and Tubes	TPA	42,129	16,059	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ferro Alloys	TPA	33,564	29,965	2,727	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Sales volumes by product segment (TPA) [20]																
Sponge Iron	TPA	4,55,617	3,92,614	1,68,890	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Billets and Slabs	TPA	62,932	22,938	30,219	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
TMT	TPA	76,788	79,661	57,763	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Wire Rod	TPA	11,579	-	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
HR Coils (Strips)	TPA	1,05,820	1,16,520	1,30,707	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Electric Resistance Welded Pipes and Tubes	TPA	41,589	14,296	-	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ferro Alloys	TPA	33,514	26,762	1,602	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: All the financial information for Company's listed peer mentioned in the above table is from the annual report and published financial results and investor presentation for the respective fiscal.
Note: All financial information for Company's listed peer mentioned in the above table is on a consolidated basis.
Notes:

(1) *Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(2) *Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(3) *Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(4) *Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

(5) *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by EBITDA, as enumerated above for and as at the relevant fiscal.*

(6) *Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.*

(7) *Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(8) *Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(9) *EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[10] *EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[11] *PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[12] *Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.*

[13] *Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.*

[14] *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

[15] *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

[16] *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

[17] *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[18] *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

[19] *Production volumes by product segment: Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal.*

[20] *Sales volumes by product segment: Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal.*

(*The remainder of this page has intentionally been left blank*)

Comparison of KPIs based on material additions or dispositions to our business

Our Company has not made any material additions or dispositions to our business during the Fiscals 2026, 2025 and 2024. For further information see "*Management Discussion and Analysis of Financial Condition and Results of Operations*" on page 369.

9 Weighted average cost of acquisition, Floor Price and Cap Price

(a) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary/ new issuance of shares (excluding bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issuances**")**.**

There have been no primary/new issue of Equity Shares or convertible securities, excluding Shares issued under employee stock option scheme and issuance of bonus Shares, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer capital before such transaction(s) and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days prior to the date of this Draft Red Herring Prospectus.

(b) The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisitions of Equity Shares (excluding gifts), involving any of our Promoters (including Promoter Selling Shareholder), members of our Promoter Group or Shareholders entitled with right to nominate director(s) to the Board of the our Company or any other rights 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 Equity Share capital of our Company (calculated based on the pre-Offer capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Secondary Transactions**").

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities ("**Security(ies)**"), where the Promoter, members of the promoter group, selling Shareholders, or Shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up Share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Since there are no such transactions to report to under (a) and (b) above, the following are the details basis the last five primary or secondary transactions involving any of our Promoters (including Promoter Selling Shareholder), members of our Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board, or any other rights, not older than three years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions[*]:

The price per share of our Company based on the last 5 primary/ new issue of shares (equity/ convertible securities) ("**Primary Transaction(s)**"):

Except as disclosed below, there have been no primary issuances to the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of allotment / transfer	Nature of allotment	Nature of Consideration	No. of Equity Shares allotted	Face Value per Equity Share (₹)	Issue Price per equity share (₹)	Name of the Allottees
September 17, 2026	Bonus Issue	N.A.	20,65,45,240	10	N.A.	1. Parmanand Agarwal – 4,74,93,600 equity shares; 2. Ashish Agarwal – 7,39,72,800 equity shares; 3. Nachiketa Gift-Ads Private Limited – 6,10,10,840 equity shares; 4. Sulochana Agarwal – 2,01,52,000 equity shares; and

Date of allotment / transfer	Nature of allotment	Nature of Consideration	No. of Equity Shares allotted	Face Value per Equity Share (₹)	Issue Price per equity share (₹)	Name of the Allottees
						5. Florance Engineering Enterprises LLP – 35,20,000 equity shares 6. Richhi Agarwal – 2,20,000 equity shares 7. Avyakt Agarwal – 88,000 equity shares 8. Kaivalya Agarwal – 88,000 equity shares
Weighted Average Cost					**N.A.**	

The price per share of our Company based on last 5 secondary sale/ acquisitions of shares (equity/ convertible securities) ("**Secondary Transaction(s)**"):

Except as disclosed below, there have been no secondary transactions by the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus:

Date of allotment/ transfer	Name of transferor	Name of transferee	Number of equity shares transferred	Face value per equity share (in ₹)	Price per equity share	Nature of transaction	Nature of consideration	Total Consideration (₹)
December 26, 2023	Sudarshan Goods Private Limited	Nachiketa Gift-Ads Private Limited	192,810[(2)]	10	325.47[(1)]	Transfer of shares due to scheme of amalgamation of Sudarshan Good Private Limited with Nachiketa Gift-Ads Private Limited	Other than Cash	62,753,871
August 25, 2026	Parmanand Agarwal	Richhi Agarwal	5,000	10	Nil	Transfer of shares from Parmanand Agarwal as gift	N.A.	Nil
August 31, 2026	Parmanand Agarwal	Avyakt Agarwal	2,000	10	Nil	Transfer of shares from Parmanand Agarwal as gift	N.A.	Nil
August 31, 2026	Parmanand Agarwal	Kaivalya Agarwal	2,000	10	Nil	Transfer of shares from Parmanand Agarwal as gift	N.A.	Nil
Total			**2,01,810**					**62,753,871**
Total no. of shares (as adjusted for bonus issue)[(2)]			**90,81,450**					
Weighted Average Cost			**6.91[(3)]**					

Notes:

[(1)] The aforesaid shares have been transferred in the name of Nachiketa Gifts-Ad Private Limited pursuant to the Scheme of Amalgamation, by operation of law. The consideration in respect of such shares had been paid by the respective transferor company at the time of their original acquisition of the said shares.

[(2)] Our Company has allotted 206,545,240 fully paid-up bonus equity shares of face value of ₹10 each, in the ratio of 44:1 (i.e. 44 Equity Shares of face value of ₹ 10 for every one Equity Share of face value of ₹ 10 each held) to the eligible shareholders in accordance with the resolution passed by the members of our Company at an Extraordinary General meeting held on September 16, 2026 and resolution passed by the Board for allotment of bonus shares at its meeting held on September 17, 2026.

[(3)] As adjusted for bonus issue.

(d) The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition based on the primary issuances and secondary transactions as disclosed below:

Details of the transactions	Weighted average cost of acquisition per Equity Share (₹)	Floor Price (₹)^	Cap Price (₹)^
Weighted average cost of acquisition of Primary Issuances	N.A.	[●]	[●]
Weighted average cost of acquisition of Secondary Transactions	N.A.	[●]	[●]
Since there are no transactions under Primary Issuances or Secondary Transactions, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions (involving any of the Promoters (including Promoter Selling Shareholder), members of the Promoter Group and Shareholders entitled with right to nominate directors on our Board or any other rights, not older than three years prior to the date of the Draft Red Herring Prospectus, irrespective of the size of the transaction			

Details of the transactions	Weighted average cost of acquisition per Equity Share (₹)	Floor Price (₹)^	Cap Price (₹)^
Weighted average cost of acquisition of primary issuances in the last three years	N.A.	[●]	[●]
Weighted average cost of acquisition of secondary transactions in the last three years	6.91	[●]	[●]

** As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026.*

^ To be updated at the Prospectus stage.

(e) Explanation for Offer Price/ Cap Price being [●] times of WACA of primary issuances/ secondary transactions of Equity Shares of face value of ₹ 10 each (as disclosed above) along with our Company's KPIs and financial ratios for the Fiscals 2026, 2025 and 2024) and in view of the external factors which may have influenced the pricing of the Offer:

[●]*

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

(f) The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations on the basis of market demand from Bidders for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

Bidders should read the above-mentioned information along with the sections titled "*Risk Factors*", "*Our Business*", *"Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 20, 219, 298 and 269, respectively, to have a more informed view. The trading price of the Equity Shares of face value of ₹ 10 each could decline due to the factors mentioned in the section "*Risk Factors*" on page 20 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: September 30, 2026

The Board of Directors
B.S. Sponge Limited
(formerly known as B.S. Sponge Private Limited)
34A, Metcalfe Street,
2nd Floor, Room No. 2C/3,
Kolkata – 700013,
West Bengal, India

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower
Rahimtullah Sayani Road,
Opposite Parel ST Depot,
Prabhadevi, Mumbai - 400025,
Maharashtra, India

*(ICICI Securities Limited, Motilal Oswal Investment Advisors Limited and any other book running lead managers appointed in connection with the Offer are collectively referred to as the "**Book Running Lead Managers**" or the "**BRLMs**")*

Re: Statement of possible special tax benefit (the "Statement") available to B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited) (the "Company") and its shareholders prepared to comply with the requirements under Schedule VI (Part A) (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 as amended (the "SEBI ICDR Regulations) in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each (the "Equity Shares") of the Company (such offering, the "Offer")

We, **M/s. ARSK & Associates**, Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A**, prepared by the Company and initialled by us for identification purpose ("**Statement**") for the Offer, provides the possible special tax benefits available to the Company and to its shareholders under direct tax and indirect tax laws presently in force in India pursuant to the Income-tax Act, 2025 (read with the Income Tax Rules, 2026 which is applicable to the Tax Year 2026-27 and onwards) (**"Direct Tax"**), the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively, **"Indirect Tax**"), read with the rules, circulars and notifications issued in connection thereto. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil. The Company does not have any subsidiary as on the date of this certificate.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in the **Annexure A**. Any benefits under the taxation laws other than those specified in **Annexure A** are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in the **Annexure A** have not been examined and covered by this statement.

The benefits discussed in the enclosed Statement are not exhaustive. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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.

We do not express any opinion or provide any assurance as to whether:

1. the Company or its shareholders will continue to obtain these benefits in the future; or

2. the conditions prescribed for availing of the benefits, where applicable have been/would be met with.

3. 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 and on the basis of our understanding of the business activities and operations of the Company.

We have conducted our review in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India ("**ICAI**") which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this statement we have complied with the Code of Ethics issued by the ICAI.

We hereby consent to be named an "expert" under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We have carried out our work on the basis of Restated Financial Information and other documents, information in the public domain and information made available to us by the Company, which has formed substantial basis for this Statement.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to any regulatory/ statutory authority, the Stock Exchanges, any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

We also consent to the inclusion of this certificate as a part of "*Material Contracts and Documents for Inspection*" in connection with this Offer, which will be available for public for inspection from date of the filing of the RHP until the Bid / Offer closing date. We further consent to this certificate being uploaded, as may be necessary, on the online document repository platform of the stock exchanges in terms of applicable law.

This certificate may be relied on by the BRLMs, their affiliates, the legal counsel and the Company in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the equity shares allotted in the Offer commence trading on the relevant Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisor appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

For and on behalf of M/s. ARSK & Associates
Chartered Accountants
Firm Registration Number: 315082E

_____

Name: CA. S.K. Kabra
Designation: Partner
Membership No.: 052205
UDIN: 26052205FKKMWP5472
Place: Kolkata

ANNEXURE A

Statement of Tax Benefits

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO B.S. SPONGE LIMITED (FORMERLY KNOWN AS B.S. SPONGE PRIVATE LIMITED) ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT TAX AND INDIRECT TAX IN INDIA

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term '*special tax benefits*' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

I. Special Direct Tax benefits available to the Company

a. Concessional corporate tax rate:

As per provisions of section 200 of the Income-tax Act, 2025, domestic companies are entitled to avail a concessional tax rate of 22% (plus 10% surcharge and 4% cess) upon fulfilment of certain prescribed conditions. This option once exercised, continues to apply for all subsequent tax years. The concessional rate is conditional upon the company foregoing specified deductions and incentives as laid down in the Direct Tax.

Further, the provisions relating to Minimum Alternate Tax ("**MAT**") under section 206 of the Income-tax Act, 2025 do not apply to companies that opt for taxation under section 200 and, consequently, any carried-forward MAT credit also cannot be utilised.

b. Deduction in respect of additional employee cost:

As per provisions of section 146 of the Income-tax Act, 2025, an assessee who is required to get its accounts audited under section 63 is entitled to claim a deduction of an amount equal to 30% of the additional employee cost (pertaining to a specified category of employees) incurred in the course of business in the tax year, for three consecutive tax years including the tax year in which such employment is provided, subject to fulfilment of the prescribed conditions therein. The deduction under section 146 continues to be available even where the Company opts for the concessional tax regime under section 200 of the Income-tax Act, 2025.

II. Special Indirect Tax benefits available to the Company

There are no special Indirect Tax benefits available to the Company.

III. Special tax benefits available to Shareholders

There are no special tax benefits under Direct Tax or Indirect Tax, available to the shareholders of the Company.

Notes:

i. The above Statement of Tax benefits sets out the special Direct Tax and Indirect Tax benefits available to the Company and its shareholders under Direct Tax and Indirect Tax mentioned above.

ii. The above Statement covers only above-mentioned Direct Tax and Indirect Tax benefits and does not cover any general tax benefits under any other law.

iii. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

iv. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

v. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.

SECTION V - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

"*Steel intermediaries and Steel products*" dated September 2026, prepared and issued by CRISIL Intelligence, which has been commissioned by and paid for by our Company pursuant to an engagement letter dated June 10, 2026

*The information contained in this section is derived from a report titled "Steel intermediaries and Steel products" dated September 2026, which is exclusively prepared for the purposes of the Offer and issued by CRISIL Intelligence and commissioned and paid for by our Company (the "**CRISIL Report**"). CRISIL Intelligence was appointed by our Company pursuant to an engagement letter June 10, 2026. We commissioned and paid for the CRISIL Report for the purposes of confirming our understanding of the industry specifically for the Offer, as no report is publicly available which provides a comprehensive industry analysis, particularly for our Company's business, that may be similar to the CRISIL Report. The CRISIL Report is available on the website of our Company at https://www.kanohar.com/IPO from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date and has also been included as a document for inspection in "Material Contracts and Documents for Inspection – Material Documents in relation to the Offer" on page 493. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the CRISIL Report, see "Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks." on page 53. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. Forecasts, estimates, predictions, and other forward-looking statements contained in the CRISIL 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. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in this Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified any third-party statistical and other industry information contained in the CRISIL Report. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Global macroeconomic overview

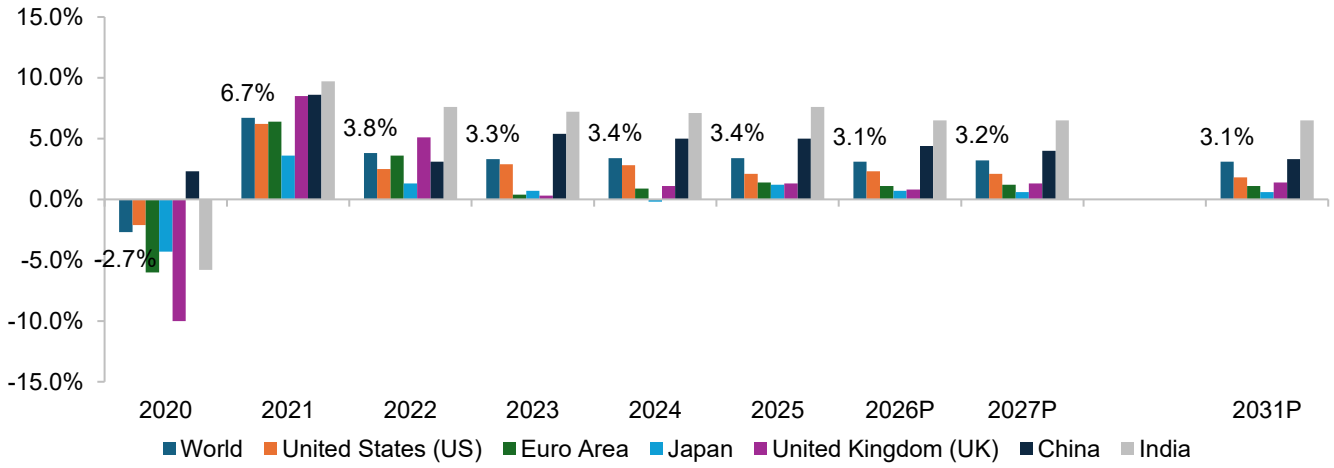
Gross domestic product (GDP) – Historical trend and Forecast

Global economic growth has stabilized in recent years, with the economy expanding by 3.4% in both 2024 and 2025, reflecting a more moderate but sustainable growth trajectory supported by domestic consumption, infrastructure spending and continued expansion across emerging economies. While growth rates remain below the post-pandemic rebound levels, the stability observed in recent years highlights improving economic fundamentals, resilient labor markets and gradual normalization of global demand conditions. Global economic activity had experienced a sharp contraction of 2.7% in 2020 following the outbreak of the COVID-19 pandemic, which disrupted production, trade, investment and consumer spending across major economies. However, unprecedented fiscal stimulus measures, accommodative monetary policies and rapid adaptation by businesses supported a strong recovery, resulting in global growth rebounding to 6.7% in 2021. Thereafter, growth moderated to 3.8% in 2022 and 3.3% in 2023 amid elevated inflation, tighter monetary policies, supply-chain disruptions and geopolitical uncertainties, before stabilizing at current levels.

Looking ahead, global economic growth is expected to remain relatively stable, with the IMF projecting growth of around 3.1–3.2% through 2027 and approximately 3.1% by 2031. Growth is expected to be supported by investments in manufacturing, digitalization, energy transition and infrastructure development, with emerging economies, particularly in Asia, remaining the primary drivers of global economic expansion.[1]

GDP growth rate - review and outlook

[1] All outlooks as stated by IMF unless stated otherwise



P – projected (years mentioned on the horizontal axis correspond to the calendar years)
Note: Unless mentioned otherwise, the years correspond to calendar years throughout the report, whereas India data is in fiscal years, 2020 being fiscal 2021 and so on.
Source: Crisil Intelligence, IMF, World Bank, S&P Global

Region- and country-wise economic review and outlook[2]

Real GDP (on-year growth)	2020	2021	2022	2023	2024	2025	2026P	2027P	2031P
World	-2.70%	6.70%	3.80%	3.30%	3.40%	3.40%	3.10%	3.20%	3.10%
Euro area*	-6.00%	6.40%	3.60%	0.40%	0.90%	1.40%	1.10%	1.20%	1.10%
The US	-2.10%	6.20%	2.50%	2.90%	2.80%	2.10%	2.30%	2.10%	1.80%
China	2.30%	8.60%	3.10%	5.40%	5.00%	5.00%	4.40%	4.00%	3.30%
Germany	-4.10%	3.90%	1.80%	-0.90%	-0.50%	0.20%	0.80%	1.20%	0.60%
Japan	-4.30%	3.60%	1.30%	0.70%	-0.20%	1.20%	0.70%	0.60%	0.60%
India	-5.80%	9.70%	7.60%	7.20%	7.10%	7.70%	6.50%	6.50%	6.50%
The UK	-10.00%	8.50%	5.10%	0.30%	1.10%	1.30%	0.80%	1.30%	1.40%

**The euro area consists of member states of the European Union that have adopted the euro as their currency*
P – projected
Source: Crisil Intelligence, industry, IMF

The US

The United States remained a key contributor to global economic growth during the review period, with growth accelerating to 2.9% in 2023 despite elevated inflation and tighter monetary conditions. Economic activity was supported by resilient consumer spending, a strong labor market, rising real wages and increased investment across infrastructure, manufacturing and technology sectors.

Growth remained robust in 2024 at 2.8%, driven by strong consumption and non-residential investment. Going forward, economic growth is expected to moderate to 2.3% in 2026, supported by fiscal policy measures and the positive impact of interest rate cuts implemented in 2025.

Euro area

Economic growth in the Euro area slowed sharply from 3.6% in 2022 to 0.4% in 2023 as higher energy prices, tighter financial conditions and geopolitical uncertainties weighed on industrial activity and consumer spending. Growth improved modestly to 0.9% in 2024 and is estimated at 1.4% in 2025, supported by easing inflation, recovery in exports and improving household purchasing power. However, growth is expected to moderate to 1.1% in 2026 amid renewed energy market uncertainties. Despite near-term challenges, the region remains an important industrial and manufacturing hub, particularly for automotive, engineering and capital goods industries that are significant consumers of steel.

Japan

Japan's economy expanded by 1.3% in 2022 and 0.7% in 2023, supported by recovering domestic demand, tourism activity and accommodative policy measures. Economic growth was aided by the reopening of the economy and improving service-sector activity following the pandemic.

2 All classifications according to IMF

Growth moderated slightly in 2024 with a contraction of 0.2%, before recovering to 1.2% in 2025. However, GDP growth is projected to ease to 0.7% in 2026 and stabilize at around 0.6% thereafter. Structural factors such as an ageing population, labor shortages and relatively weak domestic demand continue to constrain long-term growth prospects. Nevertheless, Japan's advanced manufacturing ecosystem and leadership in high-value industrial sectors remain key strengths supporting economic stability.

The UK

The United Kingdom's economy expanded by 5.1% in 2022 before slowing sharply to 0.3% in 2023 as inflationary pressures, elevated energy costs and tighter financial conditions affected consumer spending and investment activity. Businesses and households faced significant cost pressures, resulting in weaker economic momentum.

Growth improved to 1.1% in 2024 and 1.3% in 2025 as inflation moderated and monetary conditions gradually eased, supporting domestic demand. However, growth is expected to soften to 0.8% in 2026 before improving modestly thereafter. The UK's diversified economic structure, strong services sector and improving investment environment are expected to support moderate long-term growth despite ongoing global uncertainties.

China

China recorded strong growth of 8.6% in 2021 as economic activity rebounded following the pandemic. Growth subsequently moderated to 3.1% in 2022 before recovering to 5.4% in 2023. Economic expansion remained stable at 5.0% in both 2024 and 2025, supported by strong export performance, policy stimulus measures and continued investments in strategic sectors.

Looking ahead, growth is projected to gradually moderate to 4.4% in 2026, 4.0% in 2027 and 3.3% by 2031. The moderation reflects structural adjustments within the economy, slower expansion in the property sector and demographic challenges. Nevertheless, China is expected to remain the world's largest manufacturing economy and a major driver of global commodity consumption, industrial production and steel demand over the foreseeable future.

India

India has emerged as the fastest-growing major economy among large nations, recording GDP growth of 9.7% in 2021, followed by 7.6% in 2022, 7.2% in 2023 and 7.1% in 2024. Economic activity remained robust despite global headwinds, supported by strong domestic consumption, government capital expenditure and expansion across manufacturing and services sectors.

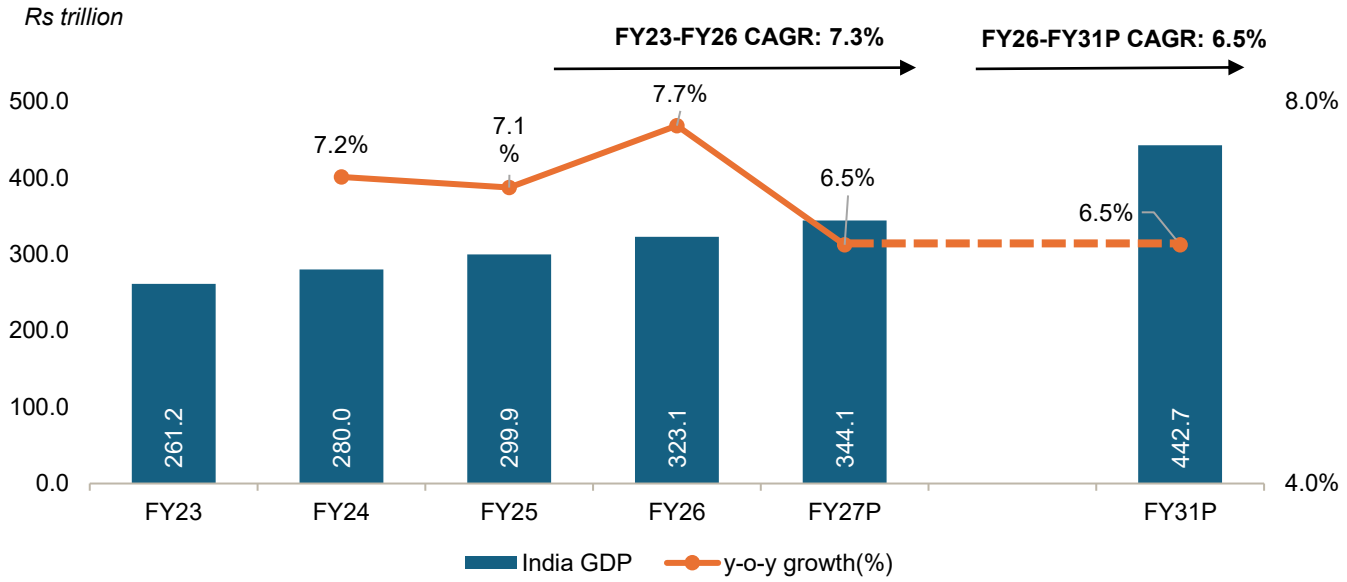
Growth accelerated to 7.7% in 2025 and is projected at 6.5% in both 2026 and 2027. India's economic performance continues to be supported by favourable demographics, rising urbanization, increasing infrastructure investments and policy initiatives aimed at strengthening manufacturing capabilities. Strong growth in sectors such as infrastructure, construction, automobiles, renewable energy and industrial manufacturing is expected to sustain economic momentum and support long-term steel demand.

Indian macroeconomic overview

Real GDP trend

India has maintained its position as one of the fastest-growing major economies globally, supported by strong domestic demand, government-led capital expenditure, improving manufacturing activity and a resilient services sector. India's real GDP increased from Rs 261.2 trillion in FY23 to Rs 322.6 trillion in FY26, representing a CAGR of 7.3% during the period. The economy demonstrated resilience despite global geopolitical uncertainties, elevated commodity prices and tight financial conditions across several major economies.

India's real GDP trend



P – projected; FY - fiscal year
Note: A new national accounts series was released with 2022-23 as the base year, superseding the 2011-12 series, with figures available for fiscal 2023 onwards
Source: National Statistical Office (NSO), Crisil Intelligence

Economic growth remained robust at 7.2% in FY24 and 7.1% in FY25, before accelerating to an estimated 7.7% in FY26. The improvement was driven by broad-based expansion across investment, construction, manufacturing and services sectors, supported by sustained government infrastructure spending and strengthening private demand. Strong domestic economic fundamentals helped offset the impact of external challenges, enabling India to outperform most major economies during the review period.

On the demand side, capital formation continued to play a significant role in supporting economic activity. Gross fixed capital formation is estimated to have grown by 8.2% in FY26 compared with 6.4% in FY25, reflecting continued investments in infrastructure, manufacturing, transportation, logistics and industrial capacity creation. Private final consumption expenditure also strengthened to 7.7% growth in FY26 from 5.8% in FY25, supported by improving income levels, moderating inflation and resilient consumer sentiment.

Going forward, India's GDP is projected to expand at a CAGR of 6.5% between FY26 and FY31, reaching approximately Rs 442.7 trillion by FY31. Growth is expected to be supported by favourable demographics, urbanization, infrastructure development, digitalization, manufacturing expansion and continued policy initiatives aimed at strengthening the country's long-term economic competitiveness. Such structural growth drivers are expected to create a favourable environment for investment-intensive sectors such as steel, construction, transportation and industrial manufacturing.

Yearly demand-side real GDP growth

	FY21	FY22	FY23	FY24	FY25	FY26E
Private consumption	-5.3%	11.7%	7.5%	5.8%	5.8%	7.7%
Government consumption	-0.8%	0.0%	4.3%	0.6%	6.5%	5.5%
Gross fixed capital formation	-7.1%	17.5%	8.4%	7.3%	6.4%	8.2%
Exports	-7.0%	29.6%	10.3%	0.7%	6.6%	6.3%
Imports	-12.6%	22.1%	8.9%	-1.0%	5.3%	5.6%

E – provisional estimates; FY – fiscal year
Note: FY19-23 values are as per base year 2011-12 at constant prices and FY24-26 values are as per revised base year 2022-23 at constant prices
Source: Crisil Intelligence, NSO

GDP composition by expenditure

	FY21	FY22	FY23	FY24	FY25
Private Consumption (PFCE)	57.1%	58.1%	58.1%	56.1%	56.5%
Government Consumption (GFCE)	10.8%	9.9%	9.6%	9.5%	9.1%
Investments (GFCF)	31.2%	33.4%	33.6%	33.5%	33.7%
Net Exports	-2.1%	-1.0%	-0.7%	-3.2%	-0.9%

Source: Crisil Intelligence, RBI, MoSPI

India's economic growth continues to be predominantly driven by domestic demand, with private consumption remaining the largest component of GDP. During FY21-FY25, private final consumption expenditure consistently accounted for 56-58% of GDP, highlighting the importance of India's large consumer base in sustaining economic activity.

Government consumption contributed between 9.1% and 10.8% of GDP during the same period. Public expenditure has played an important role in supporting social welfare, infrastructure creation and economic stability, particularly during periods of external uncertainty and economic disruption.

Investments, represented by gross fixed capital formation (GFCF), accounted for 31.2-33.7% of GDP during FY21-FY25. The consistently high share of investments indicates the country's focus on infrastructure development, manufacturing expansion and capacity creation. Continued investment in transportation networks, industrial corridors, logistics infrastructure and urban development is expected to remain a key driver of future economic growth.

Net exports remained negative throughout the period, indicating that India's growth model continues to be primarily domestic-demand driven. The combined contribution of private consumption and investments consistently accounted for nearly 90% of GDP, creating strong demand fundamentals for infrastructure, construction, manufacturing and other steel-intensive sectors.

GVA trend

On-year supply-side GVA by economic activity

	FY21	FY22	FY23	FY24	FY25	FY26E
Agriculture and allied	4.0%	4.6%	6.3%	2.6%	4.2%	3.0%
Mining and quarrying	-8.2%	6.3%	3.4%	2.4%	11.7%	5.2%
Manufacturing	3.1%	10.0%	-1.7%	12.7%	9.3%	10.7%
Utilities*	-4.2%	10.3%	10.8%	10.7%	2.9%	1.7%
Construction	-4.6%	19.9%	9.1%	9.9%	7.3%	7.4%
Services^	-8.4%	9.2%	10.3%	7.0%	7.9%	9.3%

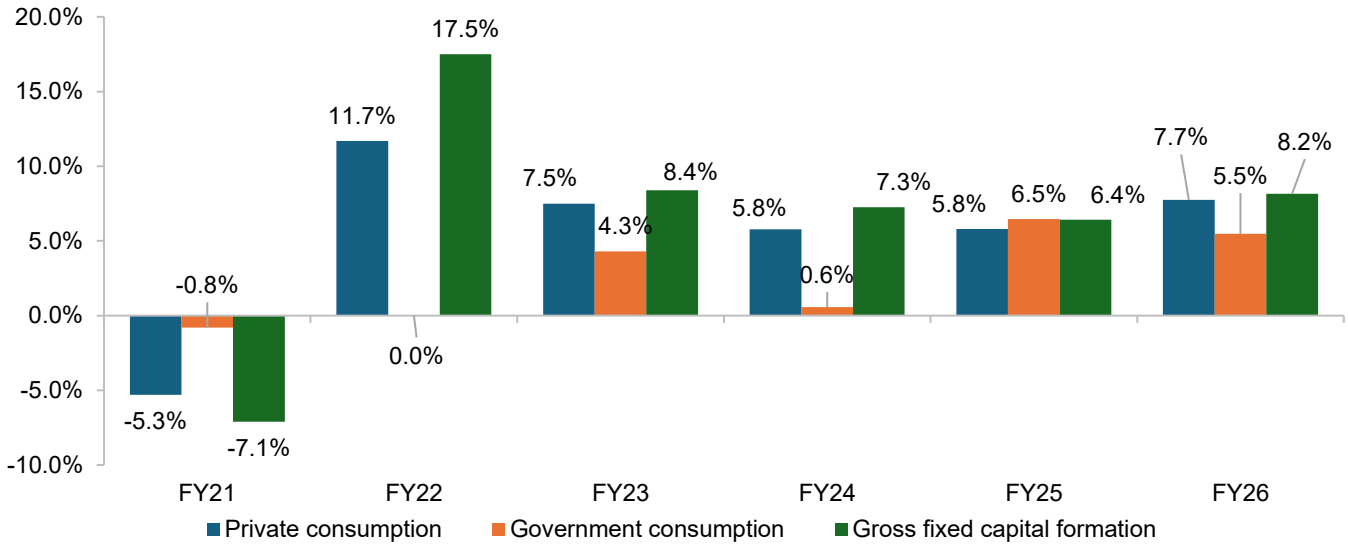
P – provisional estimates
**Utilities include electricity, gas, water supply and other utilities*
^Services include those related to trade, hotels, transport, communication, broadcasting, finance, real estate, public administration, defence, and professional and other services
Note: Fiscal 2019-2023 growth rates are as per base year 2011-12 at constant prices, fiscal 2024-2026 are as per base year 2022-23 at constant prices
Source: Crisil Intelligence, CSO

India's Gross Value Added (GVA) growth reflects the broad-based recovery of economic activity across agriculture, industry and services following the pandemic. The primary sector remained relatively resilient, supported by stable agricultural output and mining activity, recording growth of 4.9% in FY25 and an estimated 3.2% in FY26. The sector continues to play an important role in supporting rural incomes, consumption and raw material availability for various industries.

The secondary sector emerged as a key growth driver, supported by strong performance in manufacturing and construction. Sectoral growth stood at 8.0% in FY25 and an estimated 8.8% in FY26, driven by increased industrial output and sustained investments in infrastructure, housing and urban development. The tertiary sector remained the largest contributor to GVA, growing by 7.9% in FY25 and an estimated 9.3% in FY26, supported by expansion in trade, transportation, financial services and real estate activities. Overall, the balanced growth across manufacturing, construction and services continues to support industrial investment, infrastructure development and long-term steel demand growth.

India's investment and consumption trend

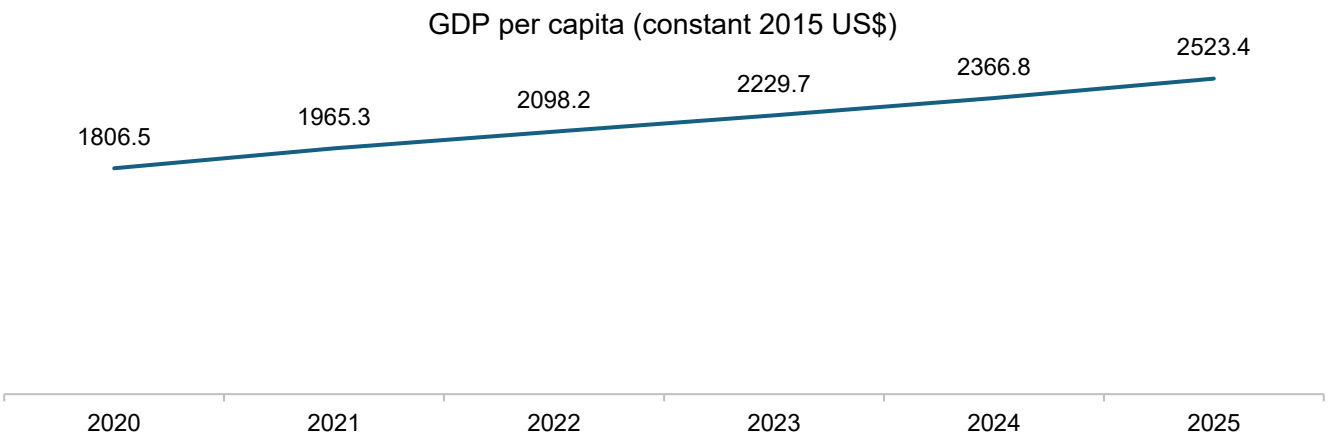
Investment and consumption trend



Note: Fiscal 2019-2023 growth rates are as per base year 2011-12 at constant prices, fiscal 2024-2026 are as per base year 2022-23 at constant prices
Source: Crisil Intelligence, CSO

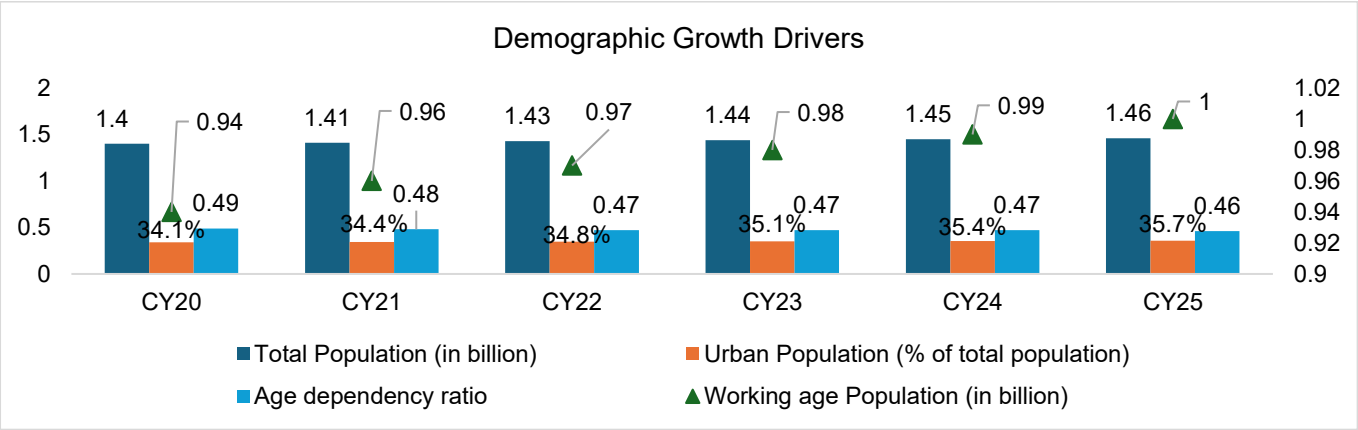
The strong performance of investment and consumption indicators underscores the growing momentum of domestic economic activity and highlights the increasing role of industrial expansion in India's growth story. Among the various sectors of the economy, manufacturing occupies a particularly important position due to its contribution to employment generation, exports, capacity creation and value addition. As India seeks to strengthen its position as a global manufacturing hub through initiatives such as Make in India, Production Linked Incentive (PLI) schemes and infrastructure-led development, the performance of the manufacturing sector has become a key determinant of overall economic growth. Furthermore, manufacturing activity has extensive linkages with steel-intensive sectors such as automobiles, engineering, capital goods, construction and infrastructure. An analysis of manufacturing GVA trends therefore provides valuable insight into the evolution of India's industrial sector and the underlying drivers of long-term demand for steel and other industrial materials.

Demographic and structural growth drivers



Source: Crisil Intelligence, World Bank

India's GDP per capita increased from US$ 1,806.5 in 2020 to US$ 2,523.4 in 2025 (constant 2015 US$), reflecting a steady improvement in income levels and overall economic prosperity. Rising per-capita income supports higher consumer spending, improved living standards and increased demand for housing, infrastructure and manufactured goods. The continued increase in purchasing power is expected to support long-term growth in steel-intensive sectors such as construction, automotive and consumer durables.



Source: Crisil Intelligence, World Bank

India's population increased from 1.40 billion in CY20 to 1.46 billion in CY25, highlighting the country's large and growing consumer base. Population growth drives demand for housing, transportation, healthcare, urban infrastructure and public utilities, thereby creating sustained demand for steel and other construction materials. The large population also provides a sizeable workforce to support industrial and economic expansion.

The growth of India's working-age population, which increased from 0.94 billion in CY20 to 1.00 billion in CY25, and the rise in urbanization from 34.1% to 35.7% during the same period, continue to support economic expansion and industrial development. A larger employable population strengthens labor force participation, income generation and domestic consumption, while increasing urbanization drives investments in housing, commercial real estate, transportation and urban infrastructure. Together, these demographic trends provide sustained support to manufacturing activity, infrastructure development and long-term steel demand growth.

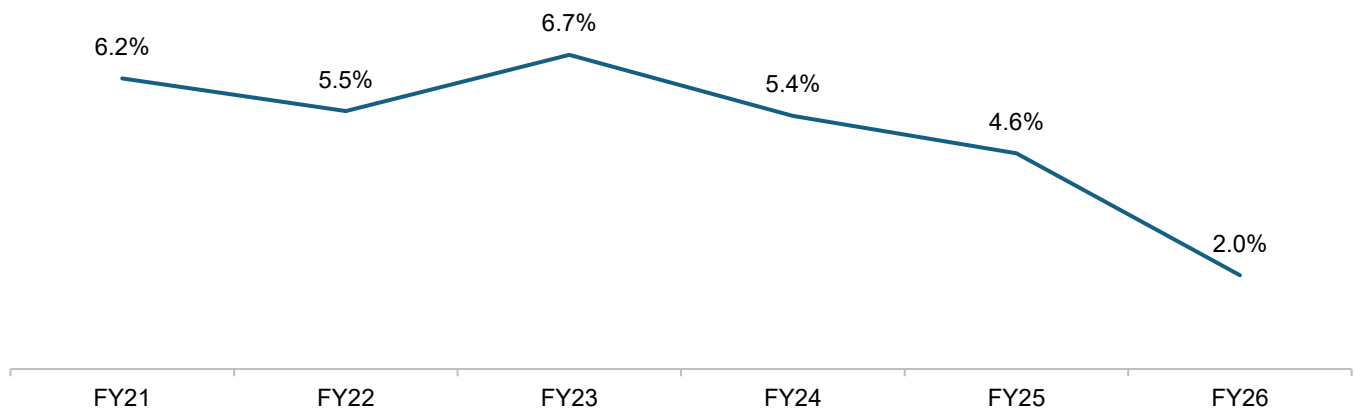
Monetary indicators

Consumer Price Index inflation trend

India's inflation trajectory has witnessed considerable fluctuations in recent years, primarily influenced by movements in food prices, commodity costs and global supply-chain conditions. CPI inflation remained around 5-6% between FY21 and FY22 before rising to 6.7% in FY23 due to elevated food inflation, higher global energy prices and persistent supply-side pressures. Thereafter, inflation moderated to 5.4% in FY24 and 4.6% in FY25 as supply conditions improved and policy measures helped contain price volatility.

Inflation declined further to 2.0% in FY26, supported by easing food prices, lower commodity inflation and stable core inflation. The moderation in inflation has strengthened household purchasing power, supported consumption demand and reduced pressure on business operating costs. A stable inflation environment is particularly beneficial for steel-consuming sectors such as construction, infrastructure, automobiles and capital goods, as it improves investment sentiment and demand visibility across the industrial value chain.

CPI inflation trend

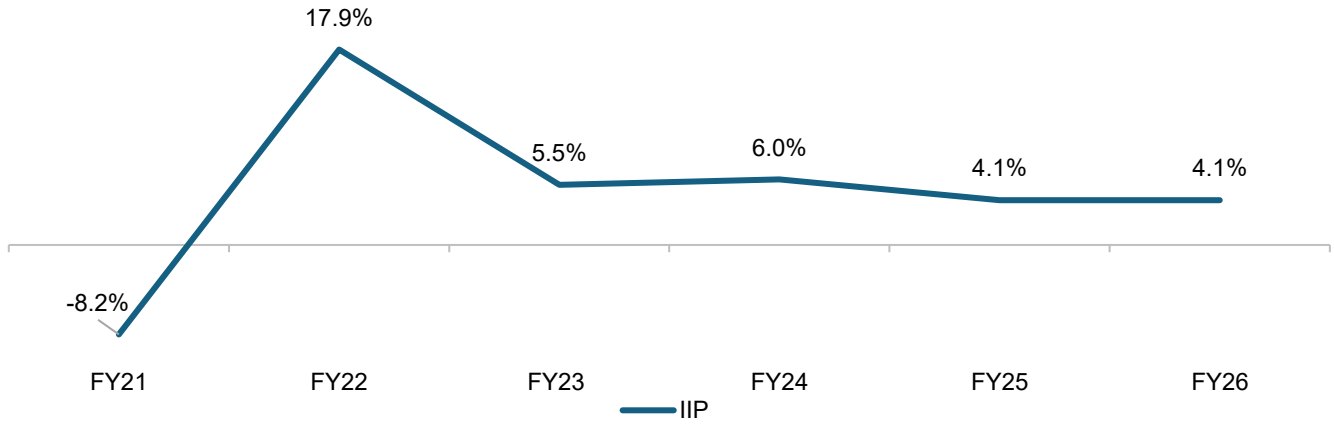


Source: NSO, Ministry of Industry and Commerce, Crisil Intelligence

Index of Industrial Production (IIP) trend

India's Index of Industrial Production (IIP) averaged 5.07% between fiscals 2021 and 2023, rising thereafter to 6.0% in fiscal 2024, led by a strong pick-up in the manufacturing of electrical equipment and basic metals, with an uptick in the consumer durables sector supporting the print. In fiscal 2025, however, IIP growth slowed to 4.1% primarily because of a slowdown in on-year growth in the manufacturing sector's GVA, and, thereafter, remaining stable in fiscal 2026.

IIP trend



Source: NSO, Ministry of Industry and Commerce, Crisil Intelligence

Repo rate changes

Particulars	May-22-2020	May-06-2022	Jun-08-2022	Aug-05-2022	Sep-30-2022	Dec-07-2022	Feb-08-2023	Feb-07-2025	Apr-09-2025	Jun-06-2025	Dec-05-2025
Repo Rate (%)	4	4.4	4.9	5.4	5.9	6.25	6.5	6.25	6	5.5	5.25
Change (%)	-0.4	0.4	0.5	0.5	0.5	0.35	0.25	-0.25	-0.25	-0.5	-0.25

Source: Crisil Intelligence, RBI

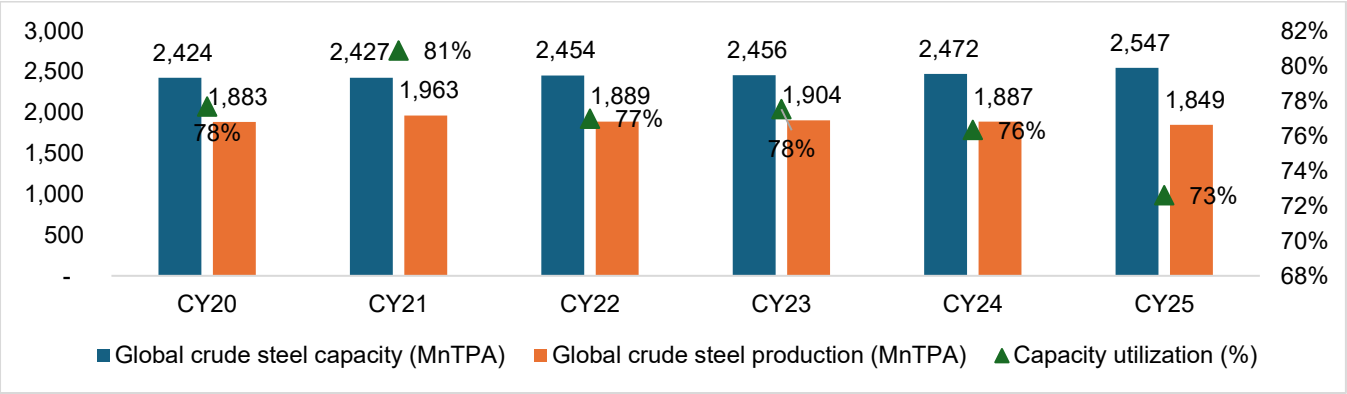
The Reserve Bank of India (RBI) has played a critical role in balancing economic growth and inflation management through calibrated monetary policy actions. As inflationary pressures intensified globally and domestically, the RBI shifted towards monetary tightening, increasing the repo rate from 4.0% in May 2022 to 6.5% by February 2023. Despite higher borrowing costs, India's economy continued to exhibit strong growth momentum, reflecting the strength of domestic demand and investment activity.

Subsequently, improving inflation dynamics allowed the RBI to gradually reduce policy rates, bringing the repo rate down to 5.25% by December 2025. The easing cycle is expected to support credit growth, private investment and consumer spending, while also benefiting capital-intensive sectors such as manufacturing, infrastructure, housing and steel.

Global steel industry overview

Global crude steel capacity and production

Global crude steel markets witnessed divergent growth trends during CY20–CY25, with India emerging as one of the fastest-growing major steel-producing nations. While global crude steel production remained broadly stable at around 1.8–1.9 billion tonnes during the period, India's crude steel production increased from 100.3 MnTPA in CY20 to 164.9 MnTPA in CY25, registering a CAGR of 10.5%. The strong growth in India was supported by rising infrastructure investments, manufacturing expansion, urbanization and increasing domestic steel consumption.



Note: CY: calendar year; MnTPA: million tonnes per annum
Source: Crisil Intelligence, World Steel Association

Despite continued additions in global steelmaking capacity, global crude steel production growth remained subdued during the period, largely due to production curtailments in China, the world's largest steel producer, amid weaker domestic demand, profitability pressures and evolving trade dynamics. In addition, higher interest rates, moderation in manufacturing and construction activity in certain regions, and geopolitical disruptions affecting raw material and energy supply chains contributed to relatively stable global crude steel production levels during the period.

Country-wise crude steel production trend (MnT) and % share in global crude steel production

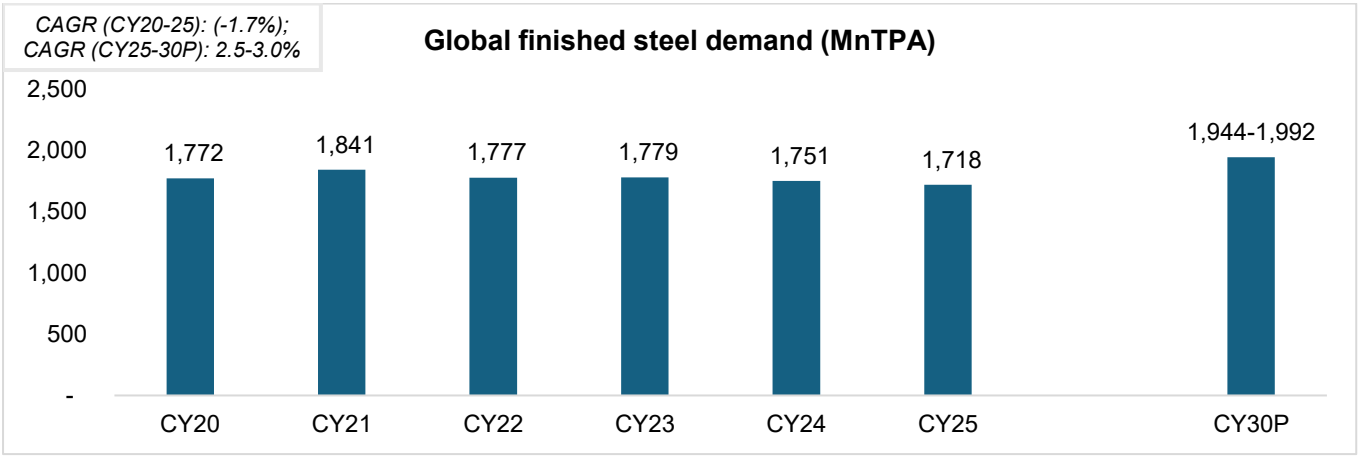
Country	CY20		CY21		CY22		CY23		CY24		CY25		CAGR (CY20-25)
	Prod. (MnTPA)	Share (%)	Prod. (MnTPA)	Share (%)	Prod. (MnTPA)	Share (%)	Prod. (MnTPA)	Share (%)	Prod. (MnTPA)	Share (%)	Prod. (MnTPA)	Share (%)	
China	1,064.7	56.5%	1,035.2	52.7%	1,019.1	53.9%	1,028.8	54.0%	1,005.1	53.3%	960.8	52.0%	-2.0%
India	100.3	5.3%	118.2	6.0%	125.4	6.6%	140.8	7.4%	149.4	7.9%	164.9	8.9%	10.5%
Japan	83.2	4.4%	96.3	4.9%	89.2	4.7%	87.0	4.6%	84.0	4.5%	80.7	4.4%	-0.6%
US	72.7	3.9%	85.8	4.4%	80.5	4.3%	81.4	4.3%	79.5	4.2%	82.0	4.4%	2.4%
Russia	71.6	3.8%	77.0	3.9%	71.7	3.8%	76.0	4.0%	71.0	3.8%	67.8	3.7%	-1.1%
South Korea	67.1	3.6%	70.4	3.6%	65.8	3.5%	66.7	3.5%	63.6	3.4%	61.9	3.3%	-1.6%

Source: Crisil Intelligence, World Steel Association
MnT: million tonnes per annum

Amid decreasing production levels in China, Russia, and South Korea and a near-flat production growth in Japan; India stood out by recording a crude steel production volume CAGR of over 10.0% between 2020 and 2025. This high growth in India's crude steel production volume is attributed to strong growth in domestic steel demand owing to Indian government's strong push for infrastructure development and an increased demand from housing, automobile, energy, research and development, and capital goods sectors.

Global finished steel demand (CY 2020-2030)

Global finished steel demand remained supported by strong consumption growth in emerging economies, particularly India, which continued to outperform major steel-consuming nations owing to infrastructure development, urbanization and manufacturing expansion. While global demand remained largely stable at around 1.7–1.8 billion tonnes during CY20–CY25, growth was constrained by weaker steel consumption in China amid its property sector downturn, along with the impact of elevated interest rates and geopolitical uncertainties on construction and industrial activity. Nevertheless, improving demand across emerging markets and continued investments in infrastructure and manufacturing are expected to support a gradual recovery in global finished steel demand over the medium term.



P – projected; E- Estimated; MnTPA: million tonnes per annum
Source: Crisil Intelligence, World Steel Association

Going forward, the global demand for finished steel is expected to log a CAGR of 2.5-3.0% between CY 2025-2030P Global steel demand is projected to contract by around 1.0% in 2026, primarily owing to weaker demand in China. India and a few Southeast Asian countries are expected to lead growth, with India's demand anticipated to rise by 7.0-9.0%. This growth will be driven by infrastructure spending and industrial activity. Government spending on infrastructure and export of industrial products will remain a key monitorable due to the commodity price volatility and uncertainty around gas and other fuel availability.

The global steel industry faces significant challenges, including overcapacity and tariff-based restrictions. Nevertheless, in the long term, emerging economies such as India and ASEAN nations are expected to drive demand growth, offsetting China's declining market share.

Global steel trade dynamics

Steel export volume by product categories (MnTPA)

Category	2020	2021	2022	2023	2024	2025
Semi-finished Steel	56.9	72.8	52.9	61.7	61.9	71.2
Long Products	94.7	110.1	96.3	98.4	101.7	106.2
Flat Products	195.5	239.3	211.1	224.4	241.8	234.4
Tubes & Pipes	32.5	35.5	35.4	37.9	39.1	39.9
Other Steel Products	2.7	3.3	3.4	3.5	3.6	3.6
Total	**382.3**	**461.0**	**399.1**	**425.9**	**448.1**	**455.3**

Source: Crisil Intelligence, World Steel Association
MnTPA: million tonnes per annum
Note: Other Steel Products include steel castings, steel forgings, Wheels (forged and rolled) and axles

Global steel trade demonstrated resilience during CY22–CY25, with traded steel volumes recovering from 399.1 MnTPA in 2022 to 455.3 MnTPA in 2025 following the normalization of manufacturing activity, infrastructure investments and construction demand across major economies. While trade volumes were impacted in 2022 by macroeconomic uncertainties, supply-chain disruptions and weaker industrial activity, subsequent recovery helped global steel trade approach pre-slowdown levels. Flat products remained the largest traded category, accounting for more than half of total traded volumes, followed by long products and semi-finished steel.

Flat product exports increased from 211.1 MnTPA in 2022 to 234.4 MnTPA in 2025, supported by demand from automotive, engineering, consumer durables and construction sectors. Long product exports rose from 96.3 MnTPA to 106.2 MnTPA during the same period, reflecting continued investments in infrastructure and urban development. Meanwhile, exports of semi-finished steel products increased significantly from 52.9 MnTPA to 71.2 MnTPA, supported by the globalization of steel value chains, while tubes and pipes exports grew from 35.4 MnTPA to 39.9 MnTPA owing to demand from energy, infrastructure and industrial sectors. Overall, the composition of global steel trade underscores the continued importance of manufacturing, construction and infrastructure activities in driving international steel demand.

Top steel exporting countries (MnTPA)

Country/Region	2020	2021	2022	2023	2024	2025
China	**51.4**	66.2	68.1	94.3	117.1	**133.6**
Japan	29.8	33.8	31.7	32.2	31.2	29.8
South Korea	27.6	26.8	25.5	27	28	27.9
European Union (27)	22.6	26	26	26	27.8	20.5

Country/Region	2020	2021	2022	2023	2024	2025
Germany	21.2	23.9	22.3	22.5	22.6	20.9
Türkiye	18.5	22.1	18	12.7	17	17.5
Russia	31.5	32.6	17.9	13.9	12.3	15.2
Italy	14.9	17.2	16	16.1	15	14.3
Belgium	12.9	15.5	14.7	14.6	15.4	14.7
Brazil	10.6	11.5	12.1	12.3	10.3	11
India	**17.1**	20.4	12.1	9.9	9.7	**9.9**
France	110.2	12.6	11.5	9.9	9.8	9.7
Vietnam	7.8	11.2	7.4	8.6	13.4	11.1
Indonesia	*	9.9	9.2	9.6	11.4	11.6
Taiwan, China	10.0	10.8	9.9	9.5	9.2	8.5
Others	53.0	36.3	33.2	48	45.6	44.3

Source: Crisil Intelligence, World Steel Association
MnTPA: million tonnes per annum;
**: included in others for 2020*
Note: Others include Netherlands, Spain, Malaysia, United States, Iran

Global steel exports during CY20–CY25 were increasingly influenced by China's expanding presence in international markets. China's steel exports more than doubled from 51.4 MnTPA in CY20 to 133.6 MnTPA in CY25, reflecting weak domestic demand, particularly from the property sector, and the country's substantial excess steelmaking capacity. The sharp increase in Chinese exports added pressure on global steel prices and export markets, prompting several countries, including India, to adopt trade measures such as safeguard duties to protect domestic producers from import surges and pricing pressure.

In contrast, India's steel exports declined from 17.1 MnTPA in CY20 to 9.9 MnTPA in CY25. The decline was primarily driven by the temporary export duty imposed in May 2022 and strong domestic demand from infrastructure, construction and manufacturing sectors, which encouraged producers to prioritize local markets. Overall, global steel trade continues to be shaped by China's export strategy, regional demand-supply imbalances and evolving trade policies, with growing focus on safeguarding domestic industries against import-driven market disruptions.

Top steel importing countries (MnTPA)

Country/Region	2020	2021	2022	2023	2024	2025
European Union (27)	32.6	48.1	48.1	39.2	42.8	43.7
United States	19.9	29.7	28.9	26.4	27.3	23.9
Germany	18.2	23.3	21	18.7	18.3	20.2
Italy	15.5	20.8	20.2	18.7	18.5	20.4
Türkiye	12.5	16.2	17.4	18	19.7	19.8
China	37.9	27.8	17.1	11	8.7	NA
South Korea	11.5	14.1	13.7	15	14.2	12.6
Thailand	13.1	15.7	13.4	13.7	13.5	15.5
Mexico	9.7	15.1	10.9	17.5	17.6	14.8
Vietnam	13.7	13	11.5	14	17.2	13.5
Indonesia	9.3	10.2	11.2	12.4	12.8	13
Belgium	10.4	13.7	12.5	11.6	11.9	12.6
France	11.8	13.3	12	11.8	11.2	11
Poland	10.8	13.7	12	11.6	11.5	12.6
India	NA	NA	NA	9.8	11.5	10.4
Others	44.2	47.3	44.2	35.3	47.6	57.2

Source: Crisil Intelligence, World Steel Association

MnT: million tonnes per annum

Note: Others include Netherlands, Spain, Canada, Taiwan, United Arab Emirates, Philippines, Saudi Arabia

The European Union and the United States remained the largest steel-importing regions during CY21–CY25, reflecting their continued reliance on international trade to supplement domestic production and meet demand from construction, automotive, machinery and manufacturing sectors. Steel imports into the European Union increased from 39.2 MnTPA in CY23 to 43.7 MnTPA in CY25, while the United States imported 23.9 MnTPA in CY25. Major European economies such as Germany, Italy, Belgium, France and Poland continued to rank among the leading steel importers, highlighting the integrated nature of regional steel supply chains and the importance of steel in downstream industrial activities.

Emerging Asian economies also remained significant steel importers, supported by rapid industrialization, urbanization and infrastructure development. Countries such as Indonesia, Vietnam, Thailand and India recorded substantial import volumes during the review period, with Indonesia's imports increasing from 9.3 million tonnes in CY20 to 13.0 million tonnes in CY25. Overall, global steel import demand continues to be driven by infrastructure, construction and manufacturing growth in

developing economies, while mature markets in Europe and North America rely on imports to balance domestic demand and access specialized steel products. Going forward, global trade flows are expected to be influenced by regional capacity additions, trade policies, supply chain diversification and evolving consumption patterns across key end-use sectors.

Key end-use sector driving global steel demand in 2025

End-use sector	Share of global steel use (%)	Steel consumption (MnTPA)
Building & Infrastructure	52%	893.5
Mechanical Equipment	16%	274.9
Automotive	12%	206.2
Metal Products	10%	171.8
Other Transport*	5%	85.9
Electrical Equipment	3%	51.5
Domestic Appliances	2%	34.4
Total Steel Use	**100%**	**1,718.2**

Source: Crisil Intelligence, World Steel Association
MnTPA: million tonnes per annum
Note: Others Transport
** include Railway, Shipping*

Global steel consumption continues to be dominated by the building and infrastructure sector, which accounted for approximately 52.0% of total steel demand in 2025, equivalent to nearly 893.5 MnTPA. The sector's leading share reflects the extensive use of steel in residential and commercial construction, transportation networks, industrial facilities, utilities and energy infrastructure. Mechanical equipment and metal products collectively accounted for around 26.0% of global steel consumption, highlighting the importance of manufacturing, industrial machinery, capital goods and fabricated metal products in driving steel demand.

The automotive sector remained another key consumer, accounting for approximately 12.0% of global steel demand in 2025, while transportation applications contributed an additional 5.0%. Other sectors, including electrical equipment and domestic appliances, together represented around 5.0% of total consumption. Overall, the diversified end-use profile of steel underscores its critical role in supporting infrastructure development, industrial production, mobility and economic growth across the global economy.

Impact of macro forces on global steel market

- Geopolitical uncertainties: The impact of geopolitical uncertainties on the steel industry is highly significant. For example, this can lead to supply chain disruptions, increased transportation risks and costs, volatility in raw material and consumable prices, uncertainty on the steel makers' and end-use industries' capital expenditure plans, reduction in demand from key end-use sectors, and energy price shocks.

- Inflation: Inflation increases the cost of key steelmaking inputs such as iron ore, coal, energy and logistics, putting pressure on steel producers' margins, particularly when weak demand limits their ability to pass on higher costs to customers. Sustained inflation may also slow capacity expansion by increasing interest rates and financing costs. For example, a sharp rise in natural gas prices in Europe during 2022 led to production cutbacks at several steel plants, while energy-rich regions were relatively better positioned to maintain stable industrial output.

- Trade policies and tariffs: Trade policies and tariffs can significantly influence global steel trade flows by redirecting exports to alternative markets, creating pricing pressures and increasing market uncertainty. Higher tariffs and retaliatory measures can adversely impact global economic growth and steel demand, while trade protection measures such as safeguard and anti-dumping duties help protect domestic producers from unfair imports and support the development of local steel industries.

- Environmental regulations: Increasing focus on environmental regulations such as the regulations on carbon emissions, air pollution, water usage, etc, force steel makers to make investments in emission control equipment, green technologies, and monitoring systems. This in-turn leads to an increase in capital and operating costs for the companies.

In general, developed economies follow stricter environmental regulations making their steel more expensive, thus creating trade imbalances. Policies such as carbon border adjustment mechanism (CBAM) are promoting green steel manufacturing as the steel makers across the globe wish to remain competitive in export markets. CBAM, which will impose carbon tariffs on imported steel from 2026, will significantly impact the steel exporters from countries like China and India which majorly manufacture steel through coal-heavy processes. As per CBAM, considering a typical blast furnace – basic oxygen furnace route of hot-rolled (HR) coil manufacturing which emits approximately 2.1 tonnes of CO_2 per tonne of HR coil production and an average 80 euros of carbon tax per tonne of CO_2 emissions, exporting one tonne of HR coil to the Europe Union will attract a carbon tax of approximately 168 Euros.

Further, any policies aiming to control carbon emissions will help the steel producers gain market access in those geographies where there are strict compliance norms with respect to import and use of sustainable steel. For example, India's Carbon Credit Trading Scheme, which aims to reduce greenhouse gas (GHG) emissions through carbon pricing, will help Indian steel producers gain customers in CBAM compliant European Union countries.

In addition to traditional macroeconomic drivers, several structural trends are reshaping the global steel industry. The ongoing China+1 strategy, under which global manufacturers are diversifying supply chains beyond China, is supporting investments in manufacturing and infrastructure across emerging economies, particularly in Asia. At the same time, the growing focus on decarbonization and green steel production is driving investments in energy-efficient technologies, scrap-based steelmaking and low-carbon production processes. The transition towards electric vehicles (EVs) is expected to increase demand for advanced and high-strength steel grades used in automotive applications, while the rapid expansion of renewable energy infrastructure, including solar, wind and transmission networks, is creating additional demand for steel-intensive products. Collectively, these structural shifts are expected to influence steel demand patterns, investment decisions and competitive dynamics across global steel markets over the medium to long term.

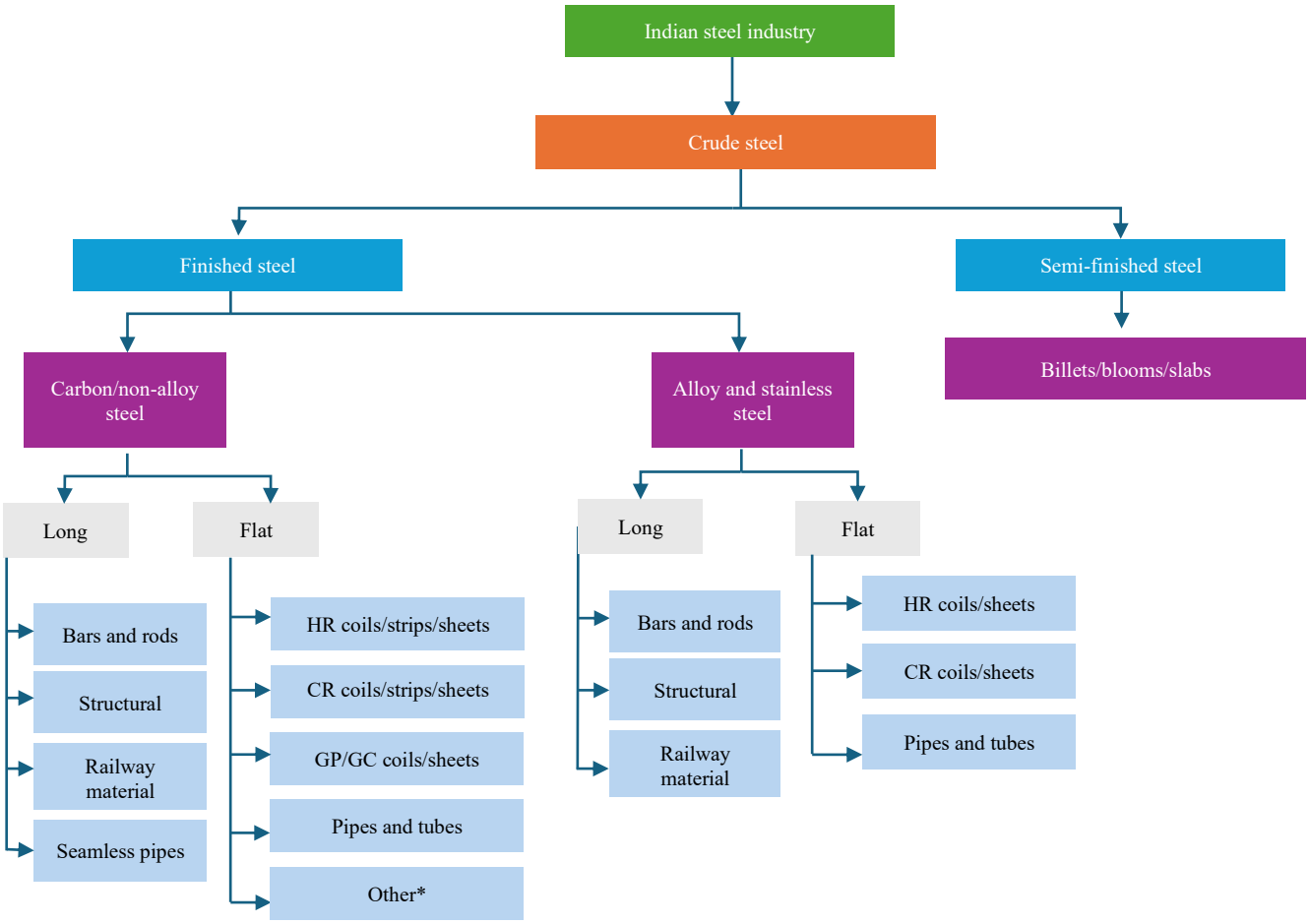
Global technological advancements and sustainability initiatives in steel manufacturing

The global steel industry is increasingly focused on improving operational efficiency, reducing carbon emissions and enhancing resource utilization through the adoption of cleaner production technologies. While the blast furnace-basic oxygen furnace (BF-BOF) route continued to account for approximately 69.4% of global crude steel production in 2025, electric arc furnace (EAF) technology represented around 30.3% of output, reflecting the gradual transition towards less carbon-intensive steelmaking. The increasing use of recycled steel scrap in EAF production supports circular economy practices and reduces dependence on virgin raw materials.

Decarbonization remains a key priority for steel producers, driving investments in low-carbon technologies, direct reduced iron (DRI) production and process innovation. Global DRI production increased from 117.9 MnTPA in 2021 to 153.0 MnTPA in 2025, highlighting its growing importance in supporting cleaner steelmaking routes. In parallel, steel companies continue to invest in product innovation, process optimization and sustainability initiatives, with higher adoption of scrap-based steelmaking, improved material efficiency and development of low-emission technologies expected to enhance the industry's long-term competitiveness and environmental performance.

Overview of India's steel industry

Structure of the industry



**Other includes prime plates, hot strip mill plates, colour-coated coils/sheets, electrical coils/sheets, tin plates, tin-free steel, tin mill black plates, pipes, etc.*
HR: hot rolled; CR: cold rolled
Source: Crisil Intelligence, industry
Note: Pipes and tubes included under both flat carbon/non-alloy steel segment and flat alloy and stainless-steel segments; they include hollow section pipes and welded pipes. Further, seamless pipes under long segment also include hollow section

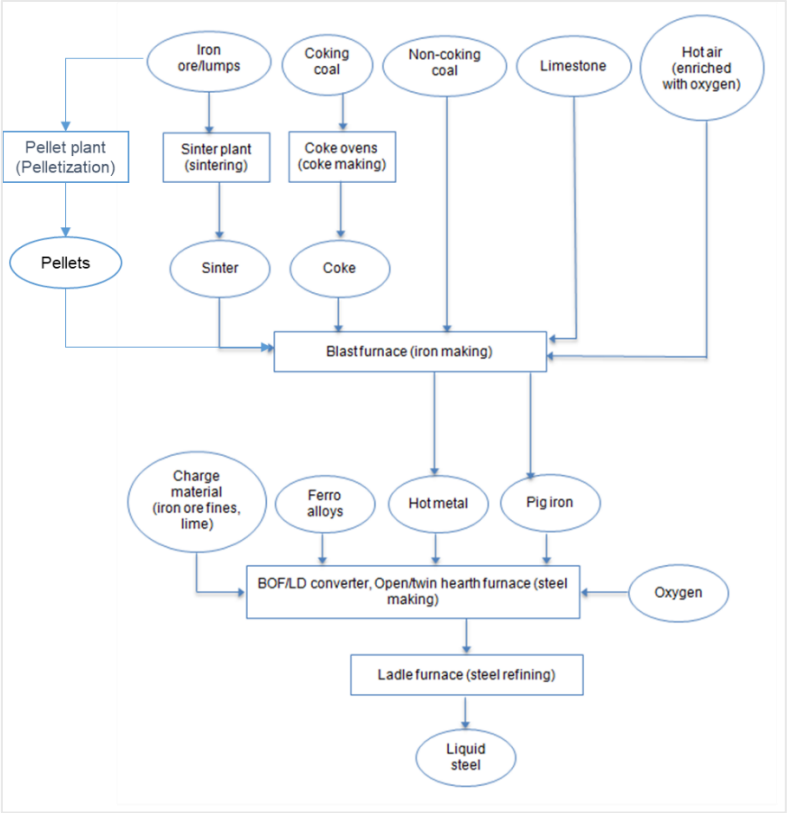
Steel is an alloy primarily composed of iron and carbon, with small amounts of other elements. It is one of the most versatile and widely used materials globally due to its strength, durability and recyclability. The steel industry plays a critical role in economic development, supporting the infrastructure, construction, automotive and manufacturing sectors. It can be classified into crude steel, semi-finished steel and finished steel. Crude steel is the raw material produced in furnaces, serving as the foundation for further processing. Semi-finished steel includes intermediate products such as billets, blooms and slabs, which are inputs for rolling mills. Finished steel is the final product, categorised into carbon/non-alloy steel and alloy and stainless steel. Finished steel is further divided into long products (e.g., bars, rods, structural materials, railway components) and flat products (e.g., hot-rolled (HR) coils/sheets, cold-rolled (CR) coils/sheets, galvanised sheets). Alloy and stainless steel products offer enhanced properties for specialised applications. Flat products are widely used in automotives and appliances, while long products dominate construction and infrastructure projects.

Manufacturing process for steel products

There are three popular processes to produce crude steel from raw materials – basic oxygen furnace (BOF), electric arc furnace (EAF), and induction furnace (IF). Steel production routes differ significantly in terms of capital requirements, raw material flexibility and operating scale. The BF-BOF route is typically deployed in large integrated steel plants and offers economies of scale, but requires substantially higher capital investment, estimated at approximately ₹8,400–10,000 crore per MnTPA of capacity, while relying primarily on iron ore and coking coal as key inputs. In comparison, EAF-based steelmaking is relatively less capital-intensive, requiring around ₹3,500–5,000 crore per MnTPA, and offers greater flexibility through the use of steel scrap and DRI as feedstock. Induction Furnace (IF) units generally operate at a smaller scale with lower capital requirements and are widely used in secondary steel production, although they are typically more suitable for long products and offer limited flexibility in producing specialized steel grades. The growing focus on decarbonization, faster project execution and increasing scrap availability is expected to support greater adoption of EAF-based steelmaking over the long term.

In BF/BOF, iron ore and coking coal are fed into a blast furnace (BF) to produce hot metal. The BOF converts the hot metal into crude steel.

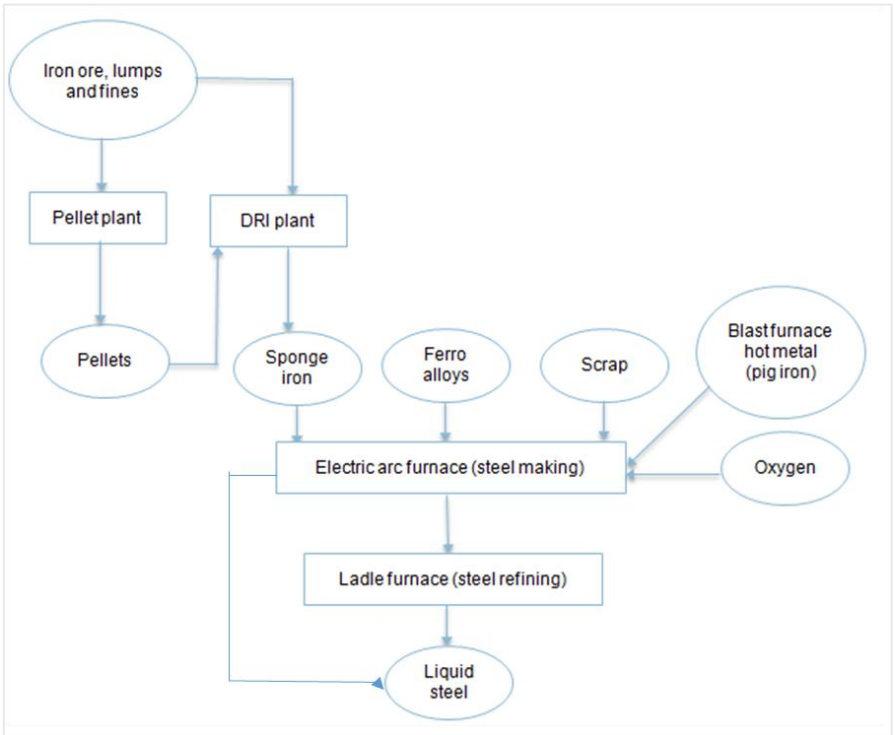
BF/BOF process



Source: Crisil Intelligence

Steel scrap, pig iron or sponge iron is used as raw material in an EAF and IF. The raw material is melted using heat generated with the aid of an electric arc produced by graphite electrodes.

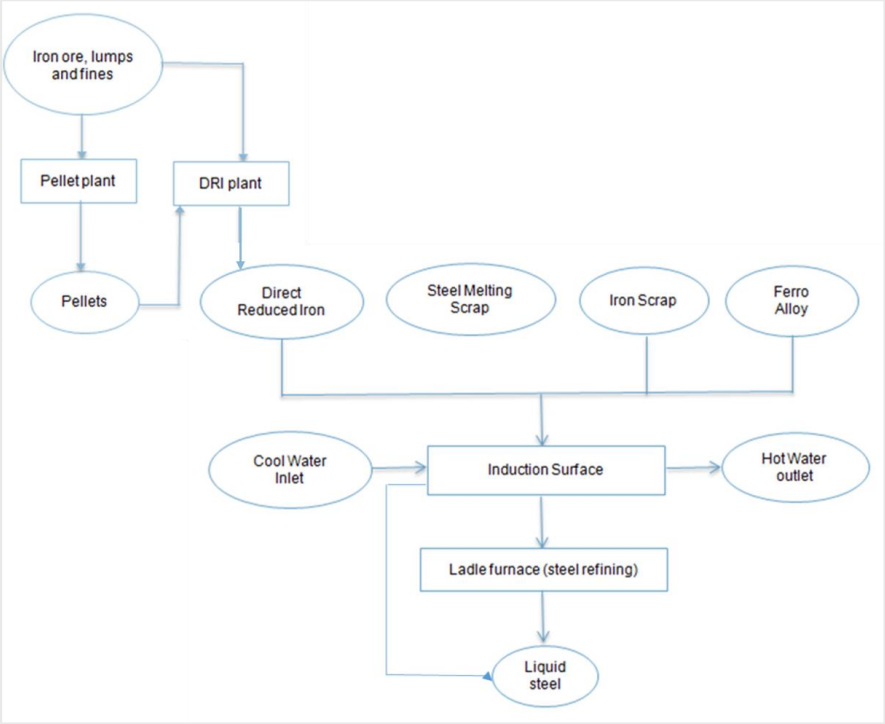
EAF process



Source: Crisil Intelligence

Further in the IF process, heat is generated through electromagnetic induction in an electrically conductive medium (usually a metal).

IF process



Source: Crisil Intelligence

India's position in global steel market

Country/Region	Steel Demand in 2025 (MnTPA)	Share of Global Demand (%)
China	796	46.30%
India	**159.8**	**9.30%**
United States	90.9	5.30%
Middle East	61.8	3.60%
Russia	37.6	2.20%
Germany	29.2	1.70%
Vietnam	28.8	1.70%
Brazil	26.8	1.60%
Japan	48	2.80%
South Korea	43.6	2.50%
Others	395.7	23.00%
World	**1,718.20**	**100.00%**

Source: Crisil Intelligence, World Steel Association
MnTPA: million tonnes per annum
Note: Demand values for all the above mentioned countries are for calendar year 2025.

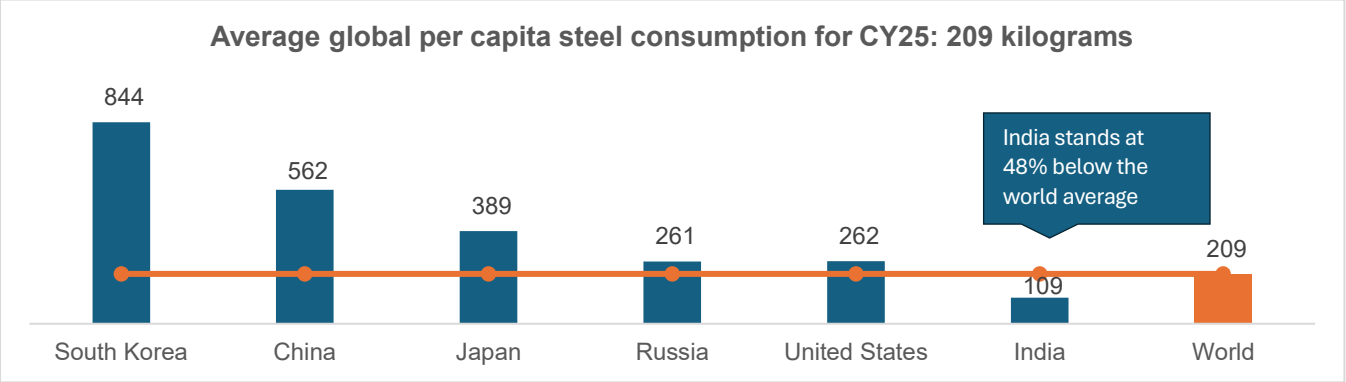
India has strengthened its position as the world's second-largest steel-consuming nation, with finished steel demand estimated at 159.8 MnTPA in 2025, accounting for approximately x of global steel demand of 1,718.2 MnTPA. Although China continues to dominate global steel consumption with demand of 796.0 MnTPA, equivalent to nearly 46% of global demand, India's share has been steadily rising on the back of robust economic growth, accelerated infrastructure development and increasing industrial activity.

Among major steel-consuming countries, India remains the fastest-growing large market. The country's steel demand significantly exceeds that of developed economies such as the United States (90.9 MnTPA), Japan (48.0 MnTPA) and Germany (29.2 MnTPA). Rising investments in transport infrastructure, housing, renewable energy, commercial real estate and manufacturing are supporting growing steel intensity across the Indian economy.

India's growing importance within the global steel industry is further reflected in its increasing contribution to global steel demand growth. While several mature economies are witnessing relatively flat demand trends and China is experiencing

structural moderation in steel consumption, India continues to benefit from favourable demographics, urbanization and government-led capital expenditure. Consequently, India is expected to remain one of the key drivers of global steel demand over the medium term and further strengthen its position in the international steel market.

Per capita steel consumption in key countries (in kilograms)



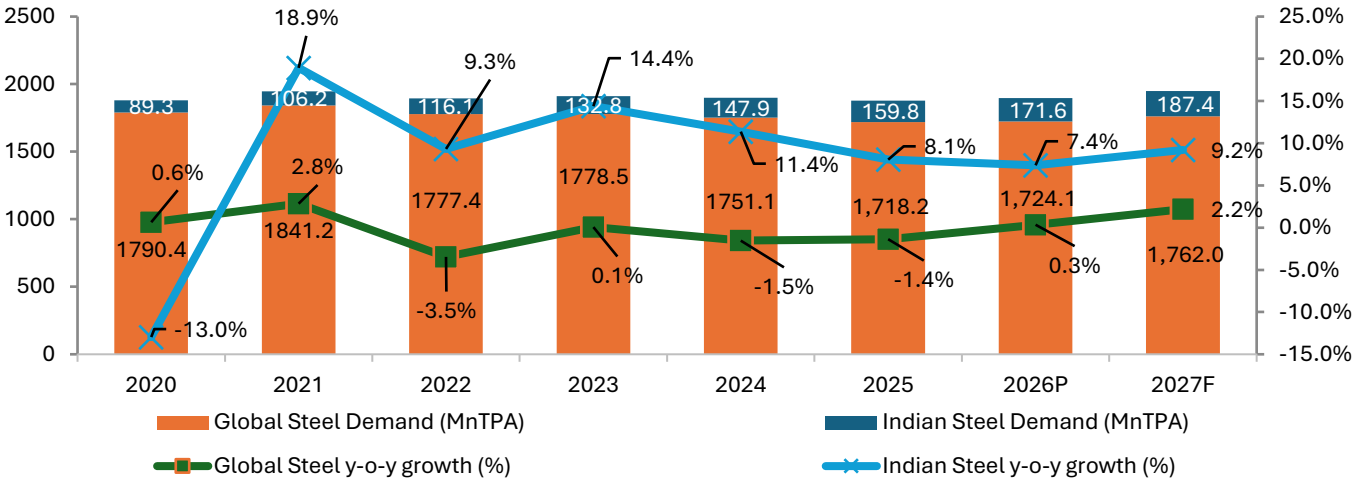
Source: World Steel Association, World Bank

India's per capita steel consumption remains significantly below the global average and major steel-consuming economies, indicating substantial potential for future demand growth. In CY25, India's per capita steel consumption stood at approximately 109 kg, compared with the global average of 209 kg, while countries such as South Korea, China, Japan, the United States and Russia reported significantly higher consumption levels ranging from 261 kg to 844 kg per capita. This gap highlights the considerable headroom for growth in India's steel consumption as urbanization, infrastructure development and industrialization continue to accelerate.

The relatively low per capita consumption in India reflects the country's developing stage of infrastructure creation, urbanization and industrialization. However, it also indicates significant headroom for future growth as rising incomes, rapid urban development, expanding transportation networks, increasing housing demand and continued investments in manufacturing and infrastructure drive steel usage across the economy. Government initiatives such as PM Gati Shakti, the National Infrastructure Pipeline, Bharatmala, Sagarmala and various housing programmes are expected to further support steel-intensive investments over the medium to long term.

As India's economy continues to expand and per capita income levels improve, steel consumption is expected to increase in line with growing demand from construction, infrastructure, automobiles, engineering and capital goods sectors. Given the substantial gap between India's current per capita steel consumption and that of both the global average and other major economies, the country is well positioned to remain one of the fastest-growing steel markets globally, providing significant long-term opportunities for domestic steel producers.

Growth in Indian steel demand vis-à-vis global steel demand



Source: Crisil Intelligence, World Steel Association

Note: Years correspond to calendar years. Global Steel Demand numbers include Indian Steel
MnTPA: million tonnes per annum; P: Projected; F: Forecast

India has consistently outperformed the global steel market in terms of demand growth, driven by rapid urbanization, infrastructure development, rising manufacturing activity and supportive government policies. Indian steel demand increased from 89.3 MnTPA in 2020 to 147.9 MnTPA in 2024, registering significantly higher growth rates than the global market during most years of the period. In contrast, global steel demand remained relatively stable at around 1.75-1.85 billion tonnes, reflecting slower growth in mature economies and periodic weakness in key markets such as China and Europe. The divergence highlights India's emergence as one of the fastest-growing steel-consuming markets globally.

Looking ahead, Indian steel demand is projected to increase from approximately 159.8 MnTPA in 2025 to 187.4 MnTPA by 2027, supported by continued investments in infrastructure, housing, transportation, renewable energy and manufacturing. Demand growth is expected to remain robust at 7-9% annually, significantly exceeding the forecast growth rate for global steel demand, which is expected to remain largely stable with low single-digit growth. Consequently, India is expected to remain a key growth driver for the global steel industry over the medium term.

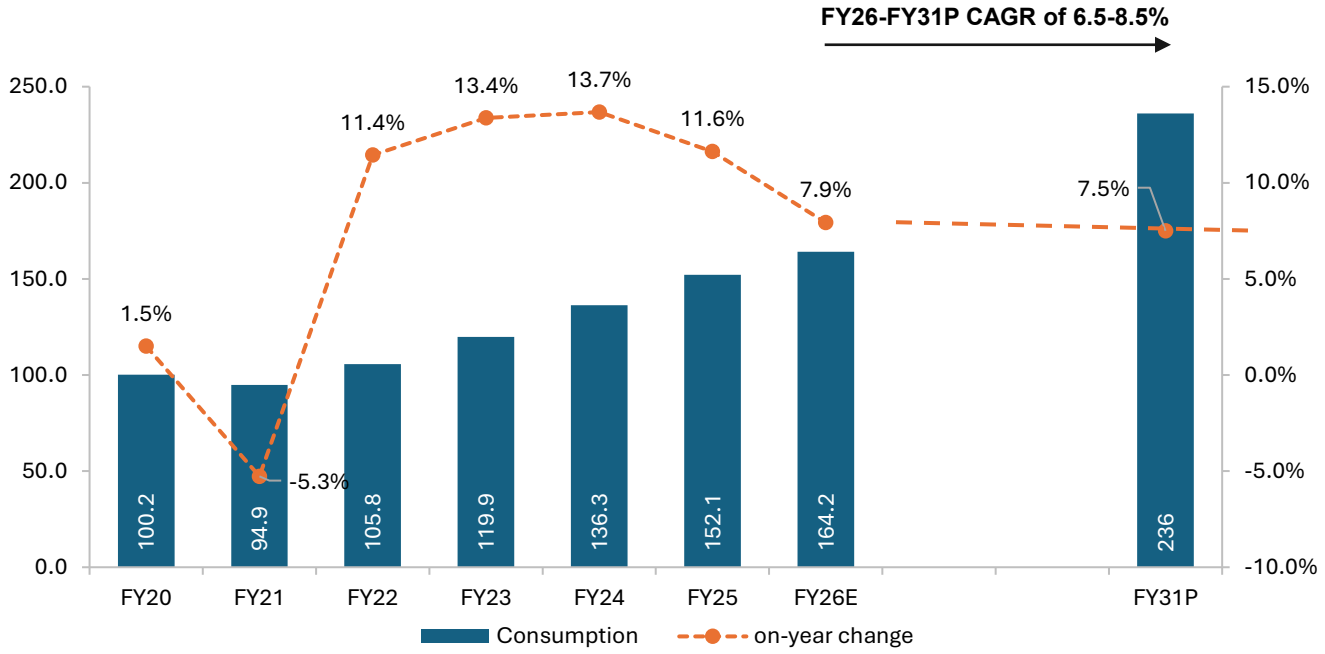
The sustained expansion in domestic steel consumption presents a favorable demand environment for integrated steel manufacturers such as B.S. Sponge. Rising steel intensity across infrastructure and industrial projects, coupled with increasing government expenditure and private sector investments, is expected to support long-term demand for sponge iron, billets, TMT bars, HR coils, pipes and other steel products manufactured by the Company.

Consumption trend of finished steel

The domestic steel demand has logged a significant 11.6% CAGR between fiscals 2022 and 2026. In fiscal 2021, the industry logged a 5.3% on-year decline in demand owing to the pandemic. Demand rebounded in fiscal 2022, growing 11.4% on-year, with a revival of industrial activities, release of pent-up demand and growth inducement in key end-use sectors.

Steel demand rose 7.9% to 164.2 MnTPA in fiscal 2026 from 152.1 MnTPA in fiscal 2025, owing to the aggregate effect of growth in the end-use sectors of steel—such as automobile, infrastructure and construction—and the market volatility faced during the period owing to geopolitical uncertainty. Demand is expected to accelerate to 225-250 MnTPA by fiscal 2031 at a CAGR of 6.5-8.5%.

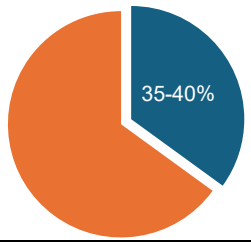
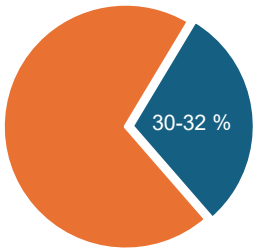
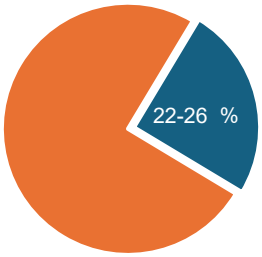
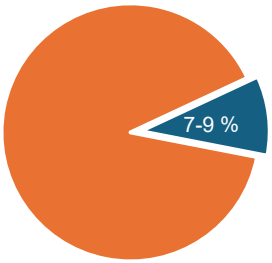
Domestic steel consumption (in MnTPA)



P: Projected
Source: Crisil Intelligence, industry, Joint Plant Committee (JPC)

Building and construction (B&C), infrastructure and engineering, and packaging sectors make up ~90% of the aggregate demand for finished steel; B&C has the largest share. Infrastructure projects, housing and construction sectors are expected to spearhead growth in steel demand between fiscals 2027 and 2031. Projects such as the Pradhan Mantri Awas Yojana (PMAY) and the National Infrastructure Pipeline (NIP) will sustain the growth momentum.

Steel consumption break-up by use

Segment	Share of consumption as of FY26E	Growth in FY22-FY25	Growth in FY26E-FY31P	Application	Demand drivers
Building and construction		11.5%	6–8%	• Reinforced concrete structures • Roofing and cladding • Prefabricated buildings • Doors, windows, staircases	• Affordable housing • Pick-up in rural housing (healthy rural sentiments) • Commercialisation of Tier 3 and Tier 4 cities
Infrastructure		14.5%	8–10%	• Bridges (girders, trusses) • Rail/metro infrastructure • Roads and highways (guardrails, crash barriers) • Airports, ports	• Investment in developing 2,843 km of dedicated freight corridors; ~4,300 km more proposed • Investment of Rs 24.93 thousand crore for urban infrastructure like mass rapid transit system (MRTS)
Engineering and packaging		12%	6–8%	• Industrial machinery • Power equipment (boilers, turbines) • Transmission towers • Earthmoving equipment • Food and beverage cans • Aerosol containers • Paint cans, bottle caps and closures	• Push for sustainability will lead to higher demand for steel • Government initiatives like Atmanirbhar Bharat and PLI schemes increased domestic manufacturing
Automotive		10.8%	6-7%	• Car body panels • Chassis and suspension • Engine and transmission parts • Wheels and bumpers	• Automotive production expected to drive demand growth with demand from cars/utility vehicles growing 1-3% • Tractor demand forecast to rise at a CAGR of 5-7% for fiscal 2026-2031 due to favourable weather and government initiatives • Two-wheeler industry anticipated to grow 7-9% in fiscal 2027 owing to rural market recovery, premiumisation, and GST rationalization

Note: This is not an exhaustive list. Other segments include industries such as capital goods and consumer durables, among others
Source: Crisil Intelligence, industry, JPC
E: Estimated; P: Projected

Infrastructure to drive steel demand

The infrastructure sector is poised to be a significant driver of domestic steel demand; it currently accounts for ~30% of the demand. Over the next five years, this sector is expected to log a CAGR of 8-10%.

Key drivers of infrastructure growth

Some initiatives that are expected to fuel the growth of the infrastructure sector:

- Substantial budgetary allocation: Infrastructure capex budgeted for fiscal 2027 is 17.7% higher than in the previous year, driven by investments in logistics, power and affordable housing. Of the total infrastructure capex, 53% has been allocated for roads, railways, waterways and aviation

- Bharatmala Pariyojana: This is a flagship highway development programme aimed at improving road connectivity, freight movement efficiency and logistics competitiveness across the country. Phase I of the programme envisages the development of 34,800 km of highways at an estimated cost of ₹5.35 lakh crore, including economic corridors, inter-corridors, feeder routes, border roads, coastal roads and expressways. As of May 2026, projects covering 26,425 km had been awarded, of which 22,709 km had been completed, reflecting significant progress in enhancing India's transportation infrastructure.

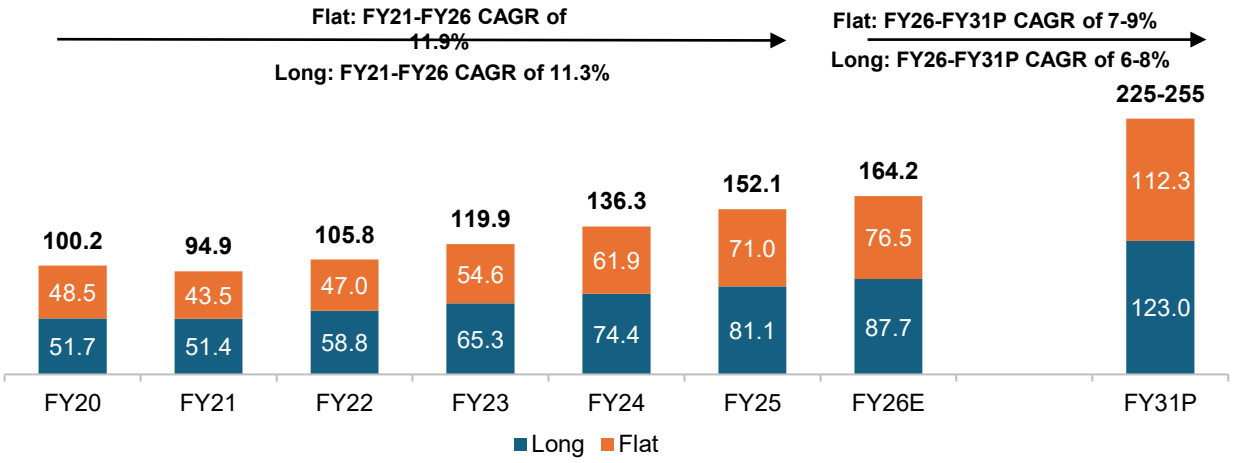
- Smart Cities project: Launched in 2015 to improve urban infrastructure and quality of life across 100 cities, the Smart Cities Mission has made significant progress in strengthening urban development. As of May 2025, 7,555 projects (94% of the total 8,067 sanctioned projects) worth approximately ₹1.51 lakh crore had been completed, while the overall investment under the Mission stood at ₹1.64 lakh crore. The programme covers key sectors such as smart mobility, water and sanitation, energy, governance and urban infrastructure, and is expected to continue supporting demand for steel through investments in roads, housing, public utilities, transport systems and other urban infrastructure projects

Steel consumption by category – By product type

Long products: Finished long steel products are typically produced by hot rolling/forging of bloom/billets/ingots into useable shape or sizes. These are normally supplied in straight length or cut length, except wire rods, which are supplied in wound coils. The types of long products include bars and rods (thermo-mechanically treated bars, wire rods and round bars), structural steel (angles, channels, beams, fabricated sections and girders) and railway materials.

Flat products: Flat products are produced from slabs/thin slabs in rolling mills using flat rolls and comprise HR and CR coils and coated products. HR flat products are produced by re-rolling slabs/thin slabs at high temperatures (above 1,000^{0}C) in plate mills or in hot strip mills. CR coils/strips are produced by cold rolling HR coils/strips in cold rolling mills (normally at room temperature). CR coils/strips/sheets are characterised by lower thickness, better/bright finish and specific mechanical/metallurgical properties.

Consumption of long and flat products (MnTPA)



E: Estimated, FY26 value is provisional
Source: Crisil Intelligence, industry, JPC
MnTPA: million tonnes per annum

Demand for long steel logged a 11.3% CAGR between fiscals 2021 and 2026, led by growth in infrastructure and in the building and construction sector. Demand for flat steel rose at 11.9% CAGR for the same period. The share of long steel in overall demand for finished steel decreased to ~54% in fiscal 2026 from its high of ~56% in fiscal 2022.

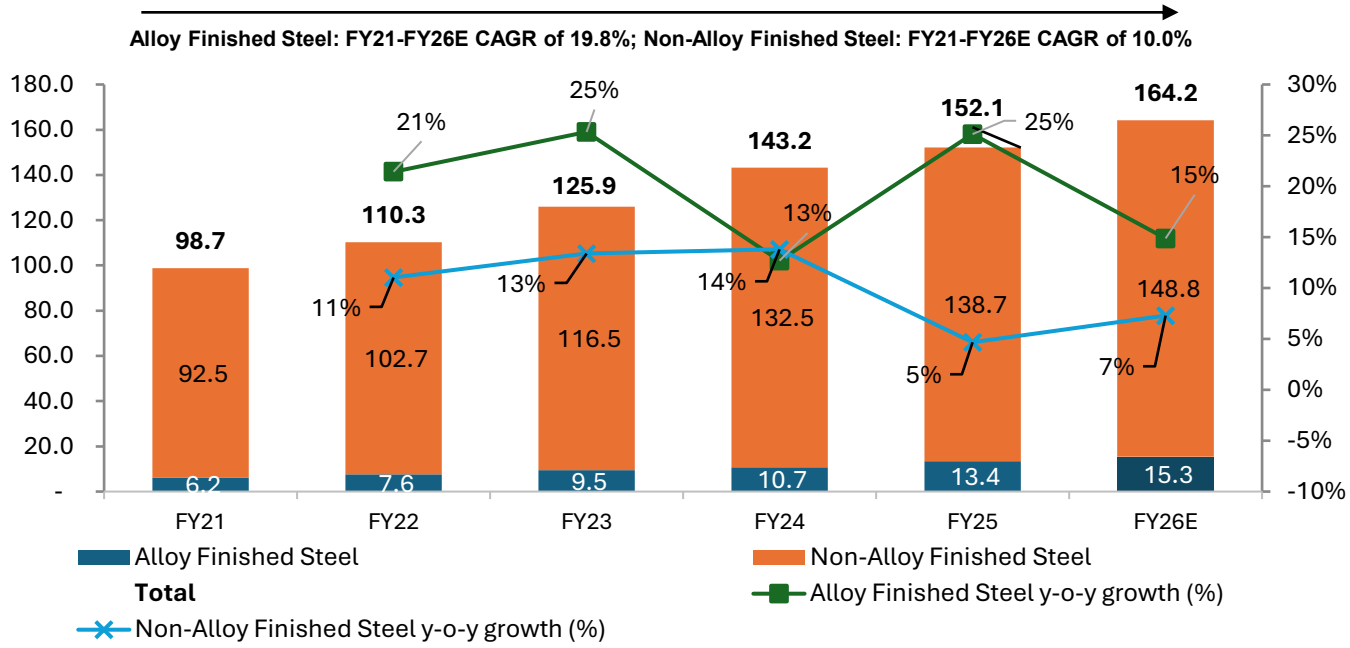
With the resolution of supply chain issues in the automobile segment and an increase in demand in the construction and infrastructure segments, flat steel demand is expected to clock a CAGR of 7-9% between fiscals 2026 and 2031. This would outpace the demand growth of long steel, which is set to log a CAGR of 6-8% in the period owing to positive sentiments in the private housing construction sector and the government's robust push for infrastructure development.

Steel consumption by category – By composition

Alloy steel: Steel that is produced with one or more elements in specified proportions to impart specific physical, mechanical, metallurgical and electrical properties is called alloy steel. Stainless steel is a type of alloy steel. Alloy/stainless steel is manufactured in different grades, with varying proportions of carbon and other elements. Common elements used to make alloys are manganese, silicon, nickel, lead, copper, chromium, tungsten, molybdenum, niobium and vanadium. Alloy or stainless steel is used in forgings, tools and dies, bearings and fasteners, which are subsequently used by end-use sectors such as automobiles, power, oil and gas, industrial machines, railways/mass rapid transport systems and defence to manufacture products, such as crankshafts, connecting rods, cam shafts, bearings, fasteners, railway carriage wheels, bomb shells, cutting tools, surgical instruments and utensils.

Non-alloy steel: Non-alloy or carbon steel comprises iron and carbon. It has a 91-95% share in India's finished steel production in the past five years). The main components of this steel are carbon, manganese and silicon in proportions of up to 1.70%, 0.90% and 0.30%, respectively. A change in the composition of carbon affects the properties of carbon steel. Steel, by definition, does not contain any alloying element. Non-alloy steel is used in construction, infrastructure, automobiles, consumer durables and other sectors. Popular applications include buildings, bridges, rails, pipelines, body panels for cars, refrigerators and washing machines.

Non-alloy vs alloy steel consumption (MnTPA)

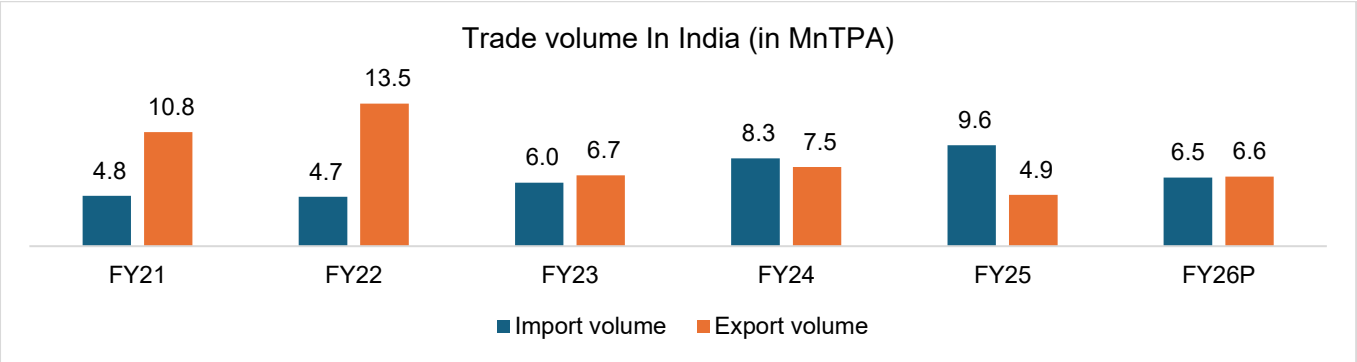


E: Estimated, FY26 values are provisional
Source: Crisil Intelligence, industry, JPC
MnTPA: million tonnes per annum

Consumption of finished steel in India has increased steadily over the review period, supported by growth across infrastructure, construction, manufacturing and engineering sectors. While non-alloy finished steel continues to account for majority of the steel consumption, increasing demand for value-added applications has supported faster growth in alloy steel consumption. Non-alloy finished steel consumption increased from 92.5 MnTPA in FY21 to an estimated 148.8 MnTPA in FY26, registering a CAGR of 10.0%, while alloy finished steel consumption grew from 6.2 MnTPA to 15.3 MnTPA during the same period, reflecting a significantly higher CAGR of 19.8%. The increasing share of alloy steel in overall consumption highlights the growing demand for higher-strength and specialized steel grades across automotive, engineering, defence, railways and industrial applications, while non-alloy steel continues to be driven primarily by construction and infrastructure-related demand.

Finished steel trade

Import/export volume of finished steel to/from India (FY21 – FY26P)



Source: Crisil Intelligence, industry, JPC
P: Provisiona; MnTPA: million tonnes per annuml

India's finished steel trade witnessed considerable fluctuations during FY21–FY26P, reflecting changes in domestic demand conditions, global steel prices, trade flows and capacity utilization levels across major steel-producing nations. Finished steel exports increased from 10.8 MnTPA in FY21 to a peak of 13.5 MnTPA in FY22, supported by strong international steel prices and recovery in global demand. Thereafter, exports declined to 6.7 MnTPA in FY23 and further to 4.9 MnTPA in FY25 as domestic demand strengthened and global trade conditions became less favourable. Exports are estimated to recover to 6.6 MnTPA in FY26P.

On the import front, finished steel imports declined marginally from 4.8 MnTPA in FY21 to 4.7 MnTPA in FY22, before increasing steadily to reach 9.6 MnTPA in FY25. The rise in imports was supported by strong domestic demand from infrastructure, construction, manufacturing, engineering and automotive sectors, coupled with increasing requirements for value-added and specialized steel grades. As imports increased and exports moderated, India transitioned from being a net exporter to a net importer of finished steel in FY25, when imports of 9.6 MnTPA exceeded exports of 4.9 MnTPA. However, exports are estimated to recover to 6.6 MnTPA in FY26P, marginally exceeding imports of 6.5 MnTPA, resulting in India reverting to a near-balanced trade position with a slight net export surplus. The growing influx of competitively priced imports, particularly from Asian markets, prompted policy responses including safeguard measures and anti-dumping investigations aimed at protecting domestic steel producers from unfair trade practices.

Geographical distribution of steel production and consumption

India region-wise crude steel production (FY25)

Region	Crude steel production (MnTPA)	Share (%)
Eastern	62.5	41.1%
Western	49.8	32.7%
Southern	27.6	18.1%
Northern	12.4	8.1%
India	**152.2**	**100.0%**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India region-wise finished steel despatches (FY25)

Region	finished steel despatches (MnTPA)	Share (%)
Western	46.2	30.5%
Northern	41.9	27.7%
Eastern	32.0	21.1%
Southern	31.3	20.7%
India	**151.3**	**100.0%**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India state-wise finished steel despatches (FY25)

State	Demand (MnTPA)	Share (%)
Maharashtra	21.4	17.7%
Gujarat	14.0	11.6%

State	Demand (MnTPA)	Share (%)
Uttar Pradesh	11.9	9.9%
Tamil Nadu	10.4	8.6%
West Bengal	9.8	8.1%
Odisha	9.6	8.0%
Punjab	9.2	7.7%
Telangana	6.8	5.6%
Andhra Pradesh	6.0	5.0%
Karnataka	5.9	4.9%
Bihar	5.7	4.8%
Madhya Pradesh	4.9	4.0%
Rajasthan	4.8	4.0%

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Steel product assessment

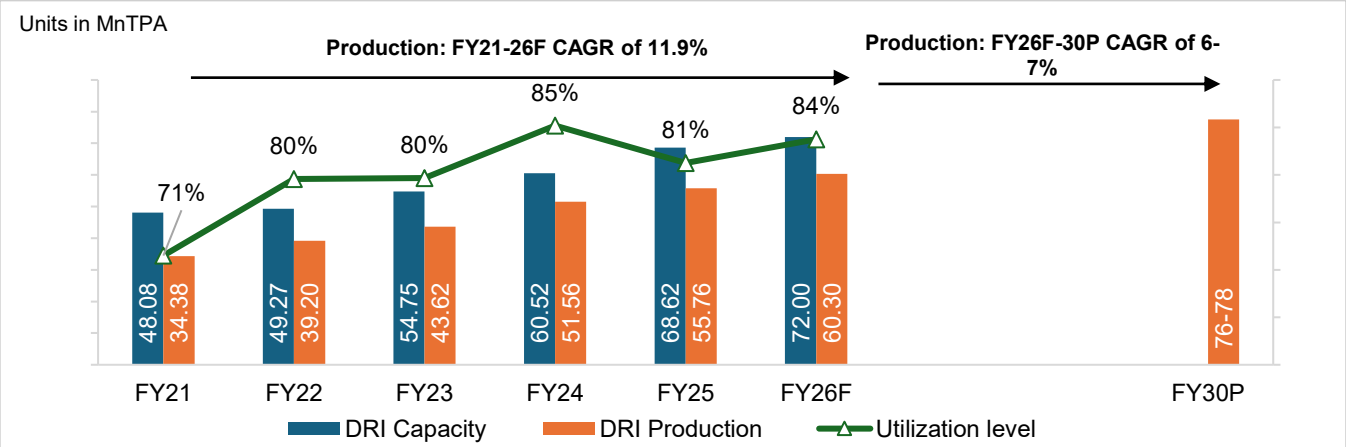
Demand review and outlook: Sponge iron

Sponge iron, also termed direct-reduced iron (DRI), is produced by reducing (removing oxygen) iron ore to increase free iron content. This also makes the ore porous. Sponge iron is popularly used as a feed in electric/induction furnaces and as a substitute for steel scrap because high-quality scrap is costly and scarcely available.

The Indian sponge iron industry witnessed significant growth, driven by robust demand for long steel and a slower ramp-up by major players, resulting in increased blending of sponge iron. Consequently, production of sponge iron expanded at a compound annual growth rate (CAGR) of 11.9% from FY21 to FY26F.

In FY26F, sponge iron production recorded a moderate year-on-year growth of 8.1%, primarily fueled by the rising demand for long steel. The production volume for FY26F stands at 60.30 MnTPA. This growth is largely attributed to an 8-9% increase in secondary long steel production via the Electric Arc Furnace (EAF) and Induction Furnace (IF) routes, primarily driven by mid-sized and small industry players.

Sponge iron capacity and production review

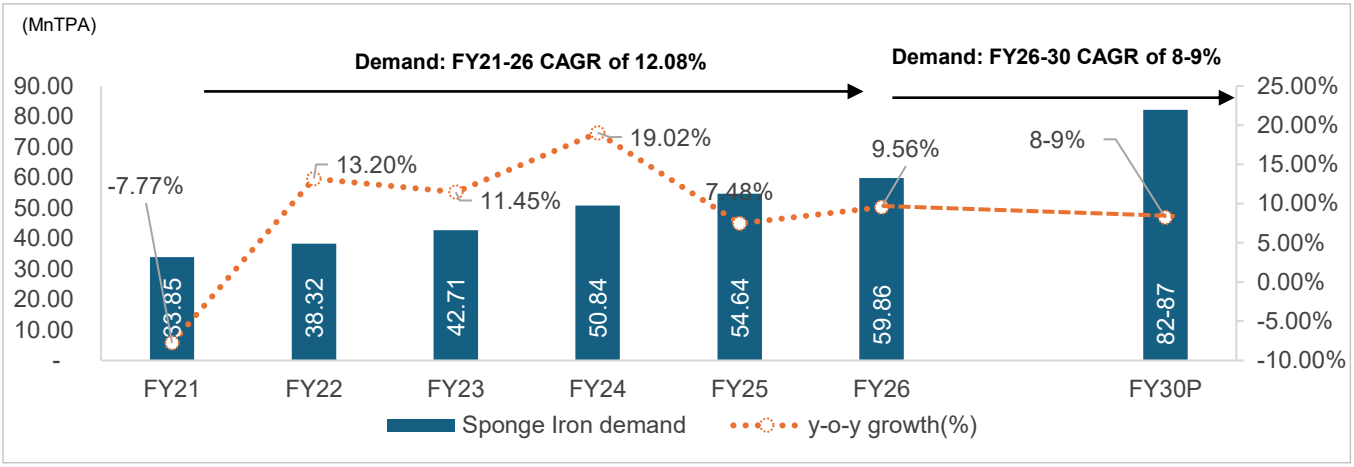


P: Projected; F Forecast;
MnTPA: million tonnes per annum
Source: JPC, Crisil Intelligence

Sponge iron industry is fragmented in India with an operational capacity of 72.00 million tonnes as of FY26F. These units had a gross production of around 60.30 MnTPA as of FY26F thereby yielding a utilization level of around 84%. The capacity increased from 48.08 MnTPA in FY21 to 72.00 MnTPA in FY26F.

Going forward, the sponge iron industry is expected to maintain its growth momentum, supported by expansion in secondary steel production, increasing long steel demand and continued investments in infrastructure and construction activities. Sponge iron production is projected to increase to approximately 76-78 MnTPA by FY30P from 60.3 MnTPA in FY26F, implying a CAGR of around 6–7% during FY26F–FY30P. The anticipated growth is expected to be driven by capacity additions in the DRI segment, increasing utilization of EAF and IF routes for steelmaking and sustained demand from downstream steel-consuming sectors.

Sponge iron demand review and outlook



P: Projected
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

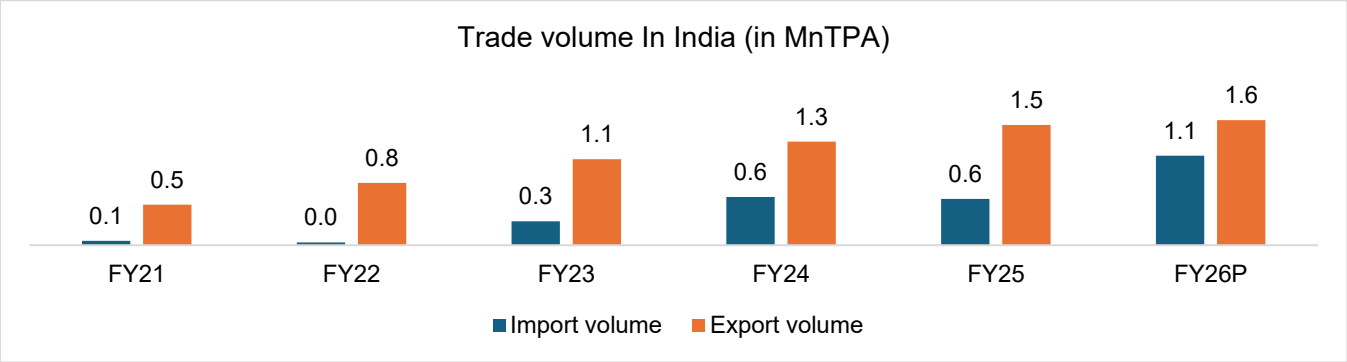
Sponge iron is a vital raw material, alongside pig iron and scrap, utilized in the production of steel through induction furnaces and electric arc furnaces. The majority of steel produced via these furnaces is subsequently converted into long products. The sponge iron sector is predominantly driven by domestic demand, with international trade playing a relatively minor role, accounting for a mere 2-4% of total production through exports and imports. As a result, the sector's performance is closely tied to the domestic steel industry's demand for long products.

The following factors are expected to continue to influence sponge iron production:

1. **Evolution of Long Steel Production Routes:** While large integrated steel producers using the BF/BOF route have gradually increased their presence in long steel production, sponge iron continues to remain a preferred feedstock for India's secondary steel sector, particularly EAF and IF-based producers. Rising demand for long steel products from infrastructure, construction and manufacturing sectors is expected to support overall steel production, thereby sustaining demand for sponge iron.

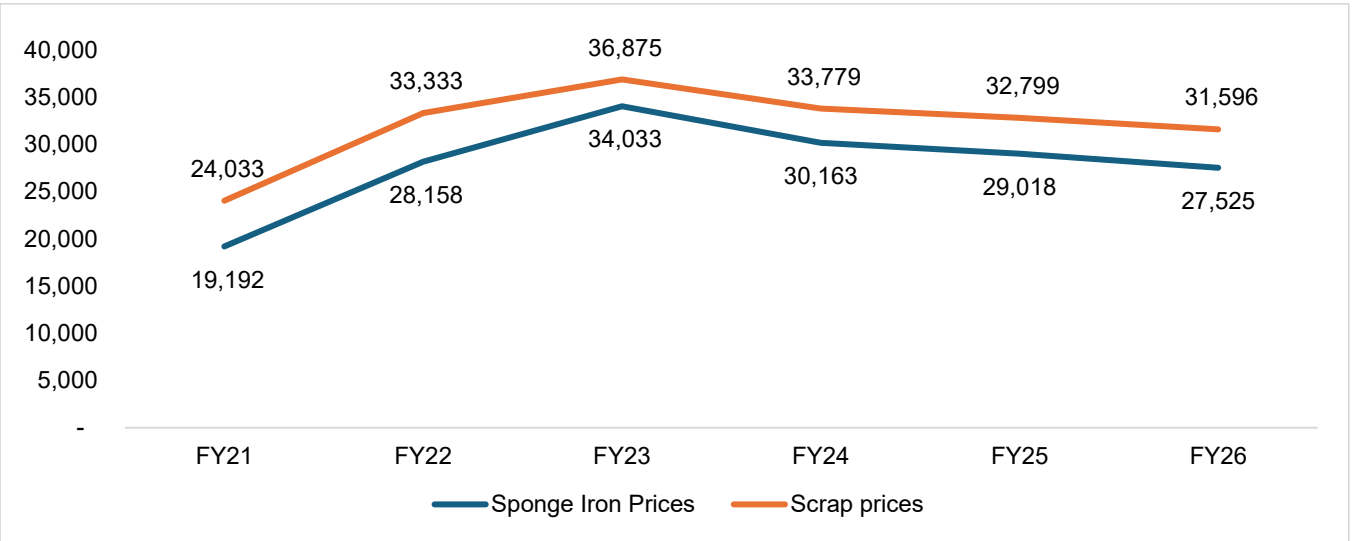
2. **Scrap Availability and Relative Economics:** Steel scrap serves as a key substitute for sponge iron in steelmaking; however, India's domestic scrap generation remains relatively limited compared to its steel production requirements. The fragmented scrap collection ecosystem and dependence on imported scrap expose domestic steelmakers to global supply and price volatility. In this context, sponge iron provides a reliable and cost-competitive alternative feedstock for EAF and IF-based steel producers. The relative cost competitiveness between scrap and sponge iron, along with developments in global scrap trade, domestic scrap availability and steel production trends, will remain important factors influencing sponge iron demand over the medium term.

Trade of sponge iron



P: Provisional
Source: JPC, Crisil Intelligence

Sponge iron and scrap prices review (Rs/tonne)



Note: Scrap prices are excluding GST
Source: Crisil Intelligence

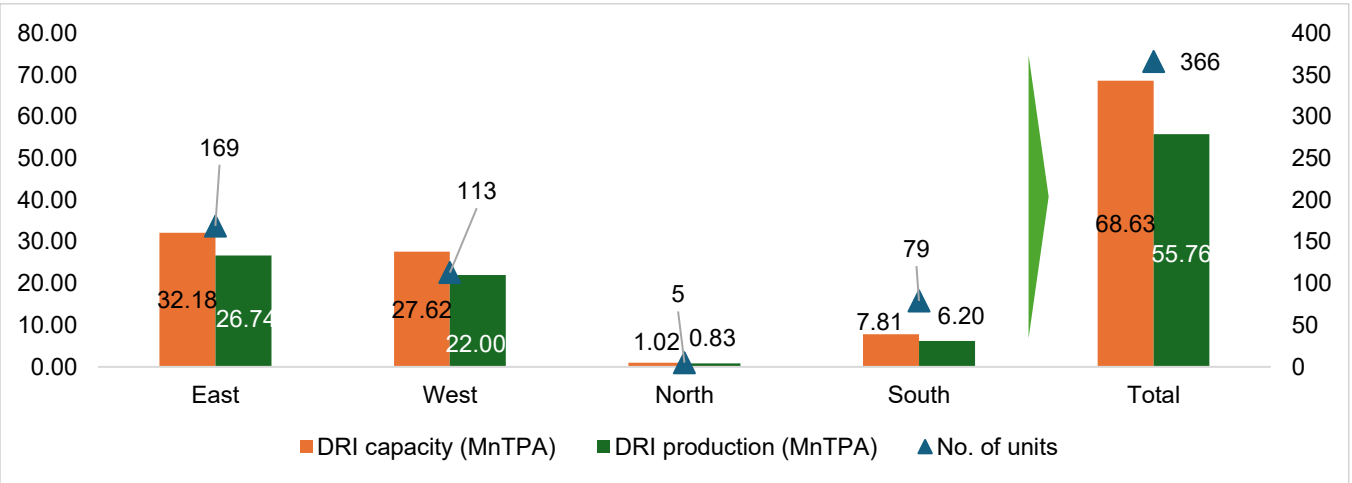
Conventionally, sponge iron prices move in tandem with scrap prices, after correcting for quality differences (the metallic yield in scrap is >90% as compared to ~85% in sponge iron).

Sponge iron and steel scrap prices exhibited significant volatility during FY21–FY26, reflecting fluctuations in raw material costs, steel demand dynamics, global commodity prices and broader macroeconomic conditions. As shown in the chart, sponge iron price was Rs 19,192 per tonne in FY21. Thereafter, prices increased sharply to Rs 28,158 per tonne in FY22 and further to a peak of Rs 34,033 per tonne in FY23, supported by strong steel demand, elevated raw material prices and supply-side disruptions across global commodity markets.

A similar trend was observed in steel scrap prices, which increased from Rs 24,033 per tonne in FY21 to Rs 33,333 per tonne in FY22 and further to Rs 36,875 per tonne in FY23. Scrap prices consistently remained higher than sponge iron prices throughout the period, reflecting the growing demand for scrap from electric arc furnace and induction furnace-based steel producers as well as fluctuations in global scrap availability. The relatively narrow pricing differential between sponge iron and scrap during certain years influenced raw material procurement decisions across secondary steel manufacturers and steel melting units.

Following the peak witnessed in FY23, both sponge iron and scrap prices moderated amid easing commodity prices, improved availability of raw materials and normalization of supply chains. Sponge iron prices declined to Rs 30,163 per tonne in FY24 and further to Rs 27,525 per tonne in FY26, while scrap prices softened to Rs 31,596 per tonne in FY26. Despite the moderation, prices remained significantly above pre-pandemic levels, indicating a structurally higher steel cost environment. Going forward, pricing trends for sponge iron and scrap are expected to remain influenced by steel demand growth, availability of iron ore and steel scrap, global trade dynamics, energy costs and investments across steel-intensive sectors such as construction, infrastructure and manufacturing.

Spread of DRI units and production done across regions in FY25



Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

The majority of medium and small iron and steel producers are not integrated, and hence, they import scrap at high prices. These producers used scrap to manufacture long products as an input in the electric arc furnace (EAF) or induction furnace (IF). Sponge iron can substitute scrap while manufacturing crude steel through the EAF/IF route. As a result, the scarcity in scrap supplies and a rise in its prices led to higher domestic demand for sponge iron.

State-wise sponge iron production FY25

Region	State	No. of Working Units	Working Capacity (MnTPA)	Total Production (MnTPA)
East	Odisha	93	15.7	13.6
	West Bengal	49	9.9	9.4
	Jharkhand	27	6.5	3.7
East Total		**169**	32.2	26.7
West	Chhattisgarh	84	14.4	12.4
	Gujarat	11	8.5	6.3
	Maharashtra	14	4.3	3.0
	Goa	3	0.2	0.2
	Madhya Pradesh	1	0.2	0.1
West Total		**113**	27.6	22.0
South	Karnataka	44	5.1	4.1
	Andhra Pradesh	15	1.4	1.0
	Telangana	13	0.7	0.7
	Tamil Nadu	7	0.6	0.4
South Total		**79**	7.8	6.2
North	Uttar Pradesh	5	1.0	0.8
North Total		**5**	1.0	0.8
GRAND TOTAL		**366**	68.6	55.8

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

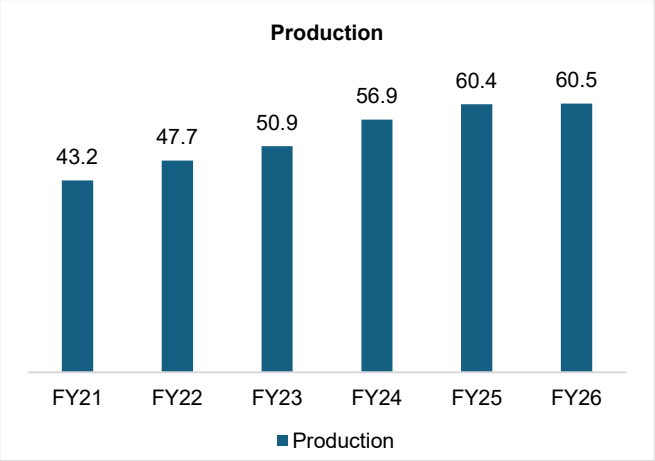
India's sponge iron production remains concentrated in the mineral-rich eastern and central regions of the country, reflecting proximity to key raw materials such as iron ore and coal. In FY25, the country had an installed sponge iron production capacity of 68.6 MnTPA across 366 operating units, resulting in total production of 55.8 MnTPA. The eastern region emerged as the largest sponge iron producing region, accounting for 26.7 MnTPA of production, followed by the western region with 22.0 MnTPA and the southern region with 6.2 MnTPA. The geographic concentration of production highlights the importance of resource availability and logistics infrastructure in determining the location of sponge iron manufacturing facilities.

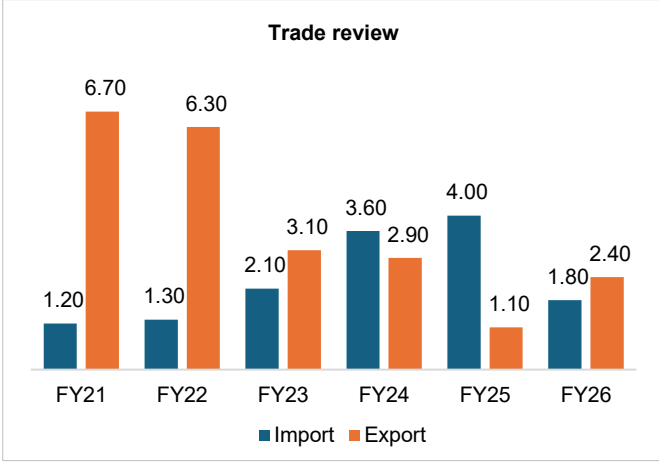
At the state level, Odisha was the largest producer of sponge iron in FY25, with production of 13.6 MnTPA from 93 operating units and a capacity of 15.7 MnTPA. Chhattisgarh ranked second with production of 12.4 MnTPA from 84 units, supported by substantial installed capacity of 14.4 MnTPA. West Bengal also emerged as a significant production hub, contributing 9.4 MnTPA, while Gujarat produced 6.3 MnTPA and Karnataka accounted for 4.1 MnTPA. Together, Odisha, Chhattisgarh and West Bengal contributed nearly two-thirds of India's sponge iron production, underscoring their strategic importance within the domestic steel value chain.

The concentration of sponge iron capacity in states such as Odisha, Chhattisgarh and Jharkhand is supported by the availability of coal and iron ore reserves, established industrial clusters and well-developed transportation infrastructure. These regions also house a large number of integrated steel producers, secondary steel manufacturers and downstream processing units, creating strong demand for sponge iron as a key feedstock for steel production. Going forward, continued growth in steel demand, coupled with ongoing investments in steelmaking capacity and infrastructure development, is expected to support sponge iron production across these key manufacturing hubs while reinforcing their position as the backbone of India's secondary steel industry.

Demand review and outlook: HR Coil/Strips

Production and trade review of HR Coil/Strips (in MnTPA)





Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Production of HR coils/strips witnessed steady growth during FY21–FY26, supported by increasing demand from construction, engineering, automotive components, pipe manufacturing and industrial sectors. Production increased from 43.2 MnTPA in FY21 to 60.5 MnTPA in FY26, registering a CAGR of approximately 7.0% during the period. After declining to 43.2 MnTPA in FY21 due to pandemic-related disruptions, production recovered steadily and reached 60.4 MnTPA in FY25 before remaining broadly stable at 60.5 MnTPA in FY26. The growth reflects sustained expansion in downstream steel processing industries, manufacturing activity and infrastructure development across the country.

India's trade dynamics for HR coils/strips underwent a notable shift over the review period. The country remained a net exporter between FY21 and FY23, with exports significantly exceeding imports. Exports peaked at 6.7 MnTPA in FY21 before moderating to 3.1 MnTPA in FY23 as domestic consumption strengthened. However, rising imports and declining exports resulted in India becoming a net importer of HR coils/strips during FY24 and FY25. Imports increased from 1.2 MnTPA in FY21 to 4.0 MnTPA in FY25, while exports declined to 1.1 MnTPA during the same year.

Trade conditions improved in FY26, with exports increasing to 2.4 MnTPA and imports moderating to 1.8 MnTPA, resulting in India regaining its net exporter status in the HR coils/strips segment. The recovery in exports reflects improved competitiveness of domestic steel producers and stronger demand from international markets. Going forward, demand for HR coils/strips is expected to remain supported by growth in manufacturing, infrastructure, automotive and engineering sectors, while capacity additions by domestic producers are likely to strengthen supply availability and support sustained growth in both domestic consumption and exports.

Country-wise trade of HR Coil/Strips in FY26

Import (FY26)

Country	Volume (MnTPA)
Korea	0.7
Japan	0.6
China	0.4
Russia	0.1
Others	0.0
Total	**1.8**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Export (FY26)

Country	Volume (MnTPA)
Vietnam	0.8
Italy	0.6
Nepal	0.2
UAE	0.2
Belgium	0.2
France	0.1
Spain	0.1
Others	0.2
Total	**2.4**

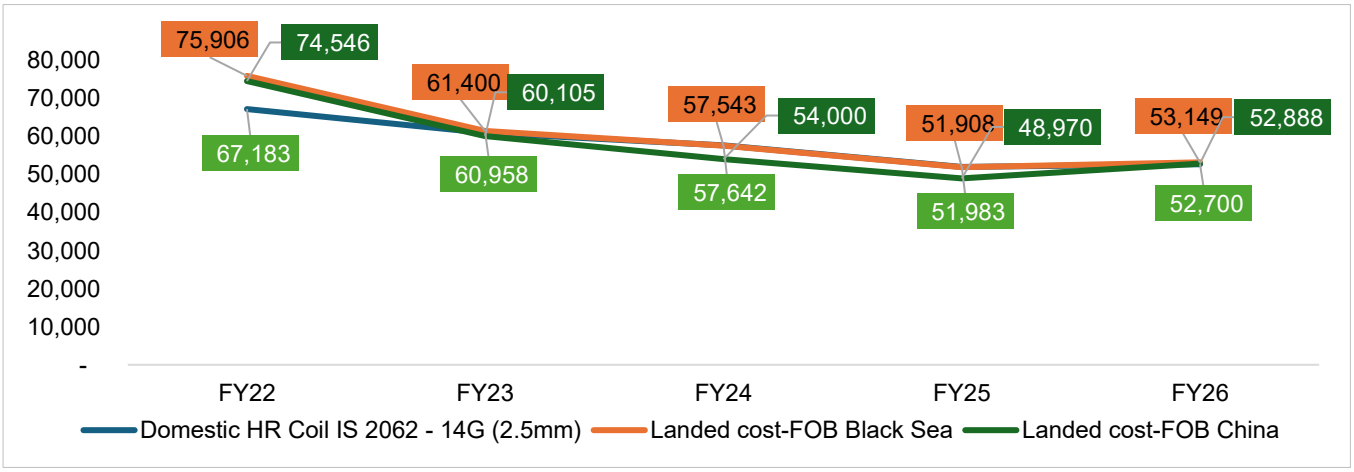
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India's import and export trade of HR coils/strips reflects its integration with both regional and global steel markets. In FY26, total imports of HR coils/strips stood at 1.8 MnTPA, with East Asian countries accounting for the majority of import volumes. South Korea emerged as the largest source of imports, contributing 0.7 MnTPA, followed by Japan at 0.6 MnTPA and China at 0.4 MnTPA. The dominance of these countries in India's import basket can be attributed to their large flat steel production capacities, established export-oriented steel industries and ability to supply a wide range of steel grades at competitive prices.

On the export front, India exported approximately 2.4 MnTPA of HR coils/strips in FY26, exceeding import volumes and maintaining its presence in international flat steel markets. Vietnam was the largest export destination, accounting for 0.8 MnTPA of exports, followed by Italy with 0.6 MnTPA. Other key export destinations included Nepal, the UAE, Belgium, France and Spain. The geographical diversity of export markets highlights the competitiveness of Indian flat steel products across both developing and developed economies.

The trade pattern indicates that while India imports certain HR coil and strip grades to supplement domestic availability and meet specific industrial requirements, it also remains an important exporter of flat steel products to international markets. Going forward, trade volumes are expected to remain influenced by domestic demand growth, global steel prices, trade policies and regional supply-demand dynamics. Rising demand from infrastructure, manufacturing, automotive and engineering sectors is expected to support domestic consumption, while India's expanding steel production capacity is likely to sustain its participation in international HR coil and strip trade.

Price trend of HR Coil (Rs/tonne)



Source: Crisil Intelligence

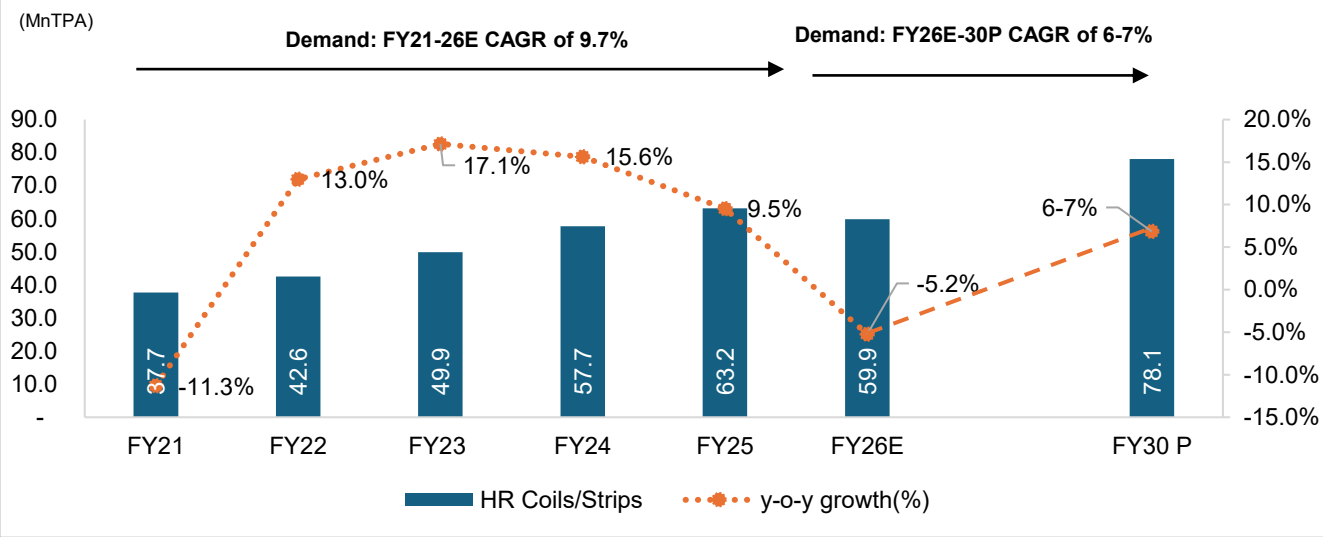
HR coil prices witnessed considerable fluctuations during FY22–FY26, reflecting changes in steel demand, raw material prices, global commodity markets and international trade dynamics. Domestic HR coil prices declined from Rs 67,183 per tonne in FY22 to Rs 51,983 per tonne in FY25 before recovering marginally to Rs 52,700 per tonne in FY26. The decline was largely driven by the normalization of steel markets following the sharp post-pandemic price surge, easing raw material costs and moderation in global steel demand.

A comparison between domestic HR coil prices and landed import costs indicates that imported HR coils were consistently priced at a premium to domestic material during most of the review period. Landed cost from the Black Sea region declined from Rs 75,906 per tonne in FY22 to Rs 51,908 per tonne in FY25 before increasing slightly to Rs 53,149 per tonne in FY26. Similarly, landed cost from China moderated from Rs 74,546 per tonne in FY22 to Rs 48,970 per tonne in FY25 before

recovering to Rs 52,888 per tonne in FY26. The narrowing gap between domestic and imported prices in recent years reflects increasing global competition and a gradual normalization of freight and commodity costs.

The relatively competitive pricing of domestically produced HR coils has supported the position of Indian steel producers in both domestic and export markets. At the same time, fluctuations in import parity prices continue to influence purchasing decisions of steel consumers and downstream manufacturers. Going forward, HR coil prices are expected to remain influenced by global steel supply-demand conditions, raw material costs, trade policies, freight rates and domestic industrial activity. Growth in infrastructure, manufacturing, engineering and automotive sectors is expected to provide continued support to domestic HR coil demand, while international price movements will remain an important determinant of market competitiveness.

HR Coil/Strips Demand review and outlook



P: Projected; E: Estimated on the provisional data of JPC
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Demand for HR coils/strips has witnessed strong growth over the review period, increasing from 37.7 MnTPA in FY21 to an estimated 59.9 MnTPA in FY26, registering a CAGR of approximately 9.7% during the period. Demand rebounded sharply in FY22 and continued to grow through FY25, driven by recovery in industrial activity, increased infrastructure investments and expansion in manufacturing output. Growth remained robust during FY22–FY25, with annual growth rates ranging between 13.0% and 17.1%, reflecting strong demand from key steel-consuming sectors.

HR coils and strips serve as an important intermediate product within the steel value chain and are widely used in the production of pipes and tubes, cold rolled products, automotive components, engineering goods, capital equipment and fabricated steel structures. The sustained increase in demand over the review period reflects the growing importance of manufacturing and industrial activity within the Indian economy. Strengthening domestic production, increasing infrastructure investments and government initiatives aimed at boosting manufacturing have continued to support consumption of flat steel products.

Demand growth moderated in FY25 and FY26, with growth rates of 9.5% and a marginal decline of 5.2%, respectively, reflecting a normalization in growth following the strong post-pandemic recovery phase. Nevertheless, demand remained at historically elevated levels, supported by continued activity in downstream industries such as automotive, engineering, construction and pipe manufacturing. The broad-based demand profile across multiple industrial sectors has helped maintain steady consumption of HR coils and strips despite fluctuations in broader economic conditions.

Going forward, demand for HR coils and strips is projected to increase to approximately 78.1 MnTPA by FY30, implying a CAGR of around 6–7% during FY26–FY30P. Future growth is expected to be supported by continued expansion in manufacturing, infrastructure development, transportation equipment production and investments in industrial and engineering sectors. Increasing steel intensity across infrastructure projects, coupled with India's growing role as a global manufacturing hub, is expected to provide sustained support to HR coil and strip demand over the medium term.

HR Coil/Strips demand across end-use industry

End-Use Industry (FY26)	% Share of Demand	Demand Volume FY26E (MnTPA)	CAGR (FY26E-30P)
Construction (Residential + Commercial)	14-16%	8.4-9.6	6-7%

End-Use Industry (FY26)	% Share of Demand	Demand Volume FY26E (MnTPA)	CAGR (FY26E-30P)
Infrastructure	12-14%	7.2-8.4	7-8%
Industrial	14-16%	8.4-9.6	7-8%
Automotive	16-18%	9.6-10.8	6-7%
Engineering/ Capital Goods	8-10%	4.8-6.0	2-3%
Appliance/Consumer Durables	7-9%	4.2-5.4	7-8%
Pipe and Tube Manufacturing	23-25%	13.2-14.4	7-8%

P: Projected; E: Estimated on the provisional data of JPC
Source: Crisil Intelligence
MnTPA: million tonnes per annum

Demand for HR coils and strips is diversified across multiple end-use industries, reflecting their importance as an intermediate product in the steel value chain. In FY26E, pipe and tube manufacturing is expected to remain the largest consumer, accounting for 23–25% of total demand (13.8–15.0 MnTPA), driven by applications in construction, water infrastructure, oil & gas and industrial projects. The automotive sector represents the second-largest demand segment, accounting for 16–18% (9.6–10.8 MnTPA), followed by construction and industrial applications, each contributing 14–16% (8.4–9.6 MnTPA). Demand from these sectors is supported by rising vehicle production, manufacturing activity and continued investments in residential and commercial construction.

Infrastructure is expected to account for 12–14% of HR coil demand in FY26E (7.2–8.4 MnTPA), while engineering/capital goods and appliance/consumer durables are estimated to contribute 8–10% and 7–9%, respectively. Growth in infrastructure spending, manufacturing investments and urban development projects is expected to support demand across these segments. Among the major end-use sectors, pipe and tube manufacturing and infrastructure are projected to record the fastest growth during FY26E–FY30P, with demand expected to expand at a CAGR of approximately 8%, while construction, industrial, automotive and appliance sectors are expected to grow at around 7% CAGR. The broad-based demand profile across multiple industries is expected to support sustained growth in HR coil consumption over the medium term.

State-wise HR flat products production FY25

Region	State	No. of Working Units	Working Capacity (MnTPA)	PM Plates / HR Coils Production (MnTPA)	HSM Plates / HR Sheets Production (MnTPA)
Western	Chhattisgarh	5	5.82	3.92	0.03
	Gujarat	2	8.75	7.41	2.20
	Maharashtra	2	9.50	8.21	0.02
Eastern	Jharkhand	2	11.20	11.00	0.46
	Odisha	8	22.27	19.88	0.30
	West Bengal	1	0.03	0.00	0.02
Northern	Haryana	1	0.92	0.64	0.02
	Himachal Pradesh	1	0.04	0.02	0.00
	Punjab	1	0.33	0.10	0.00
	Uttar Pradesh	1	0.30	0.01	0.00
Southern	Karnataka	2	13.20	9.14	0.71
	Tamil Nadu	1	0.50	0.16	0.00
	Total	**27**	**72.85**	**60.47**	**3.74**

HR: Hot Rolled;
PM: Plate Mill;
HSM: Hot Strip Mill
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India's HR flat products production is concentrated in a few major steel-producing states, primarily located in the eastern, western and southern regions of the country. In FY25, the country operated 27 HR flat product manufacturing units with an aggregate working capacity of 72.85 MnTPA. Total production stood at 60.47 MnTPA for PM Plates/HR Coils and 3.74 MnTPA for HSM Plates/HR Sheets. The concentration of production in select states reflects the presence of large integrated steel plants, proximity to key raw materials, established industrial ecosystems and well-developed logistics infrastructure.

The eastern region emerged as the largest production hub for HR flat products, with Odisha accounting for 19.88 MnTPA of PM Plates/HR Coils production and Jharkhand contributing 11.00 MnTPA. Together, these two states accounted for more than half of India's PM Plates/HR Coils production in FY25. The dominance of the eastern region can be attributed to the presence of major integrated steel producers, abundant iron ore reserves and strong connectivity to domestic and export markets. The western region also remained a significant contributor, led by Maharashtra and Gujarat, which produced 8.21 MnTPA and 7.41 MnTPA of PM Plates/HR Coils, respectively.

Among the southern states, Karnataka remained an important production center with 9.14 MnTPA of PM Plates/HR Coils output and the highest HSM Plates/HR Sheets production of 0.71 MnTPA. The state's strong industrial base and presence of

large steel manufacturing facilities have contributed to its position within the domestic flat steel industry. Overall, the regional distribution of HR flat product production illustrates the concentration of steelmaking capacity in resource-rich and industrially developed states. Going forward, increasing investments in steel manufacturing, infrastructure development and downstream processing facilities are expected to support further growth in flat steel production across these key manufacturing clusters.

State-wise HR flat products despatches FY25 (in MnTPA)

Region	State	Plates	HR Sheets	HR Coils/ Skelp	CR Sheets/ Coils	GP/GC Sheets	Elect. Steel Sheets	Tin Plates
Western	Chhattisgarh	0.37	0.23	0.65	0.01	0.02	0.00	0.00
	DNH and Daman & Diu	0.01	0.02	0.06	0.10	0.06	0.00	0.00
	Goa	0.01	0.02	0.10	0.03	0.05	0.02	0.00
	Gujarat	0.84	0.84	4.15	1.64	1.31	0.02	0.00
	Maharashtra	1.06	1.51	6.31	2.80	1.31	0.42	0.19
	Madhya Pradesh	0.24	0.12	1.20	0.19	0.79	0.01	0.00
	Region Total	**2.53**	**2.74**	**12.46**	**4.77**	**3.55**	**0.47**	**0.19**
Eastern	Andaman & Nicobar	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Arunachal Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Assam	0.04	0.04	0.20	0.05	0.16	0.00	0.00
	Bihar	0.01	0.02	0.06	0.03	0.11	0.00	0.00
	Jharkhand	0.17	0.07	0.43	1.00	0.22	0.00	0.00
	Manipur	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Meghalaya	0.00	0.00	0.00	0.00	0.04	0.00	0.00
	Mizoram	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Nagaland	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Odisha	0.15	0.12	2.00	0.50	0.51	0.00	0.00
	Sikkim	0.00	0.00	0.01	0.00	0.00	0.00	0.00
	Tripura	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	West Bengal	0.46	0.12	1.57	0.39	0.38	0.00	0.00
	Region Total	**0.84**	**0.36**	**4.26**	**1.96**	**1.42**	**0.00**	**0.00**
Northern	Chandigarh	0.02	0.00	0.23	0.43	0.37	0.00	0.00
	Delhi	0.09	0.01	1.49	0.22	0.05	0.01	0.00
	Haryana	0.30	0.13	2.54	1.57	0.37	0.03	0.00
	Himachal Pradesh	0.00	0.01	0.60	0.26	0.10	0.02	0.00
	J&K	0.01	0.03	0.06	0.02	0.04	0.00	0.00
	Ladakh	0.00	0.00	0.00	0.00	0.02	0.00	0.09
	Punjab	0.09	0.09	2.09	0.31	0.27	0.00	0.00
	Rajasthan	0.09	0.06	0.55	0.31	0.22	0.00	0.00
	Uttar Pradesh	0.39	0.13	3.36	0.70	1.09	0.00	0.00
	Uttarakhand	0.04	0.03	0.34	0.16	0.09	0.00	0.00
	Region Total	**1.03**	**0.49**	**11.26**	**3.98**	**2.61**	**0.07**	**0.09**
Southern	Andhra Pradesh	0.11	0.13	1.07	0.36	0.17	0.00	0.00
	Karnataka	0.16	0.18	1.08	0.79	0.51	0.04	0.00
	Kerala	0.01	0.01	0.07	0.07	0.02	0.00	0.00
	Lakshadweep	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Puducherry	0.00	0.00	0.02	0.00	0.02	0.00	0.00
	Telangana	0.30	0.08	1.04	0.38	0.29	0.01	0.00
	Tamil Nadu	0.43	0.51	2.00	1.48	0.83	0.03	0.14
	Region Total	**1.01**	**0.91**	**5.28**	**3.08**	**1.83**	**0.07**	**0.14**
GRAND TOTAL		**5.40**	**4.51**	**33.25**	**13.78**	**9.41**	**0.61**	**0.43**

HR: Hot Rolled;
CR: Cold Rolled;
GP: Galvanized Plain;
GC: Galvanized Corrugated;
Elect.: Electrical
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

The dispatch pattern of HR flat products across India reflects the concentration of steel consumption in industrialized and infrastructure-intensive states. During FY25, HR coils/skelp constituted the largest category of flat steel dispatches, with total dispatches of 33.25 MnTPA, followed by CR sheets/coils at 13.78 MnTPA and GP/GC sheets at 9.41 MnTPA. The widespread use of these products across automotive, engineering, construction, pipe manufacturing and consumer durable sectors has contributed to strong demand across multiple regions of the country.

Among the regions, the western region accounted for the highest dispatches of flat steel products during FY25. Maharashtra emerged as the single largest consumer state across several flat steel categories, with dispatches of 6.31 MnTPA of HR coils/skelp and 2.80 MnTPA of CR sheets/coils. Gujarat also recorded significant consumption of flat products, supported by

its strong industrial base, engineering sector, automotive manufacturing presence and extensive infrastructure development. Together, the western states accounted for 12.46 MnTPA of HR coils/skelp dispatches, underscoring the region's position as a major steel-consuming hub.

The northern and southern regions also recorded substantial consumption of flat steel products. The northern region accounted for 11.26 MnTPA of HR coils/skelp dispatches, supported primarily by demand from Haryana, Punjab, Uttar Pradesh and Rajasthan. The southern region contributed 5.28 MnTPA of HR coils/skelp dispatches, with Tamil Nadu, Andhra Pradesh and Karnataka emerging as key consuming states. These regions benefit from a diverse industrial base comprising automobiles, engineering, construction, consumer durables and pipe manufacturing industries, all of which are significant consumers of flat steel products.

The state-wise distribution of dispatches highlights the close relationship between industrial activity, infrastructure development and flat steel consumption. States with strong manufacturing ecosystems, automobile clusters, engineering industries and large-scale infrastructure investments continue to account for a significant share of flat steel demand. Going forward, increasing investments in manufacturing, transportation infrastructure, renewable energy, urban development and industrial corridors are expected to support further growth in flat steel consumption across both existing and emerging industrial centres in India.

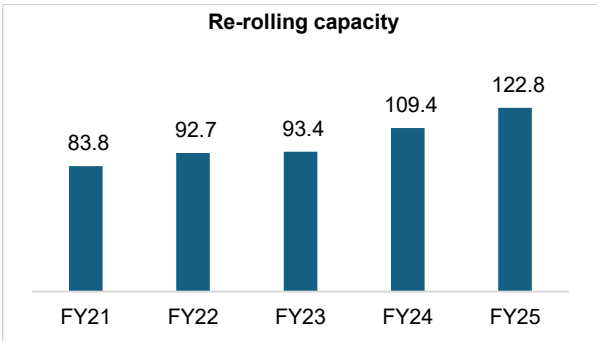
Demand review and outlook: TMT

The Indian TMT bars market can broadly be classified into primary TMT bars and secondary TMT bars. Primary TMT bars are manufactured by integrated steel producers using ore-based steelmaking routes and account for approximately 35-38% of domestic TMT consumption. These products are typically marketed under established brands and are preferred for infrastructure projects, urban construction and premium housing applications. In contrast, secondary or re-rolled TMT bars account for the remaining 62-65% of the market, with a larger presence across Tier-II, Tier-III and rural markets due to competitive pricing and localized distribution networks.

The market is also segmented by grade, with Fe500D emerging as the most widely preferred grade for residential and commercial construction due to its superior ductility and suitability for seismic applications. Higher-grade products such as Fe550D are increasingly used in high-rise and heavy-load structures, while lower grades such as Fe415 continue to be used in select applications.

Within the organized segment, branded TMT manufacturers compete not only on steel quality but also on product certification, distribution reach, technical support and brand trust. Leading primary steel brands such as Tata Tiscon, JSW Neosteel and other established players typically command a price premium of approximately ₹3-8 per kg over regional and unbranded products, reflecting customer preference for certified quality, consistency and reliability.

Re-rolling capacity review (in MnTPA) and spread across India in Fiscal 2025

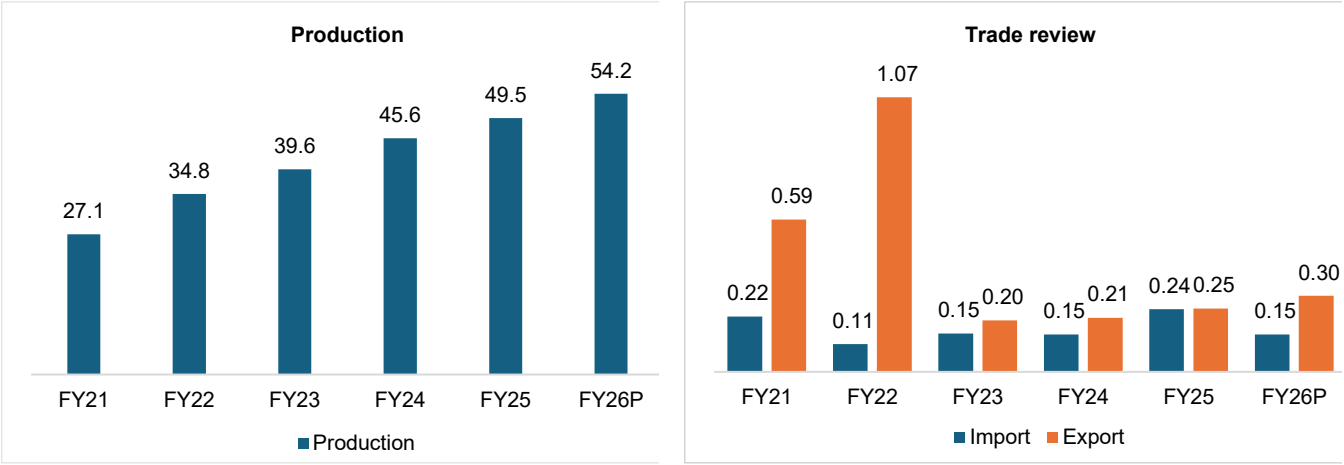


Region	No. of Units	Total capacity
East	156	31.42
West	430	43.34
North	430	23.99
South	232	24.08
Total	**1248**	**122.84**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Out of the total re-rolling production done in India, TMT constitutes nearly 50-55% of it.

Production and trade review of TMT bars (in MnTPA)



P: Provisional
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Production of TMT bars has witnessed strong growth over the review period, supported by sustained demand from the construction and infrastructure sectors. Production increased from 27.1 MnTPA in FY21 to 49.5 MnTPA in FY25 and is further estimated to reach 54.2 MnTPA in FY26. A temporary decline to 27.1 MnTPA in FY21 due to pandemic-related disruptions, production recovered sharply and recorded consistent growth thereafter. The increase was driven by rising investments in residential housing, urban infrastructure, transportation networks and industrial construction projects, which continue to support the demand for reinforcement steel products.

TMT bars remain one of the most widely consumed steel products in India owing to their extensive application in reinforced concrete structures, residential buildings, commercial projects, bridges, highways and other infrastructure assets. The strong growth in production during FY22–FY26 reflects increasing steel intensity across infrastructure projects and continued government focus on capital expenditure through initiatives such as PM Gati Shakti, Bharatmala Pariyojana, PM Awas Yojana and various urban development programs.

India's trade volumes for TMT bars remained relatively small compared with domestic production, underscoring the sector's strong dependence on domestic consumption. Export volumes increased from 0.59 MnTPA in FY21 to a peak of 1.07 MnTPA in FY22 before moderating to 0.25 MnTPA in FY25. Exports are estimated to recover to 0.30 MnTPA in FY26. Imports remained low throughout the period, fluctuating between 0.11 MnTPA and 0.24 MnTPA, indicating the adequacy of domestic manufacturing capacity in meeting local demand requirements.

Overall, the TMT bars segment continues to be largely insulated from international trade dynamics and remains primarily driven by domestic construction and infrastructure activity. Going forward, increasing urbanization, residential housing demand and continued investments in infrastructure development are expected to support sustained growth in TMT bar production and consumption over the medium term.

Country-wise trade of TMT in FY26

Import (FY26)

Country	Volume (MnTPA)
Thailand	0.05
Korea	0.04
China	0.03
Japan	0.01
Others	0.03
Total	**0.16**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Export (FY26)

Country	Volume (MnTPA)
Nepal	0.13
USA	0.05
Belgium	0.03

Country	Volume (MnTPA)
Italy	0.02
Bangladesh	0.02
Others	0.22
Total	**0.47**

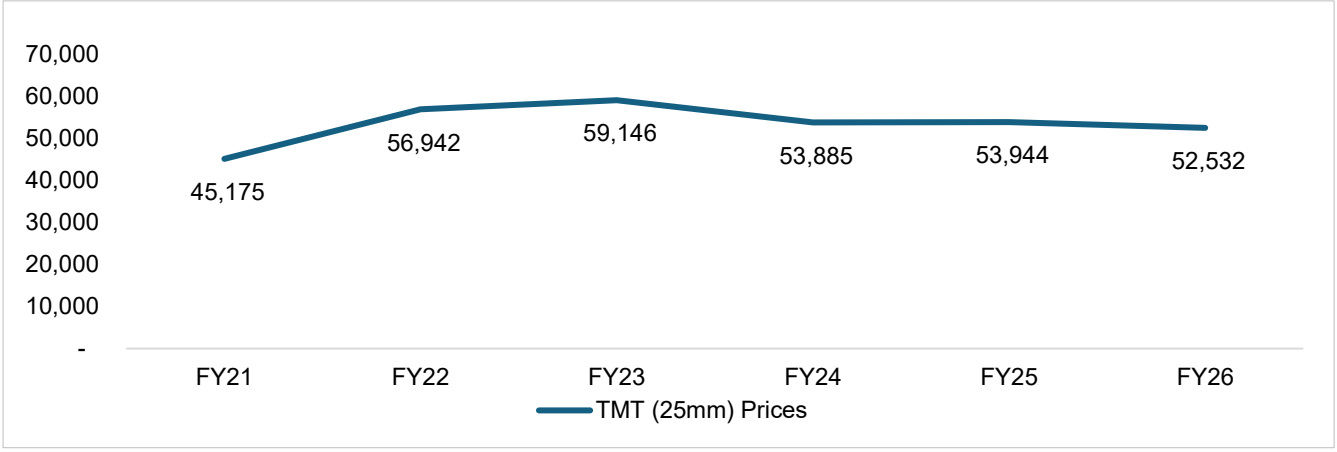
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India's international trade in TMT bars remained relatively limited in FY26, reflecting the product's predominantly domestic demand-driven nature. Total imports stood at 0.16 MnTPA, with Thailand emerging as the largest source of imports at 0.05 MnTPA, followed by South Korea at 0.04 MnTPA and China at 0.03 MnTPA. The low volume of imports indicates the availability of sufficient domestic production capacity to meet local demand, while imports are generally driven by regional supply-demand dynamics, pricing considerations and specialized customer requirements.

On the export side, India exported approximately 0.47 MnTPA of TMT bars in FY26, resulting in a trade surplus for the product segment. Nepal was the largest export destination, accounting for 0.13 MnTPA of exports, followed by the United States at 0.05 MnTPA. Other important export destinations included Belgium, Italy and Bangladesh. The strong presence of neighboring countries and select international markets in India's export basket reflects the competitiveness of Indian TMT bar manufacturers and the country's established trade relationships within South Asia and other overseas markets.

The overall trade pattern highlights that TMT bars are primarily consumed within the domestic market, with exports serving as an additional avenue for producers to diversify their customer base and optimize capacity utilization. Going forward, India's growing infrastructure investments, urbanization trends and residential construction activity are expected to keep domestic demand as the primary driver of the TMT bar industry. International trade volumes are likely to remain influenced by regional demand conditions, pricing competitiveness, freight costs and trade policies across key export and import destinations.

Price trend of TMT bars (Rs/tonne)

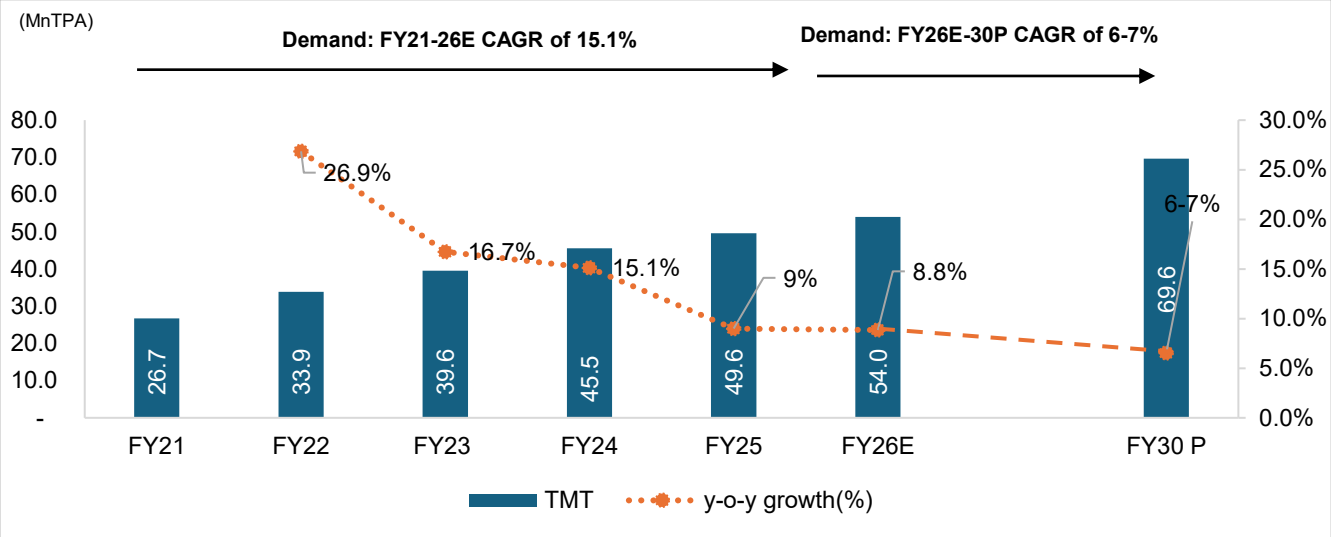


Source: Crisil Intelligence

TMT bar prices witnessed volatility during FY21–FY26, influenced by fluctuations in raw material costs, steel demand conditions, infrastructure activity and global commodity market trends. The upward trajectory accelerated after FY21, with prices rising sharply to Rs 56,942 per tonne in FY22 and reaching a peak of Rs 59,146 per tonne in FY23. The sharp increase during this period was supported by strong post-pandemic recovery in construction and infrastructure activity, elevated coking coal and iron ore prices, and supply chain disruptions across global commodity markets.

Following the peak in FY23, TMT bar prices moderated as raw material prices eased and steel markets gradually normalized. Prices declined to Rs 53,885 per tonne in FY24 and remained broadly stable at Rs 53,944 per tonne in FY25 before moderating further to Rs 52,532 per tonne in FY26. Despite the decline from peak levels, prices remained substantially above pre-pandemic levels, reflecting sustained domestic demand from housing, commercial construction and infrastructure sectors. Going forward, TMT bar prices are expected to remain influenced by raw material costs, infrastructure expenditure, construction activity, capacity utilization levels and overall steel demand-supply dynamics in the domestic market.

TMT Demand review and outlook



P: Projected; E: Estimated on the provisional data of JPC
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Demand for TMT bars has demonstrated strong growth over the review period, increasing from 26.7 MnTPA in FY21 to an estimated 54.0 MnTPA in FY26E, representing a CAGR of approximately 15.1% during FY21–FY26E. The segment witnessed a temporary contraction of 12.9% in FY21 due to the disruption caused by the COVID-19 pandemic and the slowdown in construction activities. However, demand rebounded sharply thereafter, registering a growth of 26.9% in FY22 as infrastructure projects resumed, real estate activity recovered and government capital expenditure gained momentum.

The growth trajectory remained robust during FY23–FY26, with demand increasing by 16.7% in FY23, 15.1% in FY24, 9.0% in FY25 and an estimated 8.8% in FY26. Rising investments in roads, railways, metro projects, industrial corridors, urban infrastructure and residential housing have continued to support consumption of reinforcement steel products. Government initiatives such as PM Gati Shakti, Bharatmala Pariyojana, Smart Cities Mission and PM Awas Yojana have further strengthened demand for TMT bars across both public and private construction projects.

Residential and commercial construction, along with infrastructure development, remain the primary drivers of TMT demand owing to the widespread application of TMT bars in reinforced concrete structures, foundations, columns, beams and other load-bearing applications. Increasing urbanization, rising disposable incomes and sustained housing demand have further contributed to market expansion. In addition, industrial and commercial real estate development has supported the growth of steel-intensive construction activities across the country.

Going forward, demand for TMT bars is projected to reach approximately 69.6 MnTPA by FY30, implying a CAGR of around 6–7% during FY26–FY30. While growth is expected to moderate compared with the strong post-pandemic recovery phase, the long-term outlook remains favourable. Continued investments in infrastructure creation, affordable housing, transportation networks and industrial development are expected to support steady growth in TMT consumption, reinforcing its position as one of the largest steel product segments in India.

TMT demand across end-use industry

End-Use Industry (FY26)	% Share of Demand	Demand Volume FY26E (MnTPA)	CAGR (FY26E-30P)
Construction (Residential + Commercial)	45%	22.3	7%
Infrastructure	45%	22.3	8%
Industrial	5%	2.5	7%
Engineering/ Capital Goods	5%	2.5	2%

P: Projected
Source: Crisil Intelligence
MnTPA: million tonnes per annum

The construction and infrastructure sectors collectively dominate TMT bar consumption in India, accounting for approximately 90% of total demand in FY26. Residential and commercial construction alone contributed around 22.3 MnTPA of demand, representing 45% of total TMT consumption. The widespread use of TMT bars in reinforced concrete structures, housing projects, commercial buildings and real estate developments makes the construction sector the largest consumer of

reinforcement steel products. Continued urbanization, growth in residential housing and increasing investments in commercial real estate are expected to support demand growth of approximately 7% CAGR during FY26–FY30.

Infrastructure accounted for an additional 45% share of TMT demand, equivalent to 22.3 MnTPA in FY26, underscoring the critical role of government-led capital expenditure in driving steel consumption. Demand from roads, highways, railways, metro projects, bridges, irrigation facilities and industrial infrastructure is expected to grow at a CAGR of approximately 8% between FY26 and FY30, making it the fastest-growing end-use segment. While industrial and engineering/capital goods sectors accounted for a relatively smaller share of TMT demand at 5% each, these segments remain important contributors owing to increasing investments in manufacturing facilities, industrial buildings and engineering projects. Overall, the strong dependence of TMT demand on construction and infrastructure activities highlights the close linkage between India's economic development, asset creation programmes and long-term growth in reinforcement steel consumption.

State-wise re-rolling production FY25

Region	State	No. of Working Units	Working Capacity (MnTPA)	Non-Flat Production (MnTPA)	Flat Production (MnTPA)
Western	Chhattisgarh	150	20.8	12.6	1.4
	Dadra and Nagar Haveli & Daman and Diu	4	0.2	0.2	0.0
	Goa	9	0.6	0.4	0.0
	Gujarat	120	6.6	4.0	0.2
	Madhya Pradesh	46	2.1	1.4	0.0
	Maharashtra	101	13.0	8.1	0.4
	Regional Total	**430**	**43.3**	**26.6**	**2.0**
Eastern	Arunachal Pradesh	2	0.1	0.0	0.0
	Assam	14	0.4	0.2	0.0
	Bihar	14	1.7	1.1	0.0
	Jharkhand	19	8.2	8.3	0.0
	Meghalaya	4	0.2	0.1	0.0
	Odisha	28	4.8	3.9	0.0
	Tripura	2	0.0	0.0	0.0
	West Bengal	73	16.0	11.3	0.3
	Regional Total	**156**	**31.4**	**24.9**	**0.3**
Northern	Delhi	2	0.0	0.0	0.0
	Haryana	9	0.2	0.1	0.0
	Himachal Pradesh	24	2.2	1.4	0.2
	Jammu and Kashmir	16	0.8	0.3	0.0
	Punjab	239	10.8	4.5	2.0
	Rajasthan	59	3.5	2.0	0.2
	Uttar Pradesh	69	5.2	3.2	0.0
	Uttarakhand	12	1.2	0.6	0.0
	Regional Total	**430**	**24.0**	**12.2**	**2.5**
Southern	Andhra Pradesh	34	8.2	5.5	0.0
	Karnataka	22	5.8	4.5	0.0
	Kerala	27	0.8	0.5	0.0
	Puducherry	10	0.4	0.4	0.0
	Tamil Nadu	91	5.2	3.6	0.1
	Telangana	48	3.7	2.6	0.2
	Regional Total	**232**	**24.1**	**17.3**	**0.3**
Grand Total		**1,248**	**122.8**	**81.0**	**5.2**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India's re-rolling industry plays a crucial role in the steel value chain by converting semi-finished steel products such as billets and blooms into finished long and flat steel products, including TMT bars, structurals, wire rods and strips. In FY25, total re-rolling production stood at 63.8 MnTPA, reflecting the extensive presence of secondary steel producers across the country. The industry remains geographically diversified, although production is concentrated in a few key steel-producing states that benefit from proximity to raw materials, established industrial ecosystems and strong end-user demand.

The northern region emerged as the largest re-rolling production hub in FY25, accounting for 18.2 MnTPA of output, followed closely by the eastern region at 17.3 MnTPA and the southern region at 15.1 MnTPA. The western region contributed 13.1 MnTPA of production. These four regions collectively account for the entirety of India's re-rolling output, highlighting the widespread presence of downstream steel processing capacity across the country. The regional distribution largely mirrors the concentration of construction activity, infrastructure investments and manufacturing clusters that drive demand for finished steel products.

At the state level, Chhattisgarh was the largest producer of re-rolled steel products, accounting for 12.6 MnTPA of non-flat steel production and an additional 1.4 MnTPA of flat steel production. Maharashtra contributed 5.9 MnTPA, while Bihar and West Bengal produced 5.4 MnTPA and 5.3 MnTPA, respectively. Uttar Pradesh, Punjab and Tamil Nadu also emerged as significant production centres, supported by strong demand from construction, infrastructure and industrial sectors. The high concentration of production in these states reflects the availability of billet supply from integrated steel producers and the presence of large networks of secondary rolling mills.

The re-rolling sector remains a critical link between primary steel manufacturing and end-use industries. Increasing investments in housing, transportation infrastructure, industrial facilities and urban development continue to support demand for re-rolled steel products across India. Going forward, rising domestic steel consumption, capacity additions by steel producers and ongoing infrastructure expansion are expected to support the growth of the re-rolling industry, particularly in states with established steel manufacturing ecosystems and strong downstream demand.

State-wise bars & rods despatches FY25

Region	State	Bars & Rods (MnTPA)
Western	Chhattisgarh	1.8
	DNH and Daman & Diu	0.7
	Goa	0.4
	Gujarat	2.4
	Maharashtra	5.9
	Madhya Pradesh	1.8
	Region Total	**13.1**
Eastern	Arunachal Pradesh	0.0
	Assam	0.4
	Bihar	5.4
	Jharkhand	2.6
	Manipur	0.0
	Meghalaya	0.5
	Mizoram	0.1
	Nagaland	0.0
	Odisha	2.4
	Sikkim	0.0
	Tripura	0.5
	West Bengal	5.3
	Region Total	**17.3**
Northern	Chandigarh	0.1
	Delhi	1.4
	Haryana	1.1
	Himachal Pradesh	0.4
	J&K	1.1
	Ladakh	0.0
	Punjab	4.6
	Rajasthan	3.0
	Uttar Pradesh	5.0
	Uttarakhand	1.5
	Region Total	**18.2**
Southern	Andhra Pradesh	3.6
	Karnataka	3.0
	Kerala	1.4
	Puducherry	0.4
	Telangana	2.6
	Tamil Nadu	4.2
	Region Total	**15.1**
GRAND TOTAL		**63.8**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Bars and rods constitute one of the largest categories within the long steel segment, driven primarily by their extensive usage in construction, infrastructure and industrial applications. In FY25, total dispatches of bars and rods across India stood at 63.8 MnTPA, reflecting the strong demand for reinforcement steel products amid continued growth in construction activity and infrastructure development. The widespread geographical distribution of dispatches highlights the importance of bars and rods across both developed industrial states and emerging infrastructure markets.

The northern region emerged as the largest consumer of bars and rods in FY25, accounting for 18.2 MnTPA of dispatches, followed by the eastern region at 17.3 MnTPA, the southern region at 15.1 MnTPA and the western region at 13.1 MnTPA.

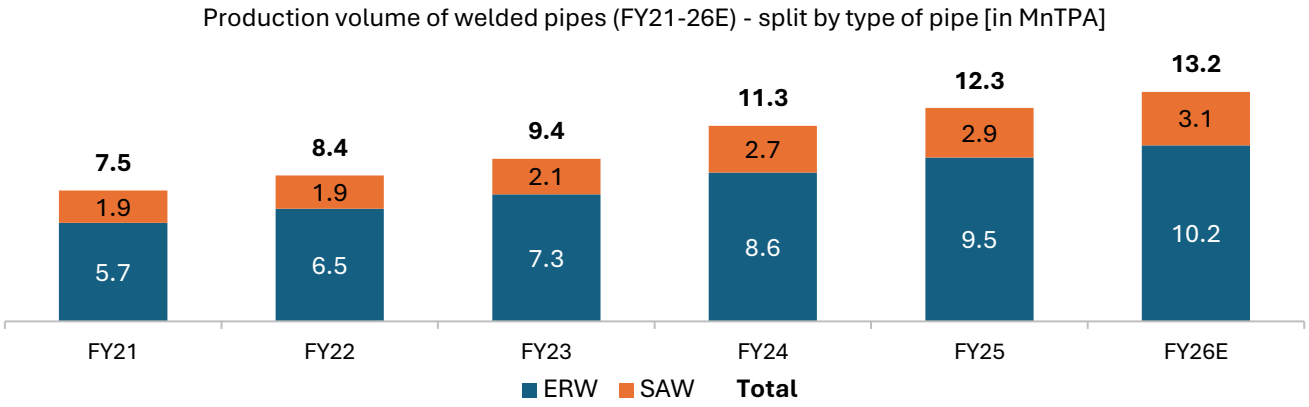
The strong consumption levels in the northern and eastern regions can be attributed to large-scale infrastructure projects, urban development initiatives, residential construction activity and increasing industrial investments. The broad-based regional demand profile demonstrates the critical role of long steel products in supporting economic development across the country.

At the state level, Maharashtra recorded the highest bars and rods dispatches at 5.9 MnTPA, followed closely by Bihar at 5.4 MnTPA, West Bengal at 5.3 MnTPA and Uttar Pradesh at 5.0 MnTPA. Punjab and Tamil Nadu also emerged as significant demand centres, accounting for 4.6 MnTPA and 4.2 MnTPA, respectively. These states benefit from sustained investments in transportation infrastructure, housing projects, commercial construction and industrial facilities, all of which are major consumers of bars and rods.

The state-wise distribution of dispatches highlights the close linkage between steel consumption and infrastructure-led economic activity. As government expenditure on roads, railways, urban infrastructure and housing continues to increase, demand for bars and rods is expected to remain strong across major consuming states. Moreover, rising urbanization, industrialization and private sector investments in real estate and manufacturing are expected to further support long-term growth in bars and rods consumption, reinforcing their position as one of the most important product categories within India's steel industry.

Demand review and outlook: Welded Pipes

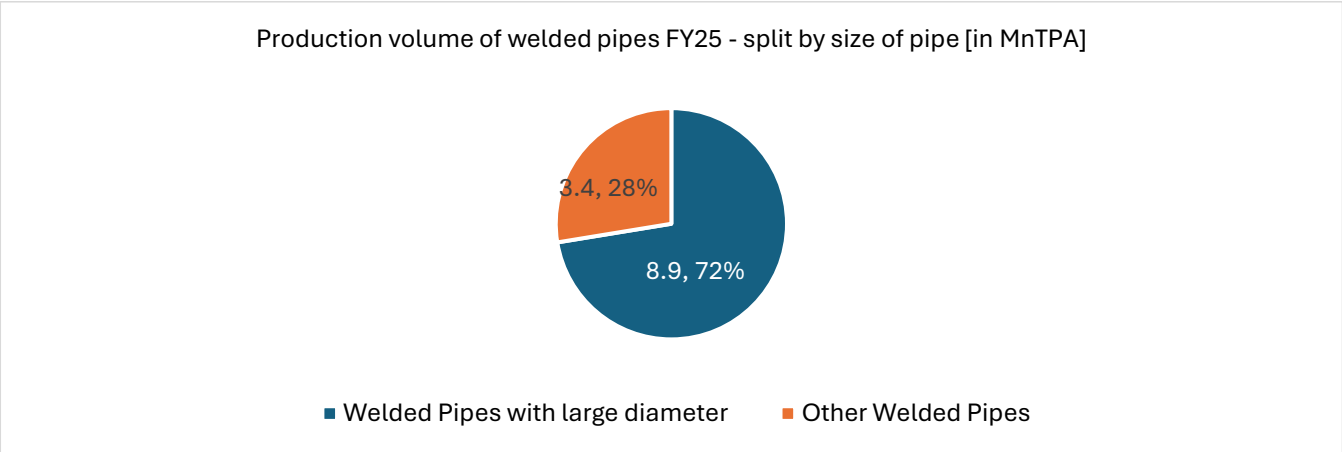
Production review of welded pipes (in MnTPA)



ERW: Electric Resistance Welded;
SAW: Submerged Arc Welded;
E: Estimated
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

The welded pipes industry has witnessed consistent growth during FY21–FY26E, supported by increasing investments in infrastructure, water distribution networks, irrigation projects, construction activities and industrial applications. Total welded pipe production increased from 7.5 MnTPA in FY21 to 13.2 MnTPA in FY26E, registering a CAGR of approximately 11.9% during the period. Growth was largely driven by higher demand for Electric Resistance Welded (ERW) pipes, which accounted for the majority of production. ERW pipe production increased from 5.7 MnTPA in FY21 to 9.5 MnTPA in FY25, while Submerged Arc Welded (SAW) pipe production grew from 1.9 MnTPA to 2.9 MnTPA over the same period.

The strong growth in welded pipe production reflects expanding demand from a diverse range of end-use sectors. ERW pipes are extensively used in construction, water supply, structural applications, irrigation systems and industrial fabrication, while SAW pipes are primarily utilized in large-diameter pipeline projects, oil and gas transportation networks and major infrastructure developments. The increasing focus on urban infrastructure development, expansion of water distribution systems, rural irrigation projects and industrial investments has supported demand across both product categories. In addition, rising investments in energy transportation infrastructure and city gas distribution networks have contributed to sustained growth in welded pipe consumption.



Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Welded pipes are broadly segmented into large-diameter pipes and other welded pipes, with large-diameter pipes primarily used in oil and gas transmission, water transportation, slurry pipelines and other large-scale infrastructure applications requiring high-volume fluid movement. In FY2025, large-diameter welded pipes accounted for approximately 72% of total welded pipe production (8.9 MnTPA), significantly higher than the 28% share (3.4 MnTPA) contributed by other welded pipe categories. The dominance of large-diameter pipes reflects strong demand from infrastructure, water supply and energy transmission projects, supported by ongoing investments in pipeline networks and industrial development. Going forward, continued expansion of water distribution systems, oil and gas infrastructure and industrial projects is expected to support sustained demand for large-diameter welded pipes, while demand for smaller welded pipes is likely to be driven by construction, engineering and general industrial applications.

State-wise large diameter pipes production FY25 (in MnTPA)

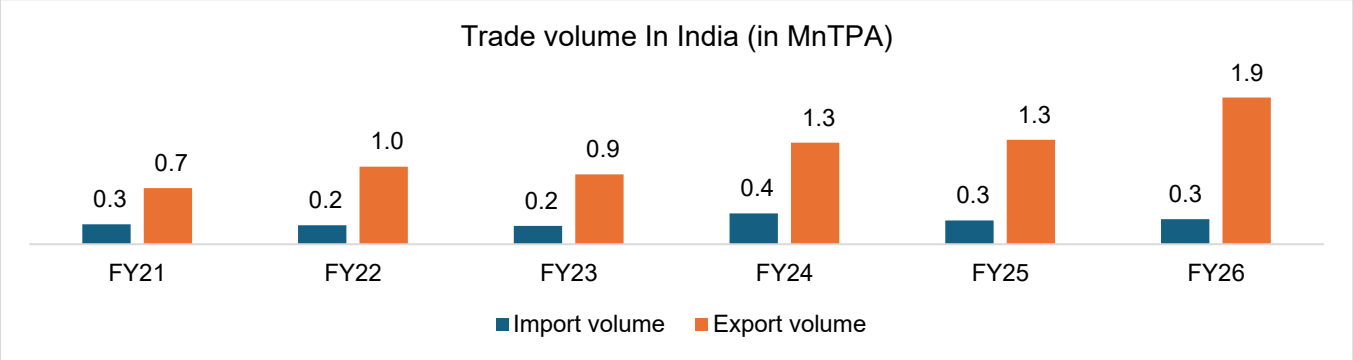
Region	State	No. of Working Units	Working Capacity (MnTPA)	Total Production (MnTPA)
Western	Chhattisgarh	24	2.6	1.3
	Dadra & Nagar Haveli and Daman & Diu	2	0.0	0.0
	Gujarat	29	5.4	2.3
	Madhya Pradesh	6	0.7	0.4
	Maharashtra	19	2.9	1.2
	Regional Total	80	**11.7**	**5.3**
Eastern	Odisha	7	0.8	0.5
	Jharkhand	1	0.3	0.3
	West Bengal	3	0.0	0.1
	Regional Total	11	**1.2**	**0.9**
Northern	Chandigarh	1	0.1	0.1
	Haryana	14	0.1	0.1
	Himachal Pradesh	5	0.1	0.1
	Punjab	46	2.2	0.9
	Rajasthan	7	0.2	0.1
	Uttar Pradesh	15	1.5	0.9
	Regional Total	88	**4.2**	**2.1**
Southern	Andhra Pradesh	1	0.0	0.0
	Karnataka	3	0.2	0.1
	Tamil Nadu	4	0.3	0.3
	Telangana	4	0.3	0.2
	Regional Total	12	**0.8**	**0.6**
Grand Total		191	17.8	8.9

MnTPA: million tonnes per annum
Source: JPC, Crisil Intelligence

Production of large-diameter welded pipes in India is concentrated in the western and northern regions, which together accounted for approximately 83% of total domestic production in FY2025. The western region emerged as the largest production hub, with a total production volume of 5.3 MnTPA, supported by a working capacity of 11.7 MnTPA across 80 operating units. Within the region, Gujarat was the leading producer with 2.3 MnTPA of output, followed by Chhattisgarh and Maharashtra, each contributing more than 1.0 MnTPA. The concentration of production in these states reflects the presence of established steel manufacturing ecosystems, strong industrial infrastructure and proximity to key end-use sectors.

The northern region was the second-largest producer, accounting for 2.1 MnTPA of production in FY2025, led by Punjab and Uttar Pradesh, while the eastern and southern regions contributed 0.9 MnTPA and 0.6 MnTPA, respectively. Overall, India had an installed working capacity of approximately 17.8 MnTPA for large-diameter welded pipes against actual production of 8.9 MnTPA, indicating significant available capacity for future demand growth. The production footprint highlights the strategic importance of western and northern India in serving demand from infrastructure, water transportation, industrial and energy pipeline projects, which are expected to remain key growth drivers for the large-diameter welded pipes industry over the medium term.

Trade review of welded pipes (in MnTPA)

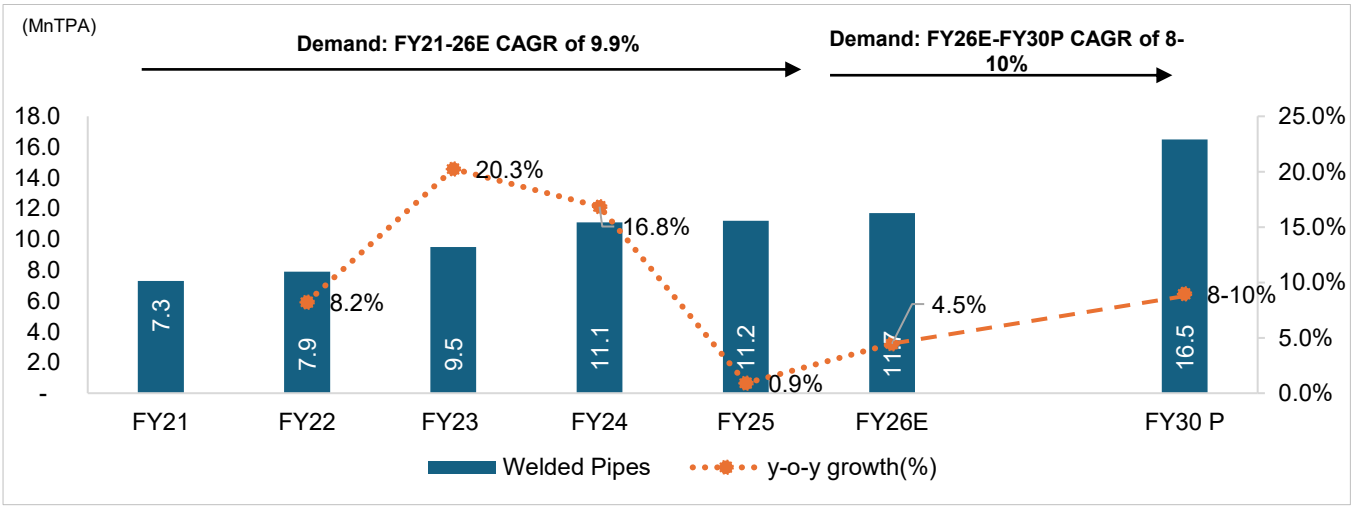


Source: Crisil Intelligence

India's welded pipe trade remained favourable during the review period, with exports consistently exceeding imports. Export volumes increased from 0.7 MnTPA in FY21 to 1.9 MnTPA in FY26, demonstrating the growing competitiveness of Indian pipe manufacturers in international markets. Imports remained comparatively low, fluctuating between 0.2 MnTPA and 0.4 MnTPA during the period. The relatively limited dependence on imports reflects the presence of adequate domestic manufacturing capacity and the ability of Indian producers to cater to a broad range of customer requirements across standard and specialized pipe segments.

Going forward, the outlook for the welded pipes industry remains positive, supported by continued government expenditure on infrastructure, rising investments in water and sanitation projects, urban development initiatives, oil and gas infrastructure expansion and increasing industrial activity. Demand from sectors such as construction, irrigation, transportation, energy and industrial manufacturing is expected to provide sustained growth opportunities for welded pipe manufacturers. Consequently, the industry is expected to maintain healthy production growth while continuing to strengthen its presence in export markets over the medium term.

Welded pipes demand review and outlook



P: Projected; E: Estimated on the provisional data of JPC
Source: Crisil Intelligence
MnTPA: million tonnes per annum

Demand for welded pipes has exhibited strong growth over the review period, increasing from 7.3 MnTPA in FY21 to 11.7 MnTPA in FY26E, representing a CAGR of approximately 9.9%. Growth was supported by rising investments in construction, urban infrastructure, water supply networks, irrigation projects, industrial facilities and energy transportation infrastructure.

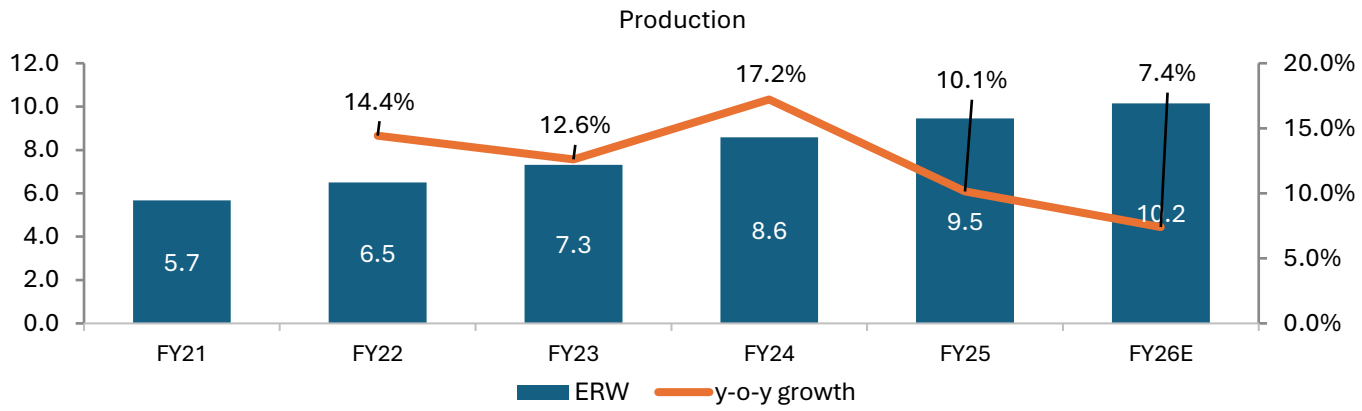
The segment witnessed particularly strong growth in FY23 and FY24, registering year-on-year growth of 20.3% and 16.8%, respectively, driven by the recovery in infrastructure activity, increased government capital expenditure and expansion of utility projects.

Welded pipes are extensively used across structural applications, water transmission, irrigation systems, city gas distribution networks, oil & gas pipelines and industrial infrastructure. Their versatility and cost-effectiveness have supported broad-based demand across both public and private sector projects. The increasing focus on urbanization, water supply and sanitation programs, industrial expansion and energy infrastructure development has continued to create demand opportunities for welded pipe manufacturers.

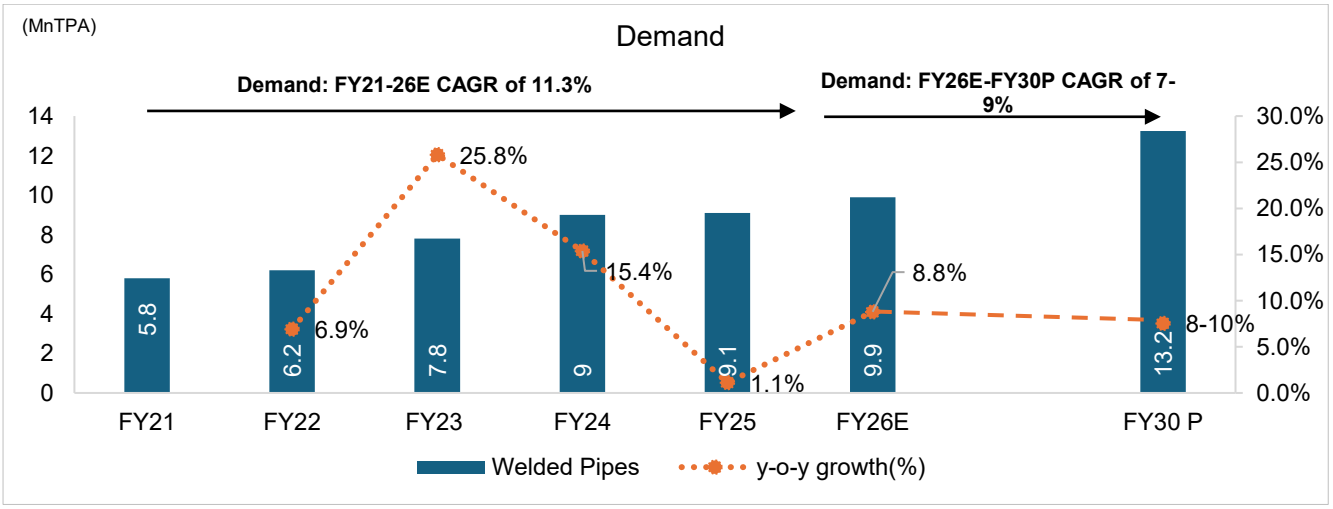
Demand growth moderated significantly to 0.9% in FY25 before improving to an estimated 4.5% in FY26, reflecting a more normalized growth trajectory following the strong post-pandemic expansion phase. Despite the moderation, overall demand remained at historically high levels, supported by ongoing investments in infrastructure and utility sectors. Rising construction activity and continued investments in transportation, industrial and municipal infrastructure are expected to sustain medium-term demand growth.

Going forward, welded pipe demand is projected to reach approximately 16.5 MnTPA by FY30, implying a CAGR of around 8–10% during FY26–FY30. Growth is expected to be supported by increasing investments in water transmission projects, irrigation infrastructure, city gas distribution networks, renewable energy installations and industrial development. The continued focus on asset creation, improving utility infrastructure and expanding industrial activity is expected to provide sustained growth opportunities for the welded pipes industry over the forecast period.

Production and demand review of ERW pipes (in MnTPA)



ERW: Electric Resistance Welded; E: Estimated
Source: Crisil Intelligence
MnTPA: million tonnes per annum



P: Projected; E: Estimated on the provisional data of JPC
Source: Crisil Intelligence
MnTPA: million tonnes per annum

Welded pipes demand across end-use industry

End-Use Industry (FY26)	% Share of Demand	Demand Volume FY26E (MnTPA)	CAGR (FY26E-30P)
Oil and gas	15%	1.7	3%
WSS	11%	1.2	5%
Irrigation	14%	1.6	9%
Power	12%	1.3	4%
Structurals	36%	4.0	9%
Others	11%	1.2	14%

P: Projected
Source: Crisil Intelligence
MnTPA: million tonnes per annum

Demand for welded pipes is diversified across multiple end-use sectors, reflecting their versatility and wide applicability across infrastructure, industrial and utility projects. In FY26, structural applications emerged as the largest end-use segment, accounting for approximately 36% of total welded pipe demand, equivalent to around 4.0 MnTPA. Welded pipes are extensively used in industrial buildings, warehouses, commercial structures, transmission towers and various fabrication applications owing to their strength, durability and cost efficiency. Demand from the structural segment is projected to grow at a CAGR of approximately 9% during FY26–FY30, supported by increasing investments in infrastructure development, industrial construction and urban expansion.

The oil & gas sector accounted for around 15% of total welded pipe demand in FY26, while irrigation, water supply and sanitation (WSS), and power sectors collectively contributed approximately 37% of demand. Welded pipes play a critical role in pipeline infrastructure, water transmission networks, irrigation systems and power generation projects. Government initiatives aimed at improving water accessibility, expanding irrigation coverage and strengthening utility infrastructure are expected to continue supporting demand across these sectors. Notably, irrigation and structural applications are projected to witness some of the strongest growth over the forecast period, with demand expected to expand at a CAGR of approximately 9%.

The broad distribution of demand across several sectors provides resilience to the welded pipes industry by reducing dependence on any single end-use segment. Growing investments in infrastructure, water management, energy transportation and industrial development are expected to support sustained growth in welded pipe consumption over the medium term. Furthermore, rising urbanization, industrialization and government-led capital expenditure programmes are likely to create long-term demand opportunities across both traditional and emerging application areas for welded pipes.

State-wise despatches of pipes FY25 (MnTPA)

Region	State	Pipes
Western	Chhattisgarh	0.0
	DNH and Daman & Diu	0.0
	Goa	0.0
	Gujarat	1.9
	Maharashtra	0.6
	Madhya Pradesh	0.0
	Region Total	2.6
Eastern	Assam	0.0
	Bihar	0.0
	Jharkhand	0.0
	Meghalaya	0.0
	Odisha	3.6
	West Bengal	0.0
	Region Total	3.7
Northern	Delhi	0.0
	Haryana	0.0
	J&K	0.0
	Punjab	0.1
	Rajasthan	0.0
	Uttar Pradesh	0.0
	Region Total	0.1
Southern	Andhra Pradesh	0.0
	Karnataka	0.0
	Telangana	1.3
	Tamil Nadu	0.0
	Region Total	1.4
GRAND TOTAL		7.7

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

The state-wise distribution of pipe dispatches in FY25 highlights the concentration of demand in regions with significant infrastructure development, water management projects, industrial activity and utility investments. Total pipe dispatches stood at approximately 7.7 MnTPA during the year, reflecting the widespread application of pipes across water supply, irrigation, oil & gas, industrial and structural sectors. Demand was particularly concentrated in a few states undertaking large-scale infrastructure and utility projects, resulting in an uneven distribution of consumption across regions.

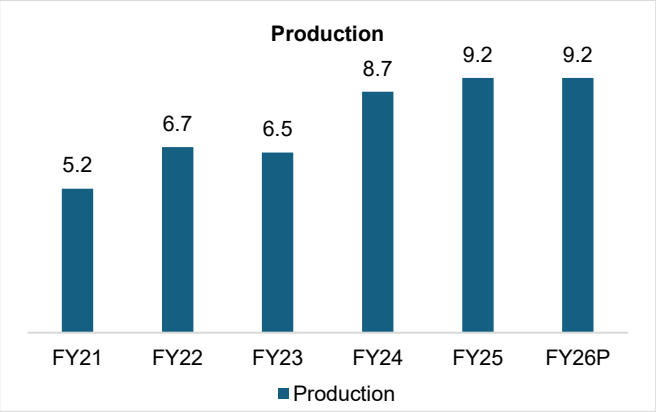
The eastern region emerged as the largest consumer of pipes, accounting for 3.7 MnTPA of dispatches in FY25, nearly half of the total national demand. Odisha alone contributed 3.6 MnTPA, making it the largest pipe-consuming state in the country. The strong demand in the state can be attributed to ongoing investments in industrial infrastructure, water supply projects, mining-related developments and various public infrastructure initiatives. The western region ranked second with dispatches of 2.6 MnTPA, supported primarily by Gujarat, which accounted for 1.9 MnTPA of consumption. Gujarat's large industrial base, extensive manufacturing activities and infrastructure investments have continued to support demand for pipe products.

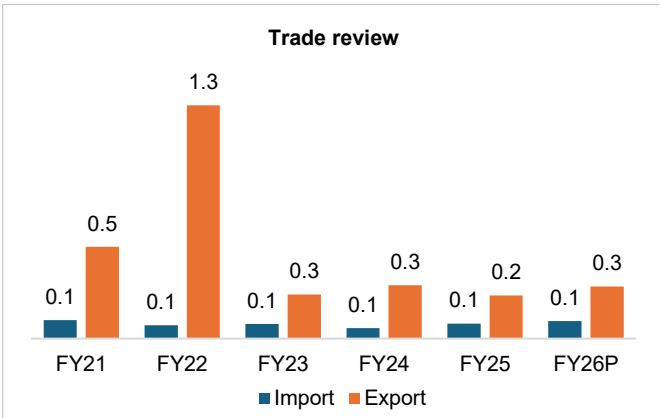
The southern region accounted for approximately 1.4 MnTPA of pipe dispatches, led by Telangana with consumption of 1.3 MnTPA. Demand in the region was supported by investments in irrigation networks, water transmission projects and urban infrastructure development. In contrast, the northern region accounted for a relatively smaller share of dispatches at 0.1 MnTPA during FY25. Overall, the dispatch pattern reflects the close linkage between pipe consumption and infrastructure-led investments, particularly in sectors such as water management, industrial development and utility infrastructure.

The concentration of demand in a few key states highlights the importance of government expenditure, industrial investments and public utility projects in driving pipe consumption. Going forward, initiatives related to irrigation expansion, water supply infrastructure, urban development, industrial corridors and energy transportation networks are expected to support demand growth across both existing and emerging consumption centres. As investments in infrastructure continue to increase, pipe demand is expected to witness broader geographical diversification while maintaining strong growth momentum in major industrial states.

Demand review and outlook: Wire Rods

Production and trade review of wire rods (in MnTPA)





P: Provisional
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

The Indian wire rod market comprises a mix of low-carbon, high-carbon and alloy steel grades catering to diverse end-use applications. Low-carbon wire rods account for a significant share of demand and are primarily used in construction, wire drawing and general engineering applications. High-carbon and special-grade wire rods, including cold-heading quality (CHQ), tyre bead, spring steel and alloy wire rods, cater to automotive, fastener, welding consumables and engineering sectors, and typically command higher realizations due to their stringent quality specifications and value-added nature.

Production of wire rods has witnessed a steady upward trend over the review period, supported by growing demand from construction, engineering, automotive and industrial manufacturing sectors. Production increased from 5.2 MnTPA in FY21 to 9.2 MnTPA in FY26P and is estimated to remain at a similar level in FY26. After a temporary decline in FY21, production recovered strongly in FY22 and continued to expand thereafter, driven by increasing infrastructure activity, growth in manufacturing output and rising consumption of downstream wire-based products.

Wire rods occupy an important position within the steel value chain and serve as a key raw material for the production of wires, fasteners, springs, welding electrodes, wire mesh and various engineering components. The broad application base across

multiple industries has supported consistent growth in demand and production. The sharp increase in production observed during FY24 and FY25 reflects stronger investments in infrastructure and manufacturing activities, which contributed to higher consumption of wire rod-based products.

India remained a net exporter of wire rods throughout the review period, with exports consistently exceeding imports. Export volumes increased significantly from 0.1 MnTPA in FY21 to a peak of 1.3 MnTPA in FY22, supported by favourable international demand and competitive export opportunities. Thereafter, exports moderated and stabilized at around 0.2–0.3 MnTPA during FY23–FY26. Imports remained relatively insignificant throughout the period at approximately 0.1 MnTPA annually, highlighting the adequacy of domestic production capacity to meet local requirements.

Overall, the wire rods segment continues to benefit from broad-based demand across construction, automotive, engineering and industrial sectors. The combination of growing domestic consumption and a favorable trade balance positions the segment for steady growth over the medium term, supported by ongoing investments in infrastructure development and manufacturing expansion.Country-wise trade of bars & rods in FY26

Import (FY26)

Country	Volume (MnTPA)
Thailand	0.05
Korea	0.04
China	0.03
Japan	0.01
Others	0.03
Total	**0.16**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Export (FY26)

Country	Volume (MnTPA)
Nepal	0.13
USA	0.05
Belgium	0.03
Italy	0.02
Bangladesh	0.02
Others	0.22
Total	**0.47**

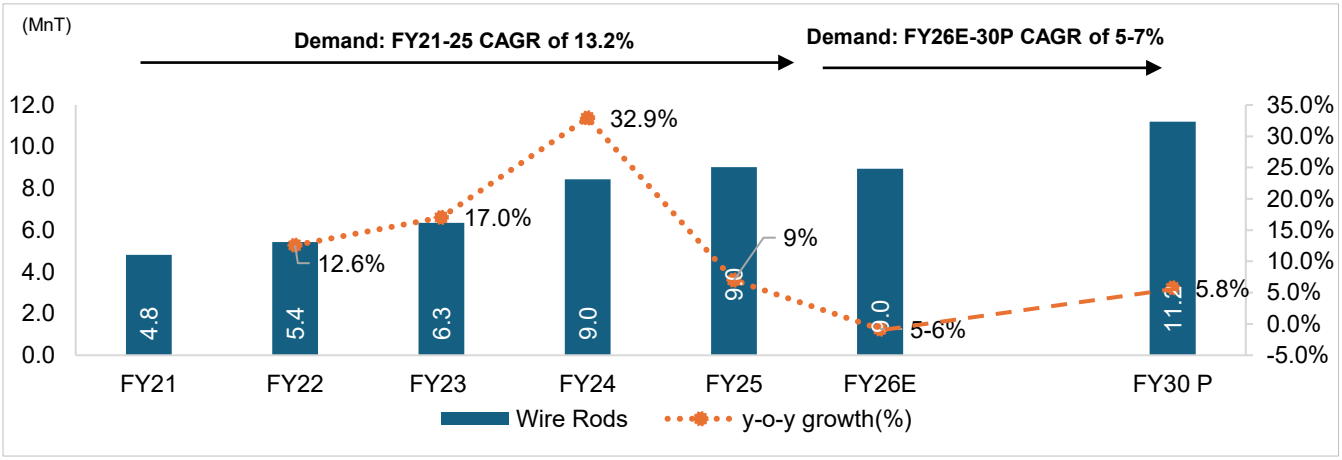
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

India’s wire rod trade remained relatively balanced in FY26, with exports continuing to exceed imports, highlighting the competitiveness of domestic manufacturers in international markets. Total wire rod imports stood at 0.16 MnTPA during the year. Thailand emerged as the largest source of imports, accounting for 0.05 MnTPA, followed by South Korea at 0.04 MnTPA and China at 0.03 MnTPA. Imports from Japan and other countries constituted a relatively small share of total import volumes. The low level of imports indicates the availability of adequate domestic production capacity to meet local demand, while imported material is primarily utilized to address specific grade requirements, regional supply-demand imbalances and pricing opportunities.

On the export front, India exported approximately 0.47 MnTPA of wire rods in FY26, resulting in a positive trade balance for the segment. Nepal emerged as the largest export destination, accounting for 0.13 MnTPA of exports, followed by the United States at 0.05 MnTPA. Other important export markets included Belgium, Italy and Bangladesh. The geographical diversity of export destinations reflects the acceptance of Indian wire rods across both neighboring countries and developed international markets, supported by competitive pricing, product quality and established trade relationships.

The overall trade pattern highlights India’s position as a net exporter of wire rods, underpinned by a strong domestic manufacturing base and sufficient production capacity. While imports continue to supplement domestic availability in select categories, exports provide an important avenue for market diversification and capacity utilization. Going forward, trade flows are expected to remain influenced by global steel demand, pricing competitiveness, freight costs and international trade policies. Rising demand from construction, engineering, automotive and industrial sectors, both domestically and internationally, is expected to support continued participation of Indian wire rod manufacturers in global markets.

Wire rods Demand review and outlook



P: Projected; E: Estimated on the provisional data of JPC
Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Demand for wire rods has demonstrated strong growth over the review period, increasing from 4.8 MnTPA in FY21 to 9.0 MnTPA in FY26E, representing a CAGR of approximately 13.2% during FY21–FY26E. The segment experienced a temporary contraction of 11.0% in FY21 due to the disruption caused by the COVID-19 pandemic. However, demand recovered steadily thereafter, supported by the revival of industrial activity, infrastructure investments and growth in downstream manufacturing sectors. Demand expanded by 12.6% in FY22 and 17.0% in FY23, reflecting increased consumption across engineering, construction and automotive-related applications.

The highest growth was recorded in FY24, when demand increased by 32.9% year-on-year to reach 8.4 MnTPA. The strong growth was driven by higher manufacturing activity, increasing infrastructure development and rising demand for wire rod-based products such as wires, fasteners, springs, welding electrodes and engineering components. Demand further increased to 9.0 MnTPA in FY25, supported by sustained growth across key end-user industries.

Demand is estimated to remain at around 9.0 MnTPA in FY26, indicating a period of consolidation following the strong expansion witnessed in previous years. Nevertheless, consumption continues to remain at elevated levels, supported by ongoing investments in infrastructure, industrial manufacturing and automotive production. The diversified application profile of wire rods provides resilience against fluctuations in any individual end-use sector and supports stable long-term demand.

Going forward, wire rod demand is projected to increase to approximately 11.2 MnTPA by FY30, implying a CAGR of around 5–7% during FY26–FY30. Future growth is expected to be driven by increasing investments in infrastructure, expansion of manufacturing activity, rising automotive production and growth in engineering and industrial sectors. Continued emphasis on domestic manufacturing and infrastructure development is expected to support sustained demand for wire rods over the medium term.

Wire rods demand across end-use industry

End-Use Industry (FY26)	% Share of Demand	Demand Volume FY26E (MnTPA)	CAGR (FY26E-30P)
Construction (Residential + Commercial)	13%	1.2	7%
Infrastructure	27%	2.4	8%
Industrial	10%	0.9	7%
Automotive	20%	1.8	7%
Engineering/Capital Goods	24%	2.1	2%
Power	6%	0.5	4%

P: Projected
Source: Crisil Intelligence
MnTPA: million tonnes per annum

Demand for wire rods is distributed across a diverse range of end-use industries, reflecting the product's importance in both industrial manufacturing and infrastructure development. In FY26, the infrastructure sector emerged as the largest consumer, accounting for approximately 27% of total demand, equivalent to around 2.4 MnTPA. Wire rods are extensively utilized in infrastructure projects for applications such as reinforcement products, fabricated steel components, transmission systems and construction-related applications. Supported by continuing investments in transportation, urban infrastructure and industrial development projects, demand from this segment is expected to grow at a CAGR of approximately 8% during FY26–FY30, making it the fastest-growing end-use sector.

The engineering and capital goods sector accounted for about 24% of total demand, followed by the automotive sector at 20%. Wire rods are widely used in the production of fasteners, springs, bearings, welding consumables and various engineering components. Increasing manufacturing activity, expansion in industrial production and rising demand from automotive and engineering industries are expected to support sustained consumption across these segments. Demand from both the automotive and engineering sectors is projected to grow at approximately 7% and 2% CAGR, respectively, during FY26–FY30.

The construction sector contributed approximately 13% of total demand, while the industrial and power sectors accounted for 10% and 6%, respectively. Demand from construction is supported by residential and commercial building activity, whereas the power sector utilizes wire rods in transmission and distribution infrastructure. Although the power segment represents a relatively smaller share of demand, continued investments in grid modernization and transmission infrastructure are expected to support steady growth.

Overall, the diversified demand profile of wire rods reduces dependence on any single end-use industry and provides resilience against cyclical fluctuations in individual sectors. Going forward, growth in infrastructure development, automotive manufacturing, engineering activity and construction is expected to support sustained expansion in wire rod consumption, with demand projected to reach approximately 11.2 MnTPA by FY30.

State-wise wire drawing production FY25

State	No. of Working Units	Working Capacity (MnTPA)	Total Production (MnTPA)
Andhra Pradesh	5	0.1	0.1
Chandigarh	4	0.0	0.0
Chhattisgarh	19	0.7	0.3
Gujarat	5	0.1	0.1
Haryana	3	0.2	0.1
Himachal Pradesh	8	0.1	0.1
Jammu and Kashmir	4	0.0	0.0
Karnataka	1	0.0	0.0
Madhya Pradesh	2	0.2	0.2
Maharashtra	4	0.7	0.4
Odisha	1	0.5	0.7
Punjab	2	0.1	0.1
Rajasthan	3	0.1	0.0
Tamil Nadu	1	0.0	0.0
Uttar Pradesh	2	0.0	0.0
West Bengal	1	0.0	0.0
Total	**65**	2.8	2.0

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Wire drawing is an important downstream steel processing activity that converts wire rods into a variety of value-added products such as wires, fasteners, springs, wire mesh, fencing products and engineering components. In FY25, India's wire drawing industry comprised 65 operating units with an aggregate installed capacity of approximately 2.8 MnTPA and total production of 2.0 MnTPA. The industry remains highly fragmented, with production distributed across multiple states catering to regional demand from construction, automotive, engineering and industrial manufacturing sectors.

Production was concentrated in a handful of key manufacturing states. Odisha emerged as the largest producer with output of 0.7 MnTPA, followed by Maharashtra with 0.4 MnTPA and Chhattisgarh with 0.3 MnTPA. These states benefit from proximity to steel manufacturing hubs, availability of wire rod feedstock and well-established industrial ecosystems. Madhya Pradesh also recorded notable production of 0.2 MnTPA, while states such as Andhra Pradesh, Gujarat, Haryana, Himachal Pradesh and Punjab contributed smaller but meaningful volumes. The concentration of production within steel-producing regions highlights the integrated nature of the steel value chain and the logistical advantages of locating downstream processing units close to raw material sources.

The wire drawing industry serves a broad range of end-use sectors including construction, infrastructure, automotive, power transmission, industrial manufacturing and engineering applications. Demand for drawn wire products is closely linked to growth in these sectors, as they are used in products such as reinforcement wires, welding consumables, fasteners, springs and electrical conductors. The industry's nationwide manufacturing presence enables producers to effectively serve regional demand centres while minimizing logistics costs and delivery timelines.

Going forward, the outlook for wire drawing production remains favourable, supported by increasing demand for value-added steel products, expansion in infrastructure and construction activities, growing automotive production and rising engineering output. Continued investments in manufacturing and industrial development are expected to support higher wire rod

consumption and downstream processing activity, thereby creating growth opportunities for wire drawing manufacturers across the country.

Key raw materials for steel production

Steel production is heavily dependent on the availability of key raw materials, primarily iron ore, coal and steel scrap, each of which plays a critical role in the steelmaking process. Iron ore serves as the principal source of iron and forms the foundation of the steel value chain. It is processed through various routes, including blast furnace-basic oxygen furnace (BF-BOF) and direct reduced iron (DRI) production, to manufacture crude steel and finished steel products. The availability, quality and pricing of iron ore significantly influence steel production costs and the competitiveness of steel manufacturers.

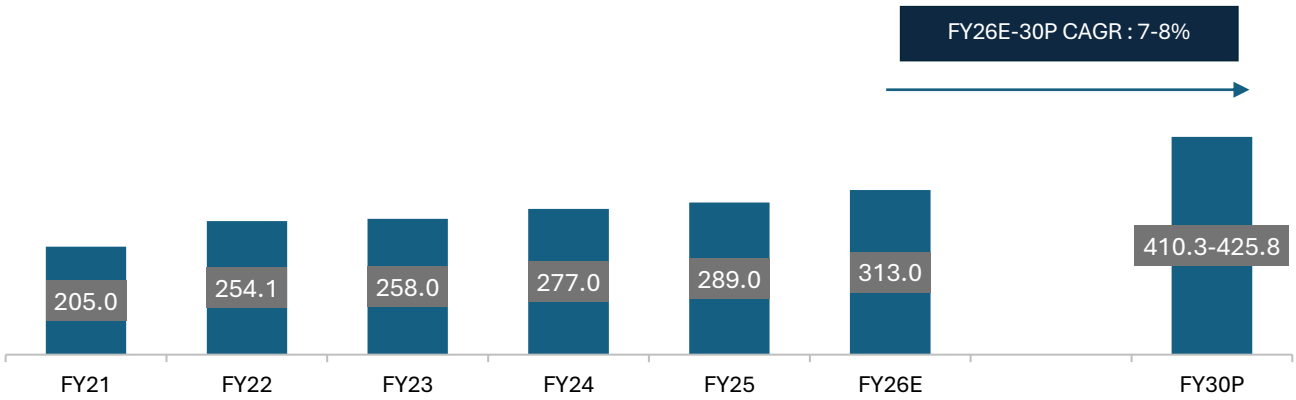
Coal, particularly coking coal, is another essential raw material used in the blast furnace route for steelmaking. Coking coal is processed into coke, which acts both as a reducing agent and as a source of energy during ironmaking. In India, non-coking coal is also widely utilized in sponge iron production through the coal-based direct reduced iron (DRI) route, making coal availability critical for both primary and secondary steel producers. Fluctuations in domestic and international coal prices can have a significant impact on steel production economics, particularly for integrated steel manufacturers and sponge iron producers.

Steel scrap represents an increasingly important raw material, particularly for electric arc furnace (EAF) and induction furnace (IF) based steelmaking operations. Scrap-based steel production supports resource efficiency and circular economy principles by enabling the recycling of steel products at the end of their useful life. Growing environmental awareness, decarbonization initiatives and increasing adoption of EAF-based production are expected to enhance the role of scrap in global steelmaking. The availability and pricing of scrap, however, remain influenced by industrial activity, recycling infrastructure and international trade flows.

Collectively, the availability, quality and pricing trends of iron ore, coal and scrap play a crucial role in determining steel production costs, industry profitability and supply dynamics. Consequently, monitoring raw material availability and price movements remains essential for understanding the performance and outlook of the steel industry.

Raw material availability in the domestic market

Domestic iron ore production (in MnTPA)



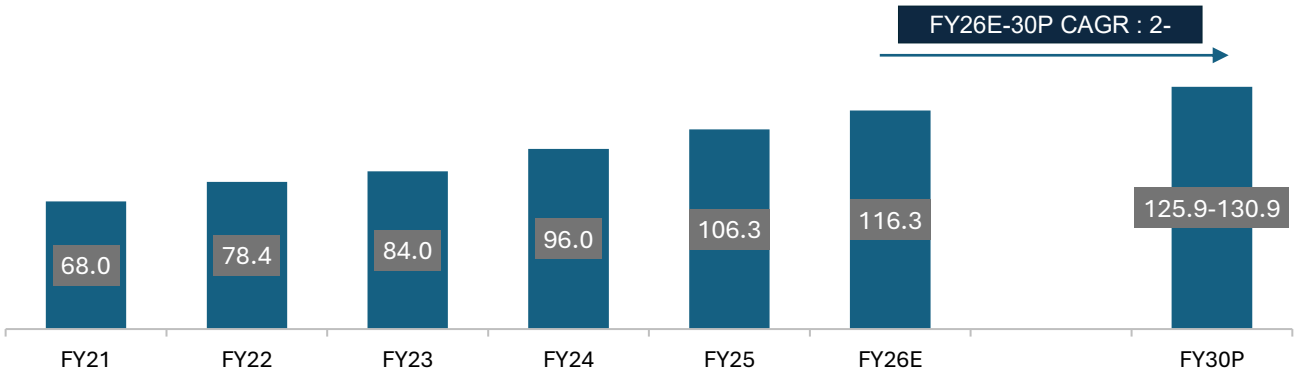
Source: Indian Bureau of Mines, Crisil Intelligence
MnTPA: million tonnes per annum

India's domestic iron ore production has witnessed steady growth over recent years, reflecting the country's strong resource base and increasing demand from the steel industry. Domestic iron ore production increased from 205.0 MnTPA in FY2021 to an estimated 313.0 MnTPA in FY2026, representing a CAGR of approximately 8.8% during the period. The consistent increase in production has been driven by expanding steelmaking capacity, rising domestic steel consumption and improved mining activity across major ore-producing states such as Odisha, Chhattisgarh, Karnataka and Jharkhand.

The increase in iron ore production highlights India's ability to meet a significant portion of the steel industry's raw material requirements through domestic resources. Supported by capacity additions in steelmaking, infrastructure investments and continued policy focus on enhancing mining output, domestic iron ore production is projected to increase further to approximately 410.3-425.8 MnTPA by FY2030, representing a CAGR of 7-8% over FY2026-FY2030. This growth is expected to support the long-term raw material requirements of the steel industry while reducing dependence on imports and strengthening supply security across the steel value chain.

Iron ore remains the single most important raw material in steel production, with demand closely linked to crude steel output and downstream steel manufacturing activity. As India continues to witness growth in infrastructure development, construction, manufacturing and urbanization, domestic iron ore production is expected to remain on an upward trajectory, supporting the long-term expansion of the country's steel sector.

Domestic iron ore pellet (in MnTPA)

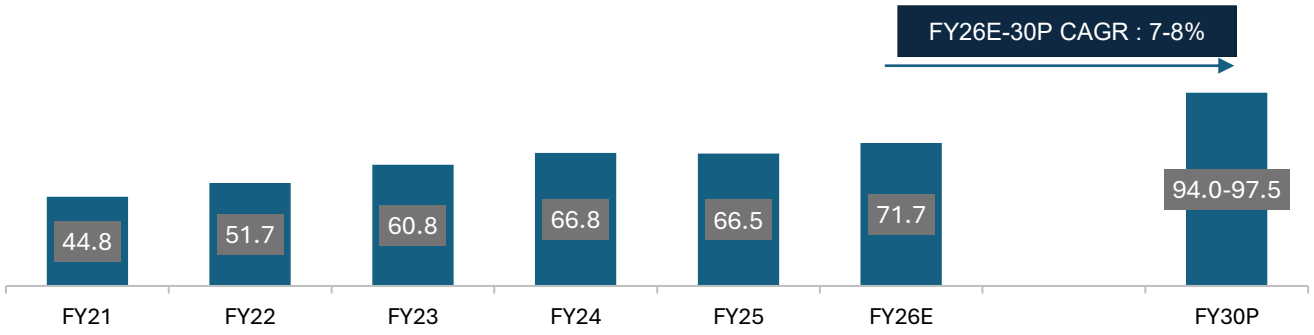


Source: Crisil Intelligence
MnTPA: million tonnes per annum

Domestic iron ore pellet production registered robust growth during FY2021-FY2026, increasing from 68.0 MnTPA in FY2021 to an estimated 116.3 MnTPA in FY2026, representing a CAGR of approximately 11.3% during the period. Growth in pellet production was supported by rising crude steel output, increasing adoption of pellets in blast furnace and sponge iron production, capacity additions by integrated steel producers and greater focus on improving raw material efficiency in steelmaking. The increasing use of pellets as a preferred feedstock, owing to their superior metallurgical properties and lower environmental footprint compared with iron ore fines, also contributed to demand growth.

Going forward, domestic iron ore pellet production is projected to increase to approximately 125.9-130.9 MnTPA by FY2030, representing a relatively moderate CAGR of 2-3% over FY2026-FY2030. The slower growth compared with the historical period reflects a higher production base and gradual capacity additions across the industry. Nevertheless, continued growth in steelmaking capacity, sustained pellet consumption across blast furnace and DRI routes, and ongoing investments in beneficiation and pelletization facilities are expected to support steady growth in domestic pellet production over the medium term.

Domestic coking coal production (in MnTPA)



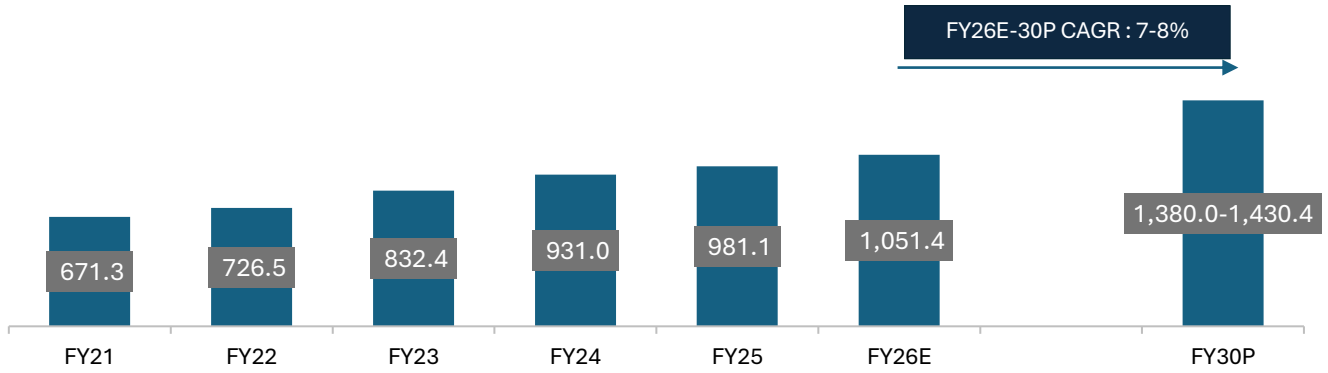
Source: Ministry of Coal, Crisil Intelligence
MnTPA: million tonnes per annum

Coking coal is a critical raw material for the steel industry as it is used in the production of coke, which serves as both a fuel and reducing agent in the blast furnace route of steelmaking. India's domestic coking coal production increased from 44.8 MnTPA in FY2021 to an estimated 71.7 MnTPA in FY2026, representing a CAGR of approximately 9.9% during the period. Growth in production has been supported by efforts to enhance domestic coal output, improve mining efficiencies and strengthen raw material security for the steel sector. Despite this increase, domestic availability remains insufficient to fully meet industry requirements, resulting in continued dependence on imports for a substantial portion of coking coal demand.

Going forward, domestic coking coal production is projected to increase further to approximately 94.0-97.5 MnTPA by FY2030, representing a CAGR of 7-8% over FY2026-FY2030. The expected growth is likely to be driven by continued investments in coal mining, policy measures aimed at increasing domestic resource utilization and expanding steelmaking capacity in the country. While higher domestic production is expected to improve raw material security and partially reduce import dependence, imported coking coal is likely to remain an important component of India's steelmaking raw material basket due to limitations in the quality and availability of domestic reserves.

The availability and pricing of coking coal have a direct impact on steel production costs, especially for integrated steel producers operating through the blast furnace-basic oxygen furnace (BF-BOF) route. Consequently, increasing domestic production remains an important strategic priority for the industry. Going forward, continued investments in coal mining, operational efficiency improvements and policy measures aimed at enhancing domestic resource utilization are expected to support coking coal availability. Nevertheless, international coking coal markets are likely to remain an important determinant of raw material costs for the Indian steel industry over the medium term.

Domestic non-coking coal production (in MnTPA)



Source: Ministry of Coal, Crisil Intelligence
MnTPA: million tonnes per annum

Domestic non-coking coal production increased significantly from 671.3 MnTPA in FY2021 to an estimated 1,051.4 MnTPA in FY2026, registering a CAGR of approximately 9.4% during the period. Growth was driven by higher output from Coal India Limited, captive and commercial mining operations, supported by policy measures aimed at enhancing domestic coal availability and reducing import dependence. Rising demand from the power, steel, cement and sponge iron sectors, coupled with capacity expansion, mine development activities and improvements in coal evacuation infrastructure, contributed to the sustained increase in production. Going forward, domestic non-coking coal production is projected to reach approximately 1,380.0-1,430.4 MnTPA by FY2030, representing a CAGR of 7-8% over FY2026-FY2030. Continued investments in mining infrastructure, commercial coal mining, production enhancement initiatives and growing energy demand are expected to support production growth, ensuring adequate fuel availability for key industrial and power-consuming sectors.

Coal India Limited (CIL) is the largest producer and supplier of non-coking coal in India, accounting for approximately 74-79% of the country's coal production and serving as the primary source of coal for power, steel, sponge iron, cement and other industrial sectors. CIL operates through its subsidiaries including Mahanadi Coalfields Limited (MCL), South Eastern Coalfields Limited (SECL), Northern Coalfields Limited (NCL), Central Coalfields Limited (CCL), Western Coalfields Limited (WCL), Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL). Among these, MCL, SECL and NCL are the largest coal-producing subsidiaries and collectively contribute a significant share of domestic non-coking coal output. In addition to Coal India, production from Singareni Collieries Company Limited (SCCL), captive coal mines and commercial mining blocks has increased in recent years, supporting domestic coal availability. Nevertheless, Coal India continues to dominate the non-coking coal market and remains the principal supplier to sponge iron manufacturers, with coal distributed primarily through Fuel Supply Agreements (FSAs) and e-auction channels.

Non-Coking Coal Supplied by Coal India Limited over the years	
Year	**Volume (in MnTPA)**
FY21	557.4
FY22	576.0
FY23	648.6
FY24	713.2
FY25	721.4
FY26	710.0

Source: Coal India Limited, Crisil Intelligence

Non coking coal and Coal India's FSA vs e-auction pricing

Fuel supply agreement (FSA)

A Fuel Supply Agreement (FSA) is a long-term coal supply contract executed between Coal India Limited (or its subsidiaries) and an eligible consumer, under which Coal India commits to supply a specified quantity of coal at notified prices, subject to agreed terms and conditions relating to quality, quantity, lifting schedules and performance obligations. Coal India considers FSAs a key mechanism for ensuring long-term coal availability to critical sectors and maintaining supply security.

Key features of FSA coal

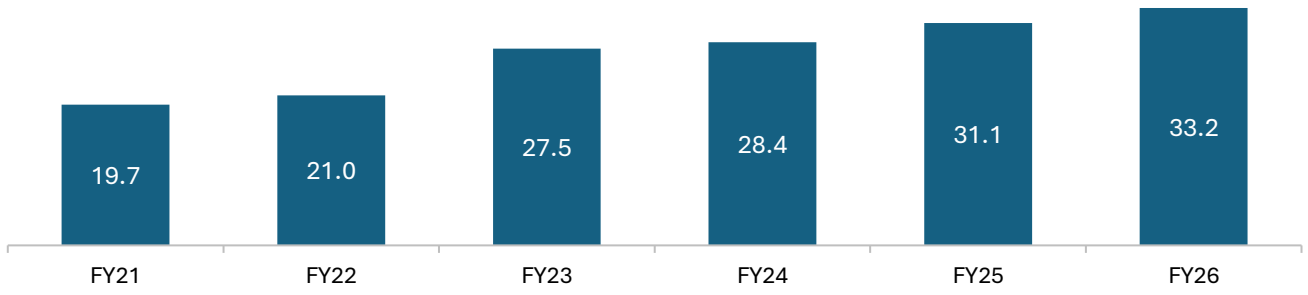
Parameter	FSA Coal
Allocation mechanism	Linkage granted under Government / Coal India framework
Contract tenure	Long-term supply arrangement
Pricing	Coal supplied at notified prices
Supply visibility	High
Price volatility	Relatively low
Procurement method	Contracted quantity allocation
Key benefit	Security of fuel availability and lower procurement cost

Coal India Limited (CIL) accounts for nearly 89% of India's geological coal resources. Coal is supplied through long-term Fuel Supply Agreements (FSAs) and e-auction channels. While FSA coal is supplied at notified prices and provides supply security, e-auction coal is sold through market-based bidding and typically commands a premium over notified prices. The e-auction premiums moderated to 48% in FY25 from 72% in FY24, reflecting improved domestic coal availability and softer international coal prices. Consequently, coal consumers with higher FSA coverage benefit from lower and more stable fuel costs compared with those dependent on e-auction procurement.

Year	e-auction premium over notified price
FY22	88%
FY23	252%
FY24	72%
FY25	48%

FSA vs e-auction		
Particulars	**FSA**	**e-auction**
Price discovery	Notified price	Market-driven bidding
Supply certainty	High	Depends on auction availability
Cost visibility	High	Volatile
Premium over notified price	-	Typically positive
Procurement objective	Base fuel requirement	Additional/spot requirement

Scrap availability (in MnTPA)



Source: Crisil Intelligence
MnTPA: million tonnes per annum

Steel scrap has emerged as an increasingly important raw material for the Indian steel industry, particularly with the growing adoption of electric arc furnace (EAF) and induction furnace (IF) based steelmaking routes. As shown in the chart, domestic scrap availability increased steadily from 19.7 MnTPA in FY21 to 33.2 MnTPA in FY26, representing a CAGR of approximately 11.0% during the period. The increase reflects growing industrial activity, higher volumes of end-of-life steel

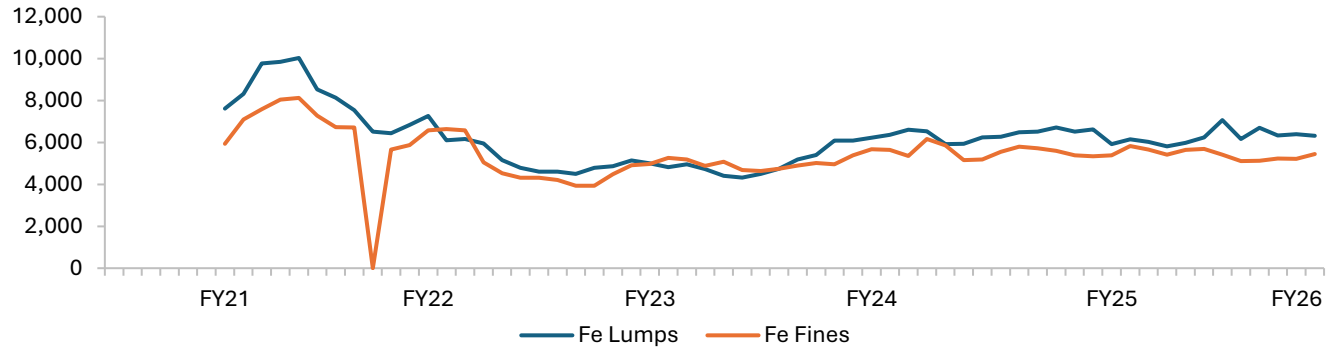
products entering the recycling stream and increasing emphasis on resource efficiency and circular economy practices within the steel sector.

The availability of scrap has improved significantly in recent years, supported by the formalization of the steel recycling ecosystem, expansion of organized scrap processing infrastructure and implementation of initiatives such as the Vehicle Scrappage Policy. Scrap-based steel production offers several advantages, including lower energy consumption, reduced dependence on virgin raw materials and lower carbon emissions compared with conventional iron ore-based steelmaking routes. As a result, scrap has become an increasingly important feedstock for secondary steel producers and EAF-based steel manufacturers.

The growing availability of domestic scrap is expected to play a critical role in supporting India's long-term steel production requirements while improving sustainability across the steel value chain. Rising urbanization, infrastructure replacement cycles, industrial expansion and increasing generation of obsolete scrap are expected to further augment scrap availability over the medium term. At the same time, the industry's focus on reducing carbon emissions and improving resource efficiency is likely to support greater utilization of scrap in steel production, reinforcing its importance as a strategic raw material for the Indian steel industry.

Raw material price trend in the domestic market (Rs/tonne)

Iron ore (Rs/tonne)

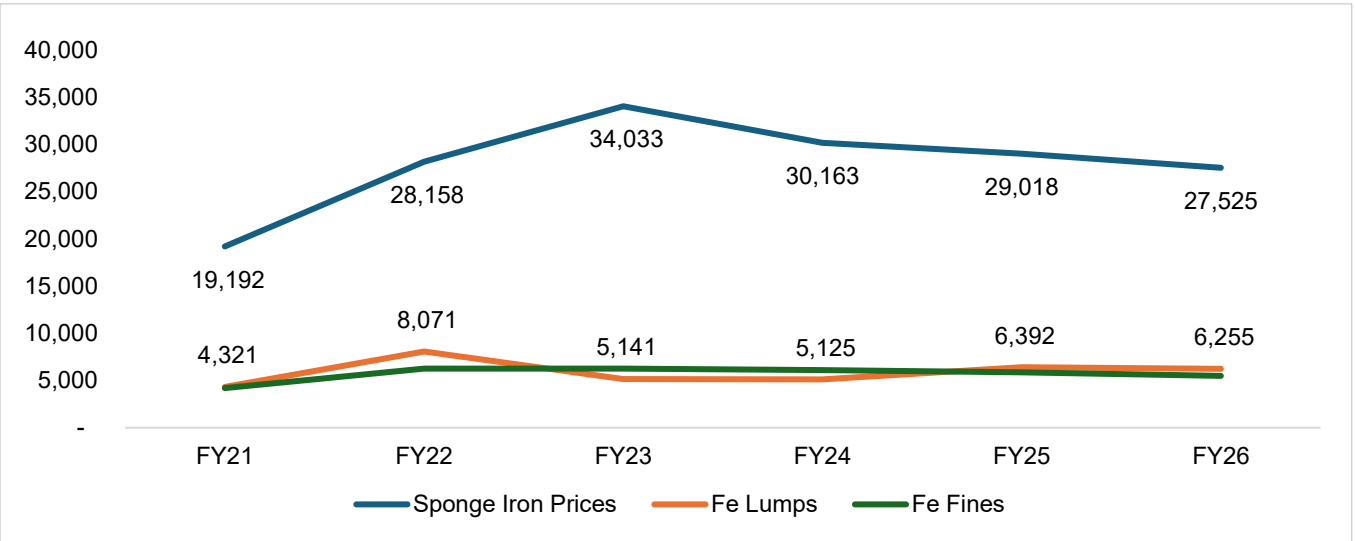


The annual average prices of iron lumps and fines peaked in fiscal 2022 during the past five-year period, owing to underperformance of the supply of iron ore from three major exporters to India, namely Australia, Brazil and South Africa, amid geopolitical uncertainties in prices in fiscal 2022.

Average price in Rs per tonne	FY22	FY23	FY24	FY25	FY26
Fe Lumps	8,071.3	5,140.8	5,125.2	6,392.4	6,254.7
Fe Fines	6,260.8	6,260.2	6,110.3	5,868.9	5,492.9

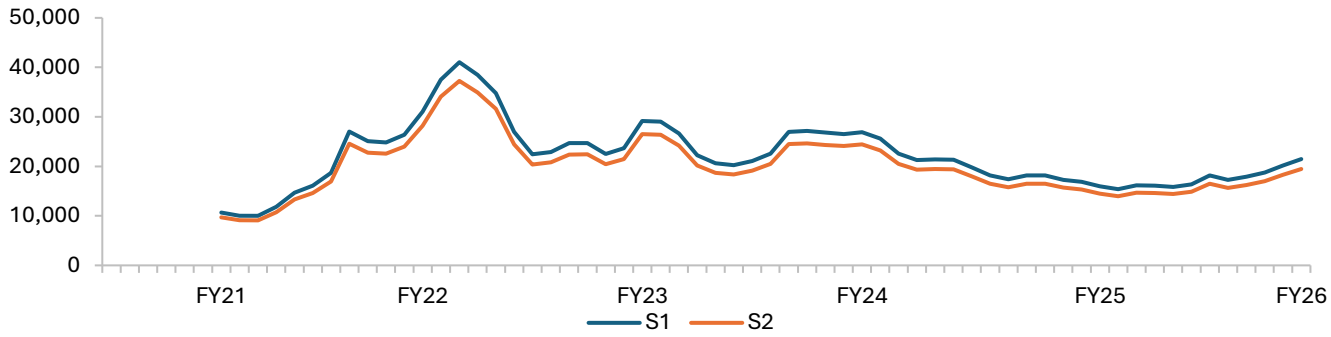
Source: Crisil Intelligence, Industry
Note:
1) The prices are for iron ore grade with Fe content in the 62-65% range
2) The prices shown above are average for the corresponding fiscals

Sponge iron and iron ore prices review (Rs/tonne)



Source: Crisil Intelligence

Coking coal (Rs/tonne)



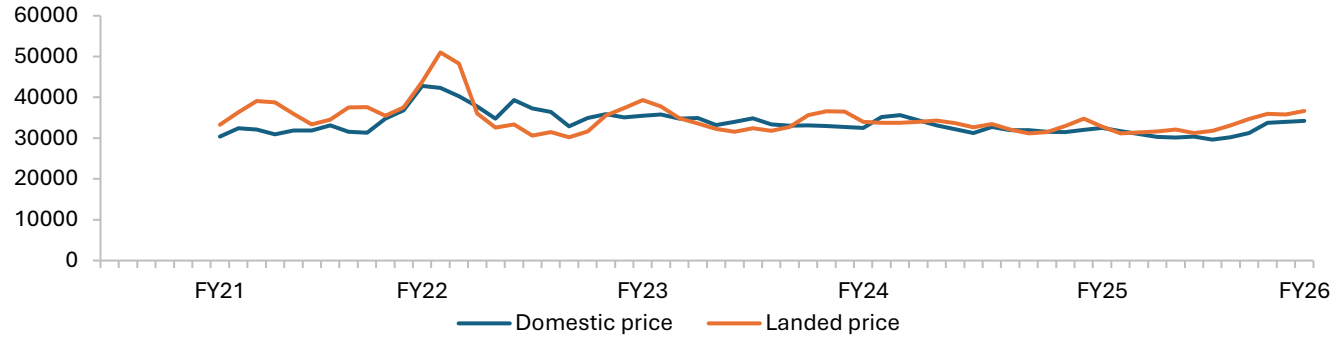
Source: Ministry of Coal, Crisil Intelligence, Industry

The average prices of coking coal surged strongly on-year in fiscal 2023 to Rs 29,072.8 per tonne for S1 grade and 26,396.0 for S2 grade from the price of ~Rs 18,866.7 per tonne for S1 grade and Rs 17,129.8 per tonne for S2 grade a year earlier. This strong growth in the prices of coal in fiscal 2023 happened on account of coal price premiums through domestic spot e-auction (conducted by Coal India Ltd) reaching an all-time high due to reduced coal supply in the fiscal.

Average price in INR per tonne	FY22	FY23	FY24	FY25	FY26
Coking coal					
S1	18,866.7	29,072.8	24,737.2	19,833.6	17,461.2
S2	17,129.8	26,396.0	22,459.7	18,007.8	15,853.8

Source: Crisil Intelligence, Industry
Note: The prices shown above are average for the corresponding fiscals

Steel scrap (Rs per tonne)



The average prices of steel scrap peaked in fiscal 2022 on account of an increase in demand from the steel manufacturing sector, owing to the resumption of economic and industrial activities post-pandemic.

Average price in Rs per tonne	FY22	FY23	FY24	FY25	FY26
Steel scrap (domestic)	33,333.3	36,875.0	33,779.2	32,798.8	31,596.3
Steel scrap (landed)	36,935.9	36,462.8	34,130.6	33,170.8	33,202.5

Source: Crisil Intelligence, Industry

Note:

1. *Prices don't include goods and service taxes (GST)*
2. *Landed prices pertain to those of Rotterdam exports and consider an exchange rate of ~ Rs 83.90 per United States Dollar (USD), a basic customs duty of 2.5%, freight charges of USD 30 per tonne and handling charges of 2% of the import price.*
3. *The prices shown above are average for the corresponding fiscals.*

Upcoming Investments in the Indian Steel Products Industry

India's steel industry is expected to witness significant investments over the medium term, supported by rising domestic steel demand, infrastructure development and government initiatives aimed at strengthening manufacturing capabilities. The National Steel Policy, 2017 targets the creation of 300 MnTPA of steelmaking capacity by 2030–31, requiring substantial investments across ironmaking, steelmaking, rolling and downstream processing facilities. To support this objective, major steel producers have announced brownfield and greenfield expansion projects across the country, particularly in states such as Odisha, Jharkhand, Chhattisgarh, Karnataka and Maharashtra.

Several major steel producers have announced capacity expansion plans to capitalize on India's growing steel demand. JSW Steel has outlined plans to increase its crude steel capacity from approximately 35 MnTPA to 50 MnTPA by FY31, supported by ongoing expansions at Vijayanagar, Dolvi and other locations. Tata Steel is expanding its Kalinganagar facility in Odisha from 3 MnTPA to 8 MnTPA, while also pursuing debottlenecking and efficiency enhancement initiatives across its domestic operations. AM/NS India has announced plans to increase capacity at its Hazira complex, while Jindal Steel & Power (JSPL) continues to expand its Angul operations. In addition, several integrated steel projects have been announced in Odisha, Chhattisgarh and Jharkhand, supported by investments in pellet plants, beneficiation facilities, captive power plants and downstream steel processing units. Collectively, these announced projects represent investments running into several lakh crores and are expected to significantly augment India's steelmaking capacity over the medium term.

The industry is also witnessing rising investments in technology modernization, captive power generation, raw material security and sustainability initiatives. Steel producers are increasingly focusing on operational efficiency improvements, waste heat recovery systems, renewable energy integration and low-carbon steelmaking technologies. These investments are expected to enhance long-term competitiveness while supporting the industry's ability to meet the country's growing steel requirements.

Sector SWOT analysis

Strengths

India is the world's second-largest steel producer and one of the fastest-growing steel-consuming markets globally. The industry benefits from a large domestic demand base supported by infrastructure development, urbanization, industrialization and rising per capita income levels. The availability of significant iron ore reserves, a large labour force and an expanding manufacturing ecosystem provides structural advantages for long-term growth.

The Indian steel industry is witnessing significant long-term demand growth driven by the continued emphasis of the Government of India on infrastructure development, urbanization, housing programs, railways and road expansion, manufacturing growth under initiatives such as "Make in India," and increasing investments in renewable energy and industrial development. The steel industry also benefits from strong government support through other initiatives such as the National

Steel Policy, Production Linked Incentive (PLI) Scheme for Specialty Steel, PM Gati Shakti, Make in India and large-scale infrastructure programmes. These initiatives are expected to support capacity expansion, domestic manufacturing and steel consumption across multiple sectors.

Weakness

The steel industry remains highly capital intensive and requires substantial investments in plants, machinery, environmental compliance and working capital. Steel producers are also exposed to fluctuations in raw material prices, particularly iron ore, coal and scrap, which can impact profitability. Additionally, a significant portion of the industry consists of secondary producers that may face operational challenges related to scale, technology and energy efficiency.

The industry is also exposed to cyclicality in steel demand and pricing, resulting in periodic volatility in earnings and margins. Dependence on transportation infrastructure and logistics networks further influences the movement of raw materials and finished products across the country.

Opportunities

India's relatively low per-capita steel consumption compared with global averages provides substantial headroom for long-term demand growth. Continued investments in infrastructure, housing, railways, roads, renewable energy and manufacturing are expected to drive higher steel consumption across the economy. Expansion of domestic manufacturing under initiatives such as Make in India and supply-chain diversification by global companies further create opportunities for steel producers and downstream steel product manufacturers.

The increasing adoption of advanced manufacturing technologies, automation and value-added steel products presents opportunities for product diversification and margin improvement. At the same time, the growing emphasis on green steel, circular economy practices and steel scrap recycling is expected to open new avenues for sustainable growth.

Threats

The Indian steel industry faces risks arising from global overcapacity, import competition and international trade barriers. Excess steel production capacity in certain countries can lead to dumping pressures and pricing challenges in domestic markets. In addition, fluctuations in raw material prices and geopolitical developments can influence production costs and supply-chain stability.

The industry also faces increasing environmental and sustainability-related regulations. Carbon reduction targets, evolving emission standards and the transition towards low-carbon steelmaking may require substantial capital investments in new technologies and processes. Failure to adapt to these changing requirements may impact competitiveness over the long term.

Entry barriers in the steel industry

The steel industry is characterized by high entry barriers due to its capital-intensive nature, complex manufacturing processes and extensive infrastructure requirements. Depending on the production route and level of integration, setting up steel manufacturing capacity can require investments ranging from approximately ₹3,500–5,000 crore per MnTPA for Electric Arc Furnace (EAF)-based facilities to ₹8,400–10,000 crore per MnTPA for integrated Blast Furnace-Basic Oxygen Furnace (BF-BOF) plants. In addition to plant and machinery, steel manufacturers must invest in land, utilities, captive power, pollution-control systems, logistics infrastructure and working capital. Long gestation periods for project approvals, environmental clearances and commissioning further increase the barriers to entry and limit the pace of new capacity additions.

Raw material security represents another important entry barrier. Access to iron ore, coal, steel scrap and transportation infrastructure plays a critical role in determining the competitiveness of steel manufacturers. Integrated steel producers with captive raw material sources, established supply chains and operational scale generally enjoy significant advantages over new entrants.

In addition, steel manufacturing requires technical expertise, process know-how, quality control systems and compliance with numerous regulatory requirements. Strong customer relationships, distribution networks and established brand recognition also contribute to the competitive advantages of existing industry participants.

Key success factors

Key competitive factors in the industry include product quality and consistency, manufacturing capacity, production technology, logistics infrastructure, workforce capabilities, operating cost efficiency, product pricing, access to funding for capacity expansion, and access to key raw materials at competitive prices.

Integrated operations across the steel value chain, efficient logistics management and captive power generation facilities can significantly improve cost competitiveness and profitability.

Operational efficiency, product quality and scale of operations also play a crucial role in determining long-term success. Producers capable of maintaining high-capacity utilization, optimizing energy consumption and consistently delivering quality products are generally better positioned to withstand market fluctuations and competitive pressures.

Strong customer relationships, diversified product portfolios and presence across multiple end-use sectors further enhance resilience by reducing dependence on any single customer or industry segment. The ability to adapt to changing market conditions, invest in modern technologies and comply with evolving sustainability requirements is also becoming increasingly important.

Key risk factors

Steel producers remain exposed to fluctuations in steel prices, raw material costs and global commodity cycles. Sudden changes in iron ore, coal or scrap prices can directly impact production economics and profit margins, particularly for non-integrated producers.

The industry is also sensitive to macroeconomic conditions and investment activity across end-use sectors such as construction, infrastructure, automotive and engineering. Any slowdown in economic growth, infrastructure spending or manufacturing activity may adversely impact steel demand.

Additional risks include environmental compliance costs, changes in government regulations, import competition, trade protection measures, supply-chain disruptions and increasing sustainability-related obligations. These factors have the potential to influence the operating environment and long-term competitiveness of steel manufacturers.

Key policies and regulations

The Indian steel industry operates within a policy framework designed to enhance domestic manufacturing, improve global competitiveness, promote infrastructure development and support sustainable growth. Government policies aimed at increasing steel consumption, boosting manufacturing activity and strengthening supply-chain resilience have played an important role in supporting the growth of both primary steel producers and downstream steel product manufacturers. Continued investments in infrastructure, urban development, transportation and industrial expansion are expected to remain key drivers of steel demand over the medium to long term.

Policy / Regulation	Description	Relevance to B.S. Sponge
Safeguard Duty on Non-Alloy and Alloy Steel Flat Products	The Government has periodically imposed safeguard and trade protection measures on select steel products to address import surges and protect domestic manufacturers from injury arising from low-priced imports.	B.S. Sponge manufactures HR coils and other downstream steel products. Trade protection measures support domestic steel realizations, improve competitiveness against imported material and help maintain industry capacity utilization levels.
Quality Control Orders (QCOs) for Sponge Iron	The Ministry of Steel has notified mandatory BIS conformity requirements for sponge iron products, restricting manufacture, sale and imports of non-compliant material.	Sponge iron is the Company's largest upstream product. QCO implementation benefits organized manufacturers such as B.S. Sponge by improving quality standards, reducing the presence of sub-standard material and increasing compliance barriers for smaller unorganized players.
Quality Control Orders (QCOs) for Steel Tubes and Pipes	Mandatory BIS certification has been prescribed for specified steel pipes and tubes sold in the domestic market.	B.S. Sponge has expanded into ERW pipes and tubes. Mandatory certification requirements support organized manufacturers with approved quality systems and improve customer confidence in certified products.
BIS Standard IS 1786 for TMT Bars	Prescribes requirements relating to chemical composition, mechanical properties, ductility and quality standards for high-strength deformed steel bars used in construction.	Compliance is essential for the Company's TMT bar operations and supports participation in infrastructure, commercial and residential construction projects, where BIS-certified material is generally preferred.
BIS Standards Applicable to ERW Pipes and Tubes (such as IS 1239, IS 3589 and other relevant specifications)	Establishes standards relating to dimensions, pressure handling capability, testing requirements, quality control and end-use applications.	Compliance enhances market acceptance of B.S. Sponge's ERW pipes and tubes across water infrastructure, industrial, construction and engineering applications.
National Steel Policy, 2017	Targets 300 MnT of steelmaking capacity and 255 MnT of finished steel production capacity in India over the long term, supported by infrastructure development and enhanced steel usage.	Supports long-term demand growth across key steel-consuming sectors, including construction, infrastructure, engineering and manufacturing, which are major end markets for the Company's products.

Policy / Regulation	Description	Relevance to B.S. Sponge
PM Gati Shakti, National Infrastructure Pipeline (NIP) and Government Infrastructure Programs	Multi-year investments across roads, railways, water infrastructure, logistics and urban development.	Drives demand for TMT bars, HR coils, pipes, sponge iron and other steel products manufactured by the Company. The Company's increasing focus on downstream products positions it to benefit from sustained infrastructure spending.
Environmental Regulations governing Steel Plants and Captive Power Facilities	Includes environmental clearances, emission norms, waste disposal standards, water utilization norms and pollution control requirements applicable to steel manufacturing and captive power generation facilities.	B.S. Sponge's integrated operations and captive power plants are subject to continuous compliance obligations. Investments in WHRB and AFBC technologies support efficient utilization of waste heat and process by-products while improving environmental performance.
Captive Power and Waste Heat Recovery Framework	Regulatory provisions permitting utilization of waste heat and industrial by-products for captive power generation.	Supports the Company's integrated energy model under which its 67 MW captive power facility met approximately 98.1% of operational power requirements in FY2025, reducing dependence on grid power and enhancing cost competitiveness.

Make in India and Production linked Incentive (PLI) schemes

The Government of India's Make in India initiative has been instrumental in promoting domestic manufacturing across various sectors, including automobiles, engineering, defence, electronics and capital goods. The increasing emphasis on domestic manufacturing has contributed to rising steel consumption across multiple end-user industries.

In addition, the Production Linked Incentive (PLI) Scheme for Specialty Steel seeks to promote domestic production of value-added steel products and reduce import dependence. The scheme is expected to encourage investments in advanced steel manufacturing technologies, capacity expansion and product diversification. Growth in speciality steel production also supports demand for upstream and intermediate steel products manufactured across the broader steel industry.

PM Gati Shakti and National Infrastructure Pipeline

Infrastructure development remains one of the largest drivers of steel demand in India. The PM Gati Shakti National Master Plan and the National Infrastructure Pipeline (NIP) are aimed at accelerating investments in transportation, logistics, industrial corridors, urban infrastructure, railways, ports and highways. These initiatives support demand for a broad range of steel products including TMT bars, structural steel, pipes, tubes, wire rods and HR coils.

The government's continued focus on capital expenditure, asset creation and multimodal connectivity is expected to create sustained demand for steel-intensive products over the coming years. Infrastructure projects generally have high steel intensity and therefore represent a significant growth opportunity for steel manufacturers and downstream processors.

Trade Policies and Import Protection Measures

The Indian steel industry is influenced by various trade measures aimed at ensuring fair competition and protecting domestic manufacturers from unfair imports. Anti-dumping duties, safeguard measures and quality control orders (QCOs) have been implemented across certain steel product categories to curb the inflow of sub-standard and underpriced imports.

Such measures help strengthen domestic industry competitiveness and support capacity utilization levels among steel producers. However, changes in international trade policies, global overcapacity and fluctuations in import volumes continue to remain important factors influencing domestic steel prices and industry profitability.

Green Steel and Sustainability Initiatives

Sustainability is becoming an increasingly important focus area for the steel industry. The Government of India has introduced various initiatives aimed at reducing carbon emissions and improving resource efficiency within steel manufacturing. The Green Steel Taxonomy introduced by the Ministry of Steel seeks to establish a framework for measuring and classifying low-carbon steel production based on emissions intensity.

The National Green Hydrogen Mission is also expected to support future decarbonization efforts within the steel sector by promoting the development of green hydrogen infrastructure and encouraging adoption of low-carbon production technologies. Over the long term, increasing emphasis on energy efficiency, scrap utilization, renewable energy integration and sustainable manufacturing practices is expected to influence investment decisions and technological adoption across the industry.

Environmental and Regulatory Compliance

Steel manufacturers are subject to various environmental regulations relating to emissions, waste management, water consumption and pollution control. Compliance with environmental standards prescribed by central and state regulatory authorities remains critical for maintaining business continuity and operational sustainability.

For integrated steel producers and downstream steel product manufacturers, adherence to environmental regulations, industrial safety norms, power regulations and quality standards remains an important aspect of business operations. As environmental regulations continue to evolve, investments in cleaner technologies, waste heat recovery systems and energy-efficient processes are expected to become increasingly important for maintaining competitiveness within the industry.

Ferro-alloys market assessment

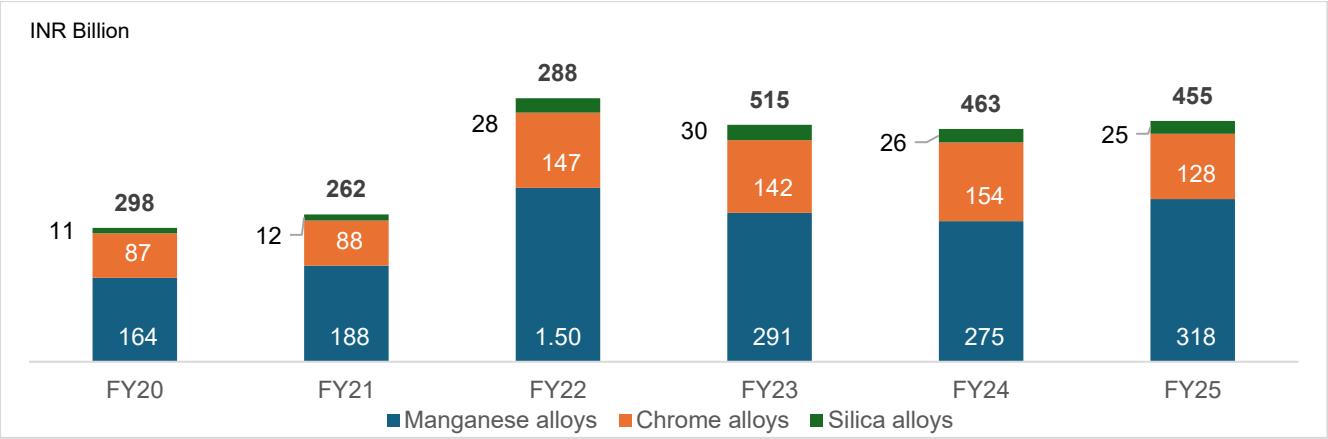
Ferroalloys are a group of alloys of iron containing one or more additional elements other than carbon. They have a high percentage of elements such as manganese, silicon, chromium, and aluminium etc. They are mainly used as master alloys in the iron and steel industry. These alloys are incorporated into the molten stage of the steelmaking process for the purpose of producing specific properties in the steel.

The manufacturing of crude steel and steel products, including castings, alloy steel, and stainless steel, both depend heavily on ferroalloys. With its many applications, stainless steel adoption is especially buoyant and is becoming widely accepted in the consumer goods, process industries, and other infra and transport categories. The Indian ferro-alloys industry includes chrome alloys, manganese alloys, silica alloys, etc.

Steel sector drives the ferro-alloy market. In fiscal 2024, prices corrected by 11% for manganese alloy and rose by 1% for chrome alloys amid lower input costs and a volatile steel market. Total ferro alloy production increased by 6% in fiscal 2024. Hence, the market size contracted by 2% to touch Rs ~455 billion.

In fiscal 2025 , the alloy market size touched Rs 470 billion, a rise of 3.5% on year driven by healthy manganese alloy production and increased manganese alloy realisations on account of ore supply shortage pushing alloy prices up.

Market composition



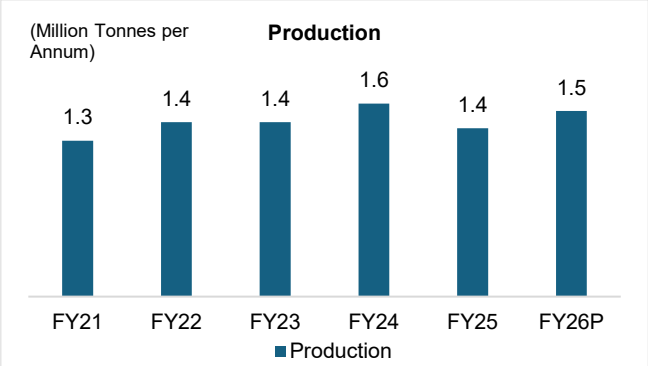
Source: Crisil Intelligence

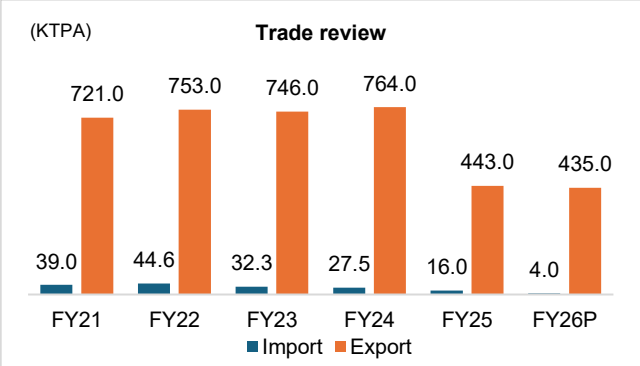
Chrome-based ferro-alloy : Ferrochrome market assessment

Over the medium term, the ferrochrome industry is expected to witness steady growth, supported by expanding stainless steel production, infrastructure investments, and rising industrial activity. Ferrochrome production increased from 1.3 MnTPA in FY21 to 1.6 MnTPA in FY24, before moderating to 1.4 MnTPA in FY25 due to softer market conditions. Production is projected to recover to 1.5 MnTPA in FY26P as downstream demand strengthens.

On the trade front, India continues to maintain its position as a net exporter of ferrochrome. Exports remained robust at 764 KTPA in FY24 before declining sharply to 443 KTPA in FY25, reflecting weaker global demand and changing trade dynamics. Exports are expected to stabilize at around 435 KTPA in FY26P, while imports are forecast to decline significantly from 16 KTPA in FY25 to 4 KTPA in FY26P, indicating improved domestic availability and reduced dependence on imported material.

Production and trade review of ferrochrome

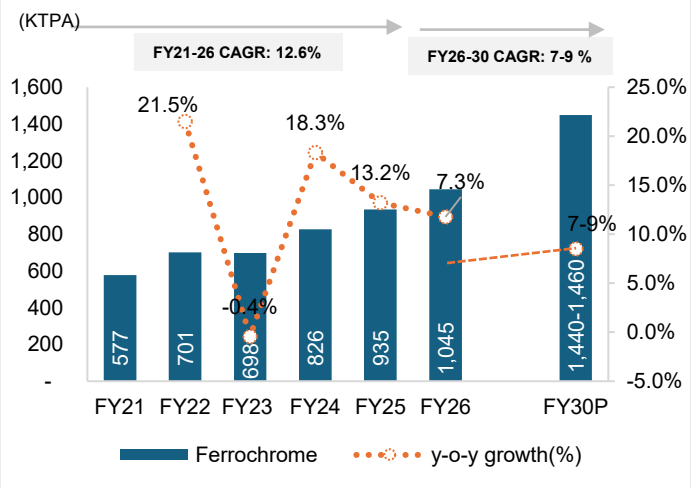




P: Provisional
Source: Crisil Intelligence

Domestic ferrochrome demand is projected to grow strongly from 935 KTPA in FY25 to 1,045 KTPA in FY26, representing a growth rate of 11.8%, and is expected to reach approximately 1.44-1.46 MnTPA by FY30, translating into a FY26-FY30 CAGR of 7-9%. Over FY21-FY26, demand is estimated to register a robust 12.6% CAGR, driven primarily by the stainless steel sector, which accounts for 70-72% of total ferrochrome consumption. Other alloy applications contribute 20-22%, while castings account for 7-9% of demand. Looking ahead, demand from stainless steel is expected to grow at 8-10% CAGR during FY25-FY30, supported by capacity additions and increasing penetration across infrastructure, construction, automotive, and industrial applications, thereby underpinning the long-term growth prospects of the ferrochrome industry.

Demand review and outlook of ferrochrome

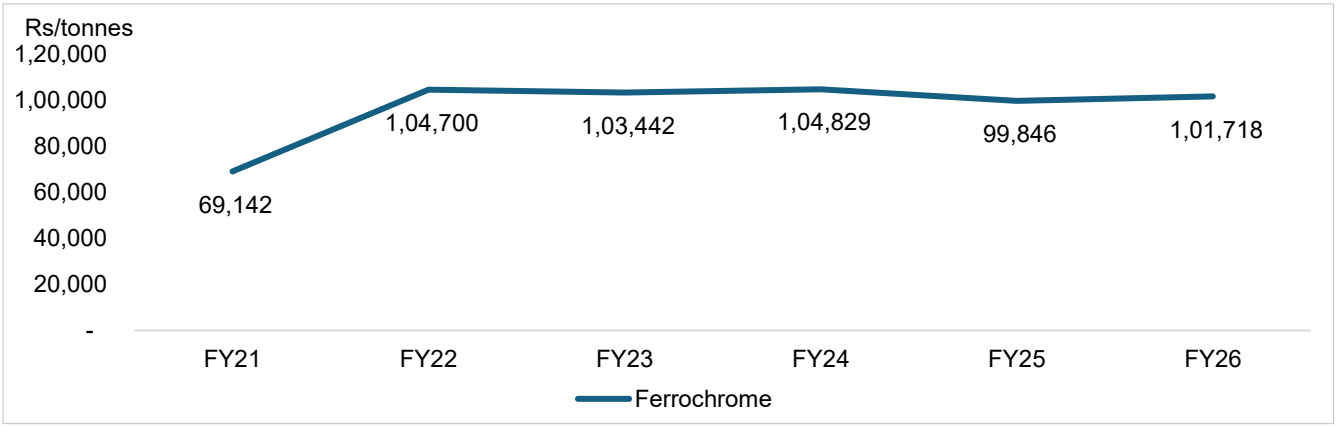


End-use sector	% share in demand	CAGR FY2025-30P
Stainless steel	70-72%	8-10%
Other alloys	20-22%	5-7%
Castings	7-9%	4-6%

Source: Crisil Intelligence

Ferro chrome prices experienced a 4.7% year-on-year decline in fiscal 2025 to Rs 99,846 per tonne, primarily due to weak global prices and increased domestic supply (amid fall in exports by 30-35%). The decrease in coking coal costs by 27% also played a significant role in the price correction. Despite the decline in coal costs, the overall cost structure of ferro chrome producers remains under pressure due to an 18% year-on-year increase in chrome ore costs, driven by demand growth and stable supply from India. This rise in chrome ore costs is hindering the competitiveness of Indian players in export markets. The decline in input costs, particularly coal costs, is being offset by the increase in chrome ore costs and healthy demand. Specifically, coking coal costs have fallen to $210 per tonne, a 27% decrease from $286 per tonne in fiscal 2025, driven by improved supply from Australia and reduced demand from Asian countries.

Domestic price trend

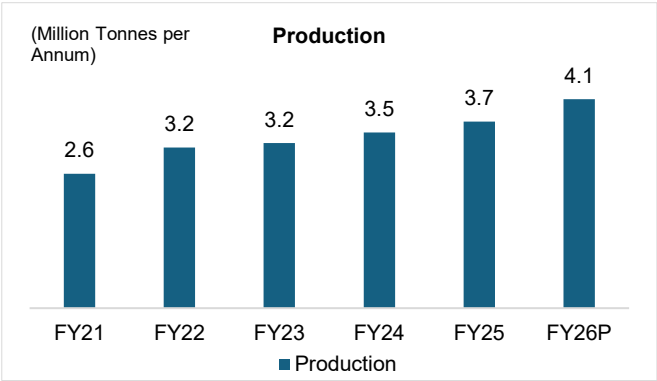


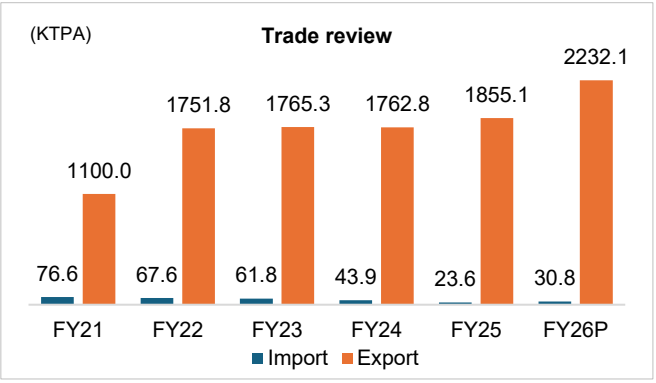
Source: Crisil Intelligence

Manganese-based alloy market assessment

The manganese-based alloy industry has demonstrated steady growth in recent years, supported by increasing steel production and infrastructure-led demand. Domestic production is estimated to increase from approximately 2.6 MnTPA in FY2021 to 4.1 MnTPA in FY2026, reflecting continued capacity additions and strengthening demand from the steel sector. The industry also maintains a strong export orientation, with exports significantly exceeding imports, highlighting India's position as a net exporter of manganese-based ferro-alloys.

Production and trade review of manganese-based alloys

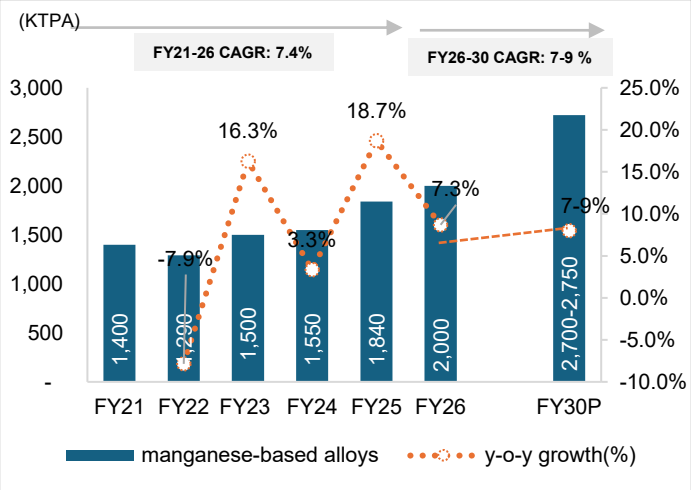




P: Provisional
Source: DGFT, Crisil Intelligence

Demand for manganese-based alloys is estimated to grow from approximately 1.84 MnTPA in FY2025 to 2.70-2.75 MnTPA by FY2030, representing a CAGR of around 7-9%. Carbon steel remains the largest end-use segment, accounting for 70-75% of total demand, followed by stainless steel and other alloy applications. Growth is expected to be driven by rising steel consumption across infrastructure, construction, manufacturing and engineering sectors, which are expected to support sustained demand for alloying materials.

Demand review and outlook of manganese-based alloys

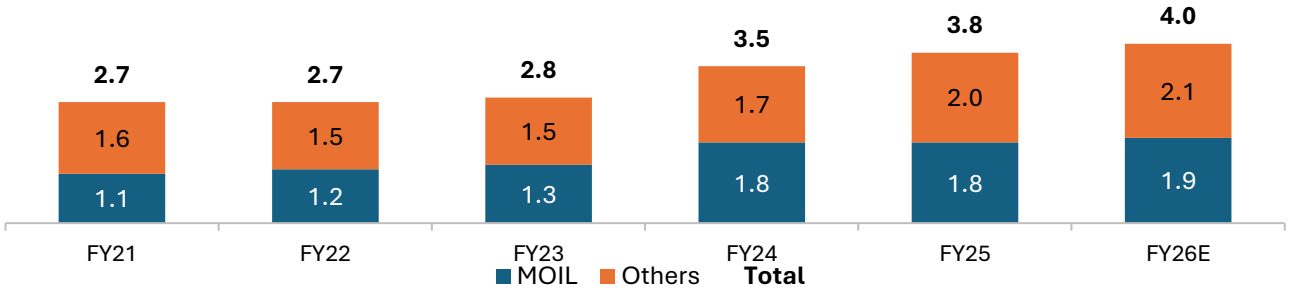


End-use sector	% share in demand	CAGR FY2025-30P
Carbon steel	70-75%	6.5-8.5%
Stainless steel	5-10%	8.3-10.3%
Others	15-20%	4-6%

Source: Crisil Intelligence

Over the medium term, the outlook for the manganese-based alloy market remains favourable, supported by continued investments in steelmaking capacity, infrastructure development and industrial growth. Demand from the stainless-steel segment is expected to grow relatively faster than the broader market, while increasing domestic steel production and export opportunities are likely to support healthy growth in both ferro-alloy consumption and production over the forecast period.

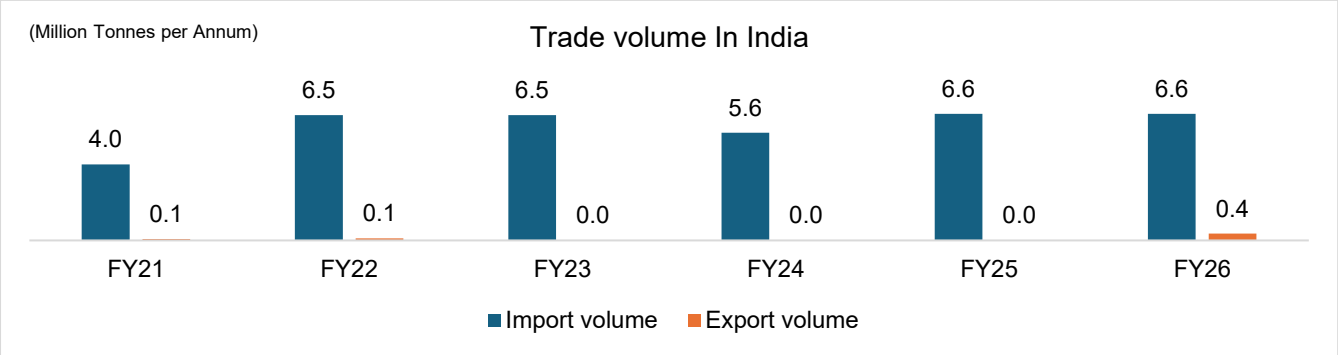
Manganese ore production (in MnTPA)



MOIL: Manganese Ore India Limited; E: Estimated
Source: IBM, Crisil Intelligence
MnTPA: million tonnes per annum

India's manganese ore production has exhibited a steady upward trajectory, increasing from approximately 2.7 MnTPA in FY2021 to an estimated 4.0 MnTPA in FY2026, supported by rising demand from the ferro-alloy and steel industries. Production growth has been driven by both MOIL and private sector miners, with MOIL accounting for nearly half of domestic output. The increase in manganese ore availability has helped support the expansion of silicomanganese and other manganese-based ferro-alloy capacities in the country.

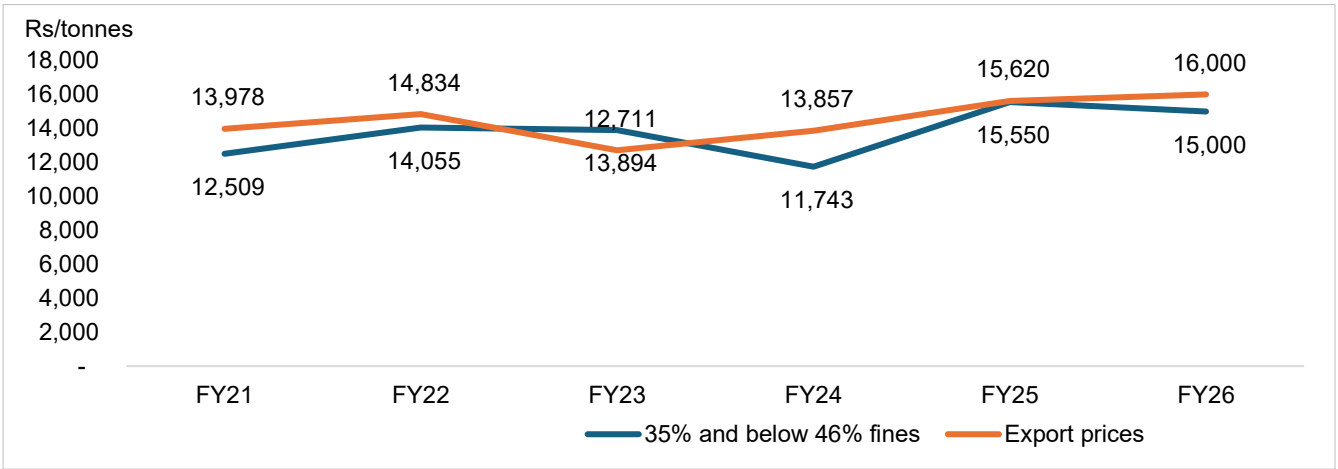
Manganese ore trade review (in MnTPA)



Source: IBM, Crisil Intelligence
MnTPA: million tonnes per annum

India remains a net importer of manganese ore despite growth in domestic production, reflecting the requirement for specific ore grades and the increasing demand from the ferro-alloy and steel industries. Manganese ore imports increased from approximately 4.0 MnTPA in FY2021 to 6.6 MnTPA in FY2026, indicating sustained dependence on imported ore to supplement domestic availability and meet the requirements of ferro-alloy manufacturers. In contrast, exports remained negligible throughout the period, ranging between 0.0-0.4 MnTPA, highlighting the priority accorded to domestic consumption. The rising import trend is broadly aligned with the expansion of domestic silicomanganese and other manganese-based ferro-alloy capacities, which continue to drive manganese ore demand. Going forward, increasing steel production and ferro-alloy consumption are expected to support robust manganese ore imports, while domestic production growth may partially mitigate import dependence over the medium term.

Manganese ore price trend



Source: Crisil Intelligence

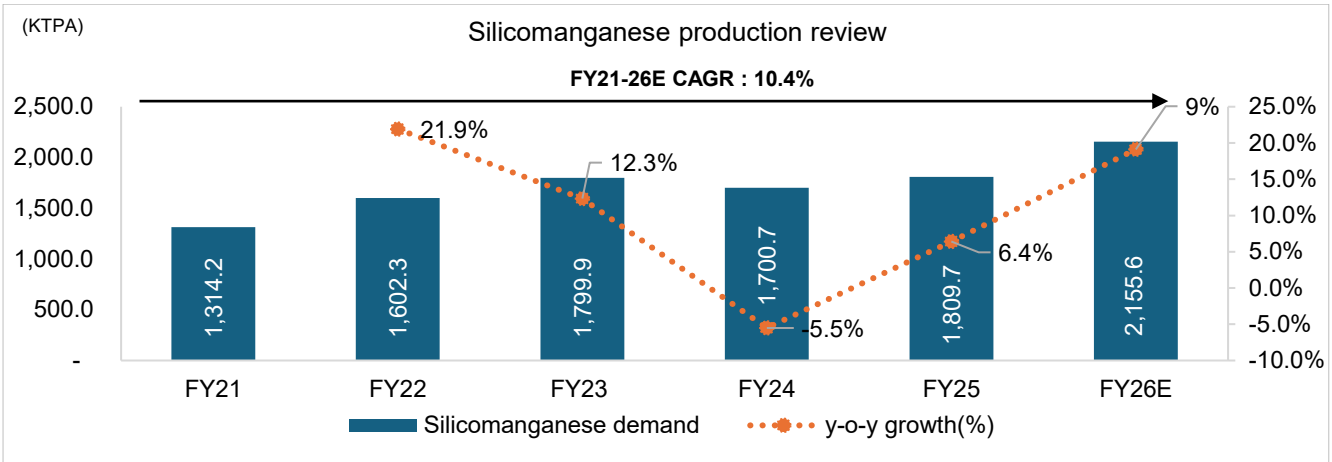
Manganese ore prices have remained relatively stable despite fluctuations in global commodity markets. Domestic prices for 35% and below 46% manganese fines increased from approximately ₹12,500 per tonne in FY2021 to around ₹15,000 per tonne in FY2026, while export prices moved from approximately ₹14,000 per tonne to ₹16,000 per tonne during the same period. Going forward, sustained growth in steel production, increasing ferro-alloy demand and continued expansion in downstream steel capacities are expected to support healthy manganese ore demand and maintain stable pricing fundamentals over the medium term

Silicomanganese market assessment

Silicomanganese production review

Silicomanganese is one of the most widely used ferro-alloys in steelmaking, serving as both a deoxidizing and alloying agent to improve the strength, hardness and durability of steel. Silicomanganese production in India increased from approximately 1.31 MnTPA in FY2021 to an estimated 2.16 MnTPA in FY2026, registering a robust CAGR of 10.4% during the period. Growth was driven by rising domestic steel production, increasing demand from carbon and alloy steel manufacturers, and strengthening export opportunities. Production expanded by 21.9% in FY2022 and 12.3% in FY2023, before witnessing a temporary decline of 5.5% in FY2024, primarily due to softer market conditions, following which production recovered with

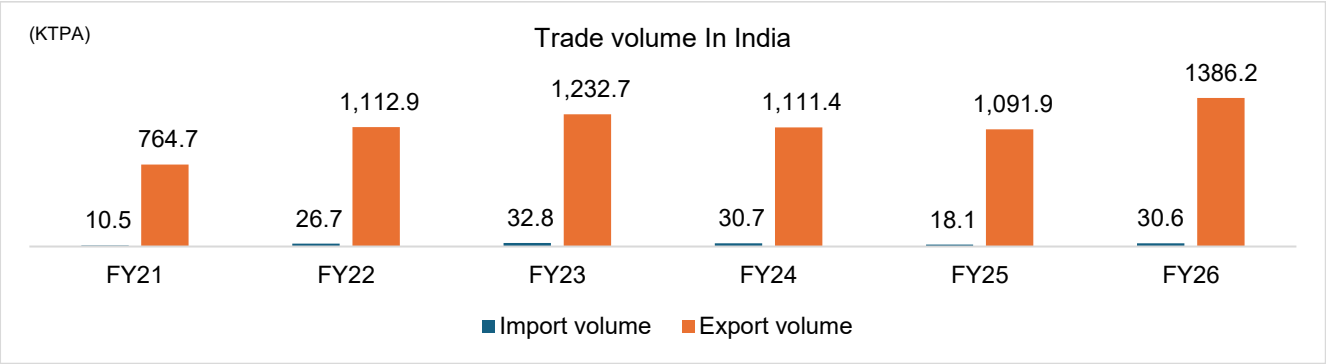
growth of 6.4% in FY2025 and an estimated 9.0% in FY2026. The sustained increase in silicomanganese production reflects the growing steelmaking requirements of the domestic market and is expected to remain supported by continued expansion in steel consumption, infrastructure development and manufacturing activity.



P: Projected; E: Estimated
Source: Crisil Intelligence

India continues to maintain a strong position as a net exporter of silicomanganese, with export volumes significantly exceeding imports throughout the review period. Exports increased from approximately 765 KTPA in FY2021 to 1,386 KTPA in FY2026, highlighting the competitiveness of domestic producers in global markets. Strong export demand, coupled with growing domestic steel production, is expected to support long-term growth in the silicomanganese industry.

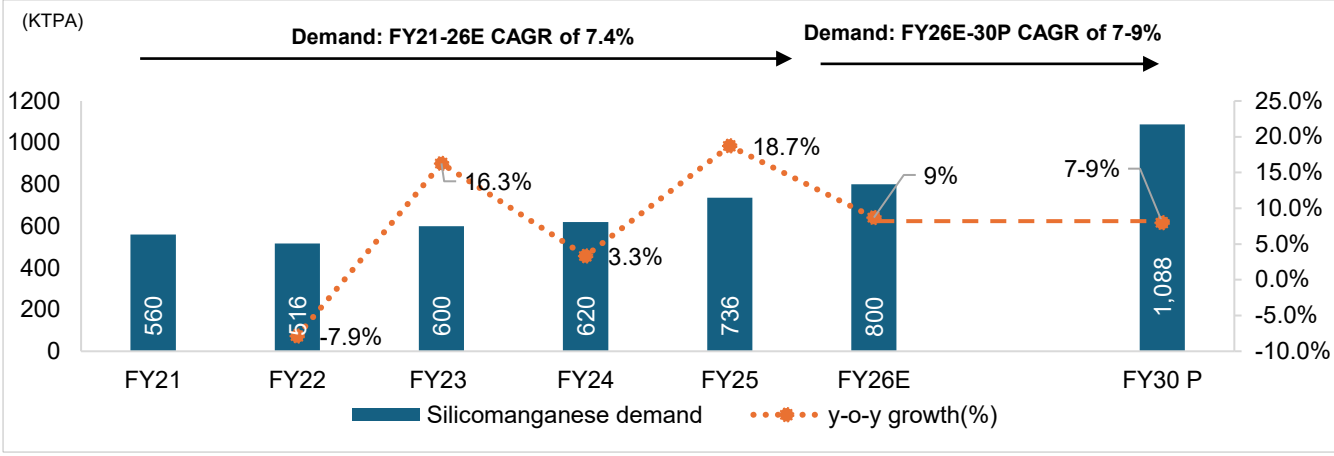
Silicomanganese trade review



Source: DGFT, Crisil Intelligence

Domestic demand increased from approximately 560 KTPA in FY2021 to 800 KTPA in FY2026E, reflecting a CAGR of around 7.4%, driven by growth in carbon steel production and infrastructure-led steel consumption. Demand is further projected to reach approximately 1,088 KTPA by FY2030, supported by sustained expansion in the domestic steel industry and increasing investments in manufacturing and construction activities.

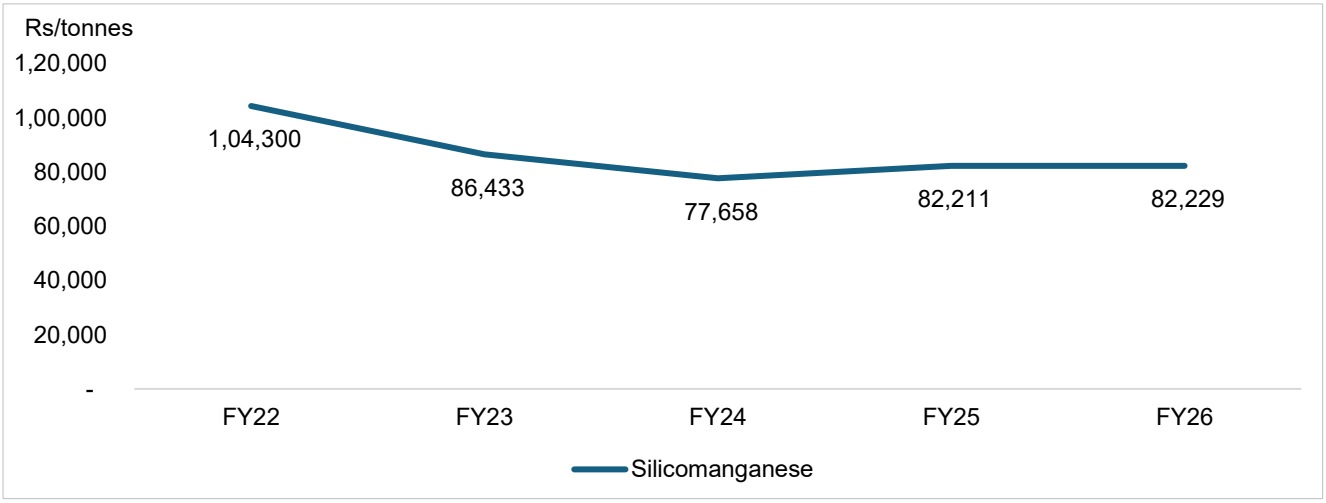
Silicomanganese demand review and outlook



P: Projected; E: Estimated
Source: Crisil Intelligence

Silicomanganese prices moderated from around ₹104,300 per tonne in FY2022 to ₹77,658 per tonne in FY2024, primarily due to softer global steel demand and fluctuations in raw material prices. However, prices stabilized during FY2025-FY2026 at approximately ₹82,000 per tonne, supported by improving steel demand and balanced market conditions. Going forward, healthy growth in steel production and sustained demand from both domestic and export markets are expected to support stable demand fundamentals for silicomanganese over the medium term.

Silicomanganese price trend



Source: Crisil Intelligence

Trade analysis of ferro alloys

Import (FY26)

Country	Volume (MnTPA)
Indonesia	0.08
China	0.04
Russia	0.02
Malaysia	0.01
Brazil	0.01
Others	0.32
Total	**0.48**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Export (FY26)

Country	Volume (MnTPA)
Korea	0.25
USA	0.23
Turkey	0.22
Italy	0.20
Japan	0.18
UAE	0.17
Netherlands	0.14
China	0.14
Egypt	0.14
Taiwan	0.13
Others	0.88
Total	**2.68**

Source: JPC, Crisil Intelligence
MnTPA: million tonnes per annum

Ferro alloys are critical inputs in steelmaking and are used to impart specific metallurgical properties such as strength, hardness, wear resistance and corrosion resistance to steel products. India's ferro alloys industry benefits from the availability of key raw materials, including manganese ore and chrome ore, as well as a well-established steel manufacturing base. The trade profile of ferro alloys indicates that India remains a net exporter, reflecting its competitive production capabilities and strong presence in international markets.

In FY26, ferro alloy imports stood at approximately 0.48 MnTPA. Indonesia emerged as the largest source of imports, contributing 0.08 MnTPA, followed by China at 0.04 MnTPA and Russia at 0.02 MnTPA. Imports from Malaysia, Brazil and other countries supplemented domestic availability and catered to specific grade requirements of steel producers. The relatively low level of imports compared with exports indicates that domestic production remains largely sufficient to meet the requirements of the Indian steel industry.

On the export front, ferro alloy exports were substantially higher at 2.68 MnTPA in FY26, resulting in a significant trade surplus. South Korea emerged as the largest export destination with imports of 0.25 MnTPA from India, followed by the United States at 0.23 MnTPA and Turkey at 0.22 MnTPA. Other important markets included Italy, Japan, the UAE, the Netherlands, China, Egypt and Taiwan. The broad geographical distribution of exports demonstrates the global competitiveness of Indian ferro alloy manufacturers and the widespread acceptance of Indian ferro alloy products across developed and emerging steel-producing regions.

The strong export orientation of the ferro alloys industry highlights its strategic importance within India's steel value chain. Growing steel production across Asia, the Middle East and developed economies is expected to continue supporting international demand for ferro alloys. At the same time, increasing domestic steel production, expanding steelmaking capacity and rising demand for value-added steel products are expected to support ferro alloy consumption within India. Consequently, the ferro alloys industry is expected to benefit from both domestic demand growth and export opportunities, reinforcing its role as a critical upstream segment of the steel industry.

Ferro alloys industry – market share by capacity (FY24)

Player	Market share %
Tata Steel	9%
Indian Metals & Ferro Alloys Limited (IMFA)	5%
Maithan Alloys Limited	5%
Jindal Stainless Steel	5%
Ferro Alloys Corporation Limited (FACOR)	3%
Others	73%
Total	**100%**

Source: Crisil Intelligence

The Indian ferro alloys industry remains highly fragmented, with the top five players collectively accounting for approximately 27% of the industry's installed capacity in FY24. Tata Steel emerged as the largest individual player, accounting for around 9% of industry capacity, followed by Indian Metals & Ferro Alloys Limited (IMFA), Maithan Alloys Limited and Jindal Stainless Steel, each holding approximately 5% market share. Ferro Alloys Corporation Limited (FACOR) accounted for an additional 3% share. The remaining 73% of industry capacity is distributed among a large number of regional and mid-sized manufacturers operating across different ferro alloy categories.

The fragmented structure of the ferro alloys industry can be attributed to relatively moderate capital requirements compared with integrated steel production facilities, availability of raw materials in certain mineral-rich regions and the flexibility to switch production between various ferro alloy products depending on prevailing market conditions. Producers are able to adjust

production mixes between ferro manganese, silico manganese, ferro chrome and other ferro alloy grades based on changes in demand, pricing and profitability, providing operational flexibility within the sector.

The industry comprises both integrated steel producers with captive ferro alloy facilities and standalone ferro alloy manufacturers. Companies such as Tata Steel and Jindal Stainless largely utilize ferro alloys as part of their integrated steelmaking operations, while dedicated ferro alloy producers such as IMFA, Maithan Alloys and FACOR primarily cater to both domestic and export markets. The presence of a large number of smaller manufacturers contributes to a competitive market environment and supports supply availability across various steelmaking segments.

The diversified supply landscape enhances the resilience of the domestic ferro alloys industry by reducing concentration risk and supporting competition. Going forward, rising domestic steel production, increasing demand for value-added steel products and continued growth in exports are expected to support capacity utilization and investments across the ferro alloys sector. In addition, the expansion of steelmaking capacity under the National Steel Policy and growth in specialty steel production are expected to create additional demand opportunities for ferro alloy manufacturers over the medium term.

Key demand drivers

- Growth in Steel Production: Demand for ferro alloys is directly linked to crude steel production and consumption, as ferro alloys are used to enhance the strength, durability and metallurgical properties of steel.
- Infrastructure and Manufacturing Growth: Continued investments in infrastructure, construction, transportation and manufacturing sectors are expected to support steel consumption and, consequently, demand for ferro alloys.
- Rising Specialty Steel Consumption: Increasing usage of high-strength and specialty steel in automotive, defence, railways, engineering and energy sectors is driving higher ferro alloy intensity in steelmaking.
- Export Opportunities and Raw Material Availability: India's availability of manganese and chrome ore, coupled with a competitive manufacturing base, supports ferro alloy production and export growth.

Key growth inhibitors

- Dependence on Steel Industry Cycles: Ferro alloy demand is closely linked to steel production and consumption; consequently, slowdowns in construction, infrastructure, manufacturing or automotive sectors can adversely impact demand.
- Raw Material and Power Cost Volatility: Ferro alloy production is exposed to fluctuations in the prices of manganese ore, chrome ore, reductants, electricity and fuel, which can affect operating margins and production economics.
- Import Competition and Trade Risks: Domestic producers face competition from lower-cost imports, while changes in trade policies, freight rates and currency movements can influence export competitiveness and market realizations.
- Environmental and Regulatory Compliance: Increasing focus on emissions reduction, energy efficiency and sustainability may necessitate additional capital expenditure and compliance-related investments, potentially increasing operating costs for ferro alloy manufacturers.

Power sector in India

Overview

Sector	Installed Generation Capacity (MW)	% Share in Total
Central Sector	1,24,108	23.30%
State Sector	1,30,000	24.40%
Private Sector	2,78,632	52.30%
Total Installed Capacity	**5,32,740**	**100.00%**

Source: Central Electricity Authority
MW: mega watt

Category	Capacity (MW)	Share (%)
Coal	2,21,940	41.70%
Lignite	6,620	1.20%
Gas	20,122	3.80%
Diesel	589	0.10%
Total Fossil Fuel	*2,49,272*	*46.80%*
RES (including Hydro)	2,74,688	51.60%
Nuclear	8,780	1.60%

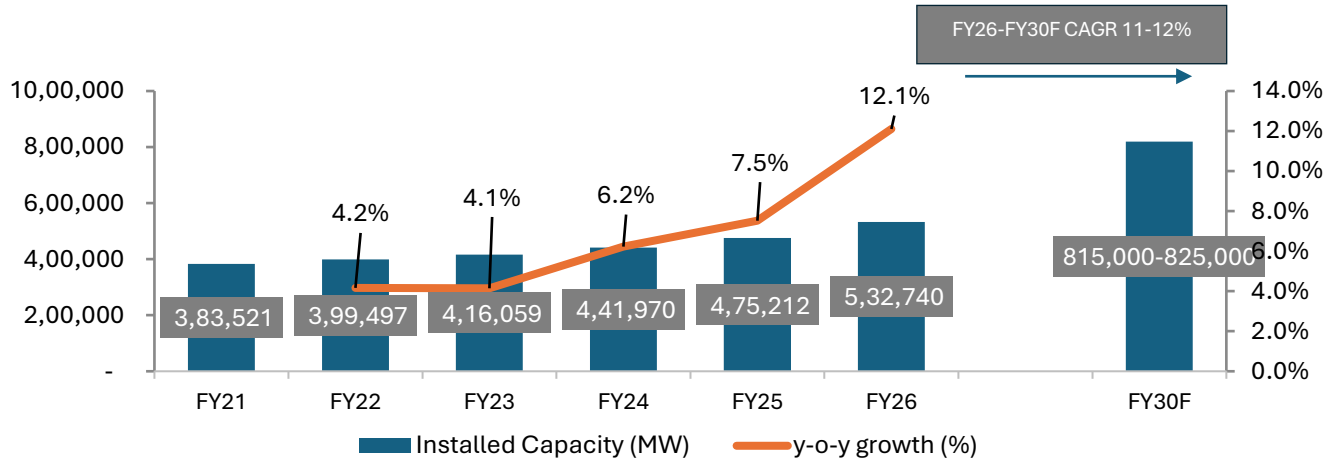
Category	Capacity (MW)	Share (%)
Total Non-Fossil	*2,83,468*	*53.20%*
Total Installed Capacity	**5,32,740**	**100.00%**

Source: Central Electricity Authority
MW: mega watt

India has emerged as one of the world's largest electricity markets, supported by sustained capacity additions across thermal, renewable and nuclear power generation. As of March 31, 2026, India's total installed power generation capacity stood at 532.7 GW. Renewable energy and hydro power collectively accounted for 51.6% of installed capacity, while thermal power continued to represent a substantial 46.8% of capacity. Despite the increasing share of renewable energy, thermal power remains the backbone of the country's electricity system owing to its ability to provide stable baseload power and support industrial consumption.

Coal-based generation continues to dominate India's thermal power segment with installed capacity of approximately 221.9 GW, accounting for 41.7% of total capacity. The continued importance of thermal generation reflects the growing electricity requirements of industrial, commercial and infrastructure sectors, which require reliable and uninterrupted power supply for operations.

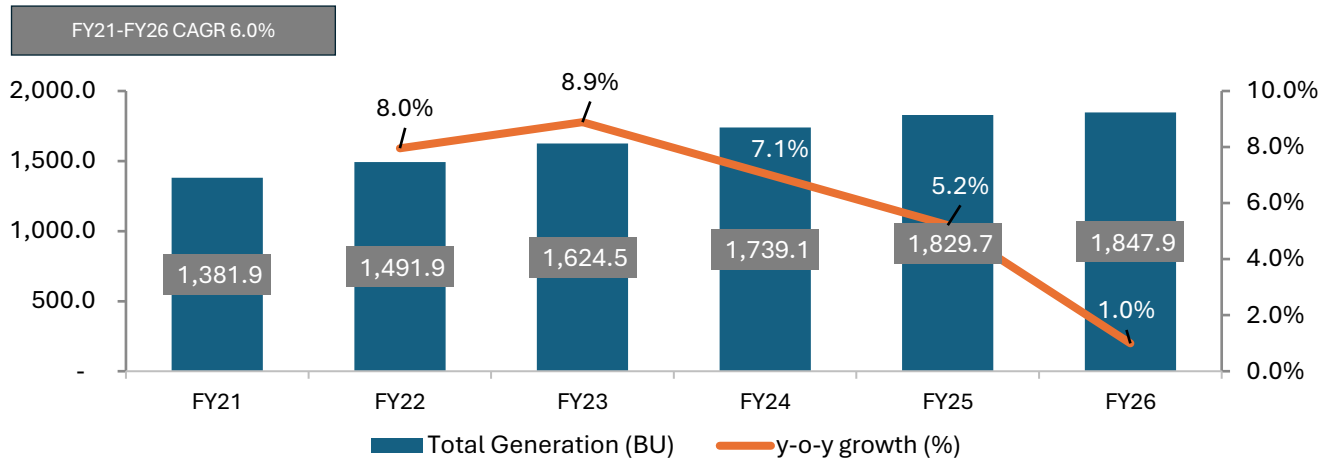
Growth in the installed capacity (in MW)



F: Forecast
Source: Crisil Intelligence
MW: mega watt

India's installed power generation capacity increased steadily from 383.5 GW in FY21 to an estimated 532.7 GW in FY26, registering a CAGR of approximately 6.8% over the period. Capacity addition was driven by sustained investments in renewable energy, thermal power generation, transmission infrastructure and electrification initiatives aimed at meeting the country's growing energy requirements. Growth accelerated from 4.1-4.2% during FY22-FY23 to 12.1% in FY26, supported by increasing power demand from industrial, commercial and residential consumers, as well as the government's continued focus on energy security and renewable energy expansion. Going forward, installed power capacity is projected to increase to approximately 815-825 GW by FY30F, implying a CAGR of 11-12% during FY26-FY30F. The anticipated growth is expected to be led by substantial additions in renewable energy capacity, including solar and wind power, along with investments in grid modernization, energy storage systems and conventional power generation assets to ensure reliable and uninterrupted power supply.

Growth in the total generation (in BU)



Source: CEA, Crisil Intelligence
BU: billion units

India's total electricity generation increased from approximately 1,382 billion units (BU) in FY2021 to an estimated 1,848 BU in FY2026, registering a healthy CAGR of 6.0% during the period. Generation growth was driven by rising industrial activity, increasing urbanization, growing electrification and sustained demand from infrastructure and manufacturing sectors. Annual growth in generation remained strong during FY2022-FY2025, ranging between 5.2% and 8.9%, before moderating to an estimated 1.0% in FY2026, reflecting a higher base and relatively stable demand conditions. The steady increase in power generation highlights the continued expansion of India's power sector and supports the long-term demand outlook for industrial consumers, including energy-intensive sectors such as steel and ferro-alloy manufacturing.

Growth in fuel-wise generation (in BU)

Category	FY21	FY22	FY23	FY24	FY25	FY26
Total Fossil Fuel	1,032.5	1,114.7	1,206.2	1,326.5	1,363.9	1,327.8
Total Non-Fossil Fuel	349.4	377.2	418.3	412.5	465.8	520.1
Total Installed Capacity	**1,381.9**	**1,491.9**	**1,624.5**	**1,739.1**	**1,829.7**	**1,847.9**

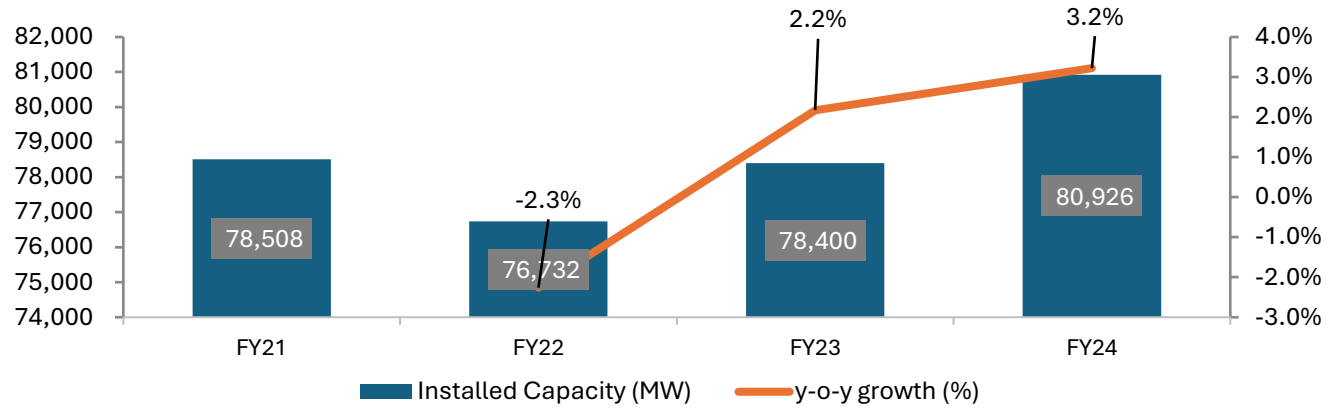
Source: Central Electricity Authority
BU: billion units

India's power generation continues to be dominated by fossil-fuel-based sources, although the contribution of non-fossil fuel generation has increased steadily over the last five years. Total fossil fuel-based generation increased from approximately 1,033 BU in FY2021 to 1,328 BU in FY2026, accounting for nearly 72% of total electricity generation in FY2026. At the same time, non-fossil fuel generation, comprising renewable energy, hydro and nuclear power, grew from 349 BU in FY2021 to 520 BU in FY2026, reflecting a faster growth trajectory than conventional generation. Consequently, the share of non-fossil fuel generation increased from approximately 25% in FY2021 to 28% in FY2026, supported by significant investments in renewable energy capacity and the Government's focus on energy transition. Despite the growing contribution of renewable sources, fossil fuels continue to form the backbone of India's electricity sector, ensuring grid stability and meeting the increasing power requirements of industrial, commercial and residential consumers.

Major industries consuming power (FY26)

Segment	% Share
Industrial	34%
Domestic	27%
Agriculture	20%
Commercial	10%
Others	9%

Growth in the installed captive power capacity (in MW)



F: Forecast
Source: Central Electricity Authority
MW: mega watt

Installed captive power generation capacity in India remained relatively stable during FY21-FY24, having a stable 18-20% share in the total installed capacity, increasing from 78,508 MW in FY21 to 80,926 MW in FY24, reflecting a CAGR of approximately 1.0%. Capacity declined marginally by 2.3% in FY22 to 76,732 MW before recovering to 78,400 MW in FY23 and further expanding by 3.2% in FY24. The growth in captive power capacity was primarily driven by power-intensive industries such as steel, cement, aluminium, ferro alloys and chemicals, which continue to invest in captive generation facilities to ensure reliable power supply, enhance energy security and manage electricity costs. Captive power plants remain particularly important for energy-intensive industries due to the need for uninterrupted operations and greater control over power procurement costs. Going forward, capacity additions are expected to be supported by industrial expansion, increasing electricity demand and investments in captive renewable energy and waste heat recovery-based power generation facilities, particularly among large manufacturing and metals sector players.

Role of captive power and WHRB-based generation in energy-intensive industries

Power availability and energy efficiency are critical determinants of competitiveness for energy-intensive industries such as steel, sponge iron, cement and ferro alloys. While coal-based sponge iron plants typically consume approximately 55-65 kWh of electricity per tonne of DRI produced, induction furnaces used for steel melting are also significant power consumers, with power consumption typically ranging between 550-680 kWh per tonne of steel, depending on operating efficiency and furnace characteristics. In addition, ferro-alloy manufacturing is substantially more power-intensive, with electricity consumption generally ranging between 3,000-12,000 kWh per tonne, depending on the alloy type and production process. For silicomanganese production specifically, power consumption typically ranges from 3,800-4,800 kWh per tonne, highlighting the importance of reliable and cost-effective power availability in maintaining operational efficiency, cost competitiveness and profitability across integrated steel and ferro-alloy manufacturing operations.

To reduce dependence on external power procurement and enhance energy security, many sponge iron manufacturers have established captive power generation facilities. A key source of captive power in coal-based sponge iron plants is the Waste Heat Recovery Boiler (WHRB) system, which captures thermal energy contained in rotary kiln exhaust gases and converts it into electricity. Since WHRB-based generation utilizes waste energy that would otherwise be lost to the atmosphere, it improves overall plant efficiency and reduces specific energy consumption.

In addition to WHRB-based generation, sponge iron producers often operate AFBC/CFBC-based captive power plants utilizing dolochar generated during the sponge iron manufacturing process. The combined utilization of waste heat and dolochar enables manufacturers to improve resource efficiency, lower dependence on grid power, reduce waste disposal requirements and enhance overall energy self-sufficiency. Consequently, integrated steel manufacturers with captive WHRB and AFBC-based power generation facilities benefit from improved operating efficiency, greater power reliability and a structural cost advantage over standalone producers that rely primarily on grid-supplied electricity.

For integrated steel manufacturers such as B.S. Sponge, captive power generation provides a meaningful operating-cost advantage and reduces dependence on grid power. Given the significant electricity requirements across sponge iron production, steel melting and downstream processing operations, reliable power availability remains a critical factor influencing operating efficiency and cost competitiveness. WHRB facilities enable recovery of waste heat from rotary kiln exhaust gases for electricity generation, while AFBC-based plants utilize dolochar generated during the sponge iron manufacturing process. This integrated approach facilitates efficient utilization of process waste streams and reduces reliance on externally procured power. In addition

to improving energy security and operational reliability, captive power generation lowers exposure to grid tariff escalation and supply disruptions, thereby supporting margin stability and enhancing the competitiveness of integrated steel producers relative to manufacturers dependent on purchased power.

Overview of CFBC technology and WHRB systems

Integrated sponge iron manufacturers widely utilize Waste Heat Recovery Boiler (WHRB) and Atmospheric/Circulating Fluidized Bed Combustion (AFBC/CFBC) technologies to improve energy efficiency and reduce dependence on externally procured power. WHRB systems recover thermal energy from high-temperature rotary kiln exhaust gases and utilize it for steam-based power generation, while AFBC/CFBC boilers utilize low-grade fuels and process by-products such as dolochar generated during sponge iron production.

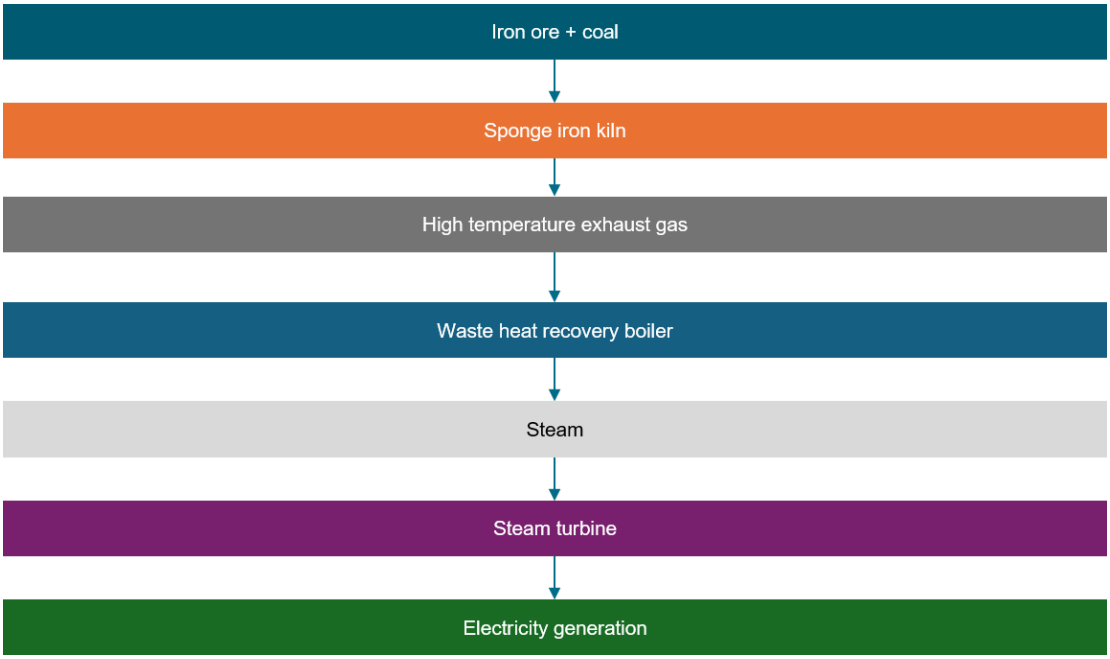
The combined deployment of these technologies enables manufacturers to recover energy from both waste heat and solid by-products, thereby improving overall resource utilization and reducing fuel and power costs. Consequently, WHRB and AFBC/CFBC-based captive power generation has become an established industry practice among integrated sponge iron and steel producers.

In addition to providing economic benefits, these technologies support sustainability objectives by reducing waste generation, improving plant efficiency and lowering the environmental footprint of steel manufacturing operations. As a result, captive power generation based on WHRB and AFBC/CFBC systems is widely regarded as a key competitive advantage for integrated sponge iron manufacturers.

Waste Heat Recovery Boiler (WHRB) Systems

WHRB systems recover thermal energy from rotary kiln exhaust gases and utilize it for steam generation and electricity production. Since power is generated from waste heat that would otherwise be lost, the system improves overall plant efficiency and reduces specific energy consumption.

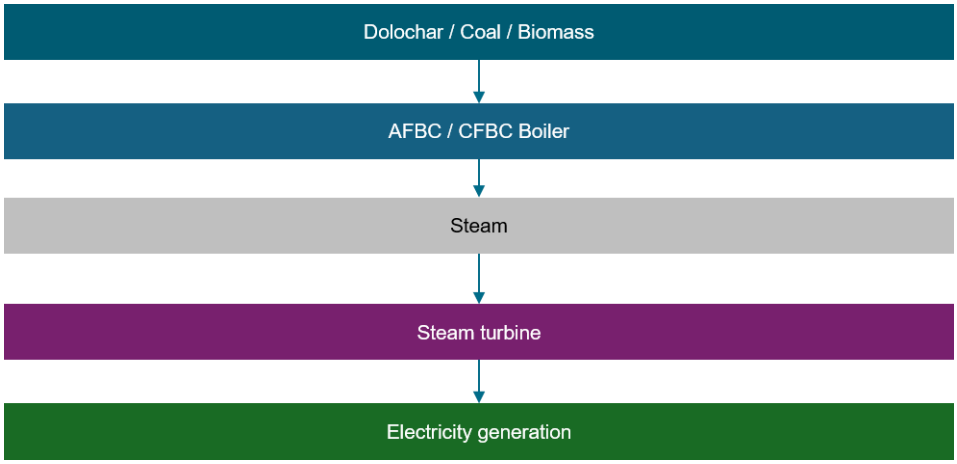
Working Mechanism of a WHRB System



Atmospheric and Circulating Fluidized Bed Combustion (AFBC/CFBC) Technology

AFBC/CFBC boilers utilize low-grade fuels and process by-products such as dolochar for steam and power generation. The technology enables efficient fuel utilization while reducing waste disposal requirements and improving combustion efficiency.

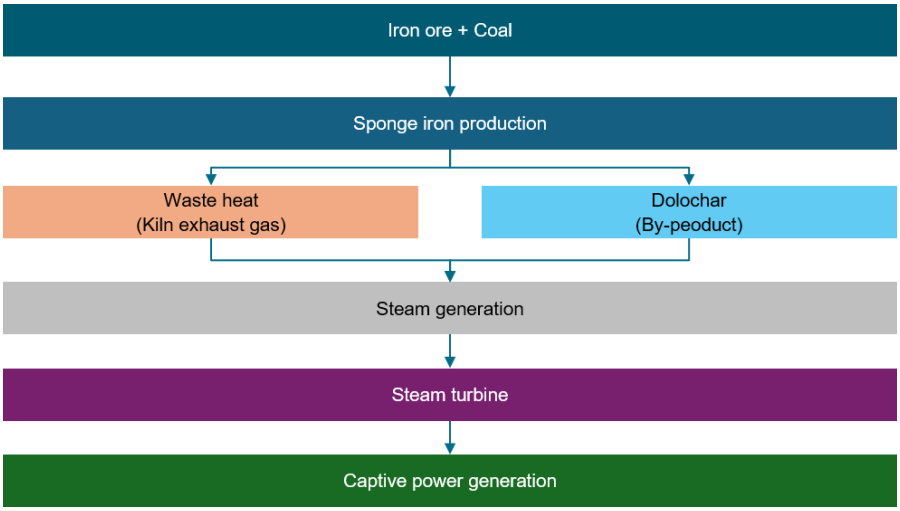
Working Mechanism of a AFBC/CFBC System



Integrated Energy Recovery Model in Sponge Iron Plants

Integrated sponge iron plants typically combine WHRB and AFBC/CFBC systems to recover energy from both waste heat and dolochar, thereby maximizing captive power generation, improving resource efficiency and reducing dependence on external power sources.

Industry-wide energy recovery model



Benefits of By-product Utilization and Waste Heat Recovery

The increasing adoption of WHRB and AFBC-based captive power generation reflects the industry's focus on improving operational efficiency and sustainability. Key benefits include:

- Improved overall energy efficiency of sponge iron plants.
- Reduction in purchased power requirements.
- Lower fuel consumption and power generation costs.
- Productive utilization of industrial by-products such as dolochar.
- Reduced waste disposal and environmental impact.
- Improved compliance with sustainability and emission reduction objectives.
- Enhanced competitiveness through lower operating costs.

As energy costs continue to represent a significant component of steel manufacturing expenses, the utilization of dolochar and waste heat for captive power generation is expected to remain an important feature of integrated sponge iron and steel plants.

The practice supports both economic efficiency and environmental sustainability, making it a key element of modern steel manufacturing operations.

Key regulatory framework applicable to captive power plants and WHRB installations

Regulatory framework governing captive power generation

The Indian power sector is governed by a comprehensive regulatory framework aimed at ensuring reliable power supply, promoting competition and encouraging efficient utilization of energy resources. The Electricity Act, 2003 serves as the principal legislation governing generation, transmission, distribution and trading of electricity in India. One of the key provisions of the Act is the recognition and promotion of captive power generation, allowing industrial consumers to establish power plants for self-consumption and thereby improve energy security and cost competitiveness.

Under the captive power framework, industries are permitted to generate electricity primarily for their own use, subject to prescribed ownership and consumption criteria. Captive power generation has emerged as an important component of India's industrial ecosystem, particularly among energy-intensive sectors such as steel, cement, chemicals and aluminium. The framework encourages industries to invest in efficient power generation facilities while reducing dependence on the grid and minimizing transmission losses.

Environmental and emission Regulations

Captive power plants and WHRB installations are subject to various environmental regulations administered by the Ministry of Environment, Forest and Climate Change (MoEFCC), Central Pollution Control Board (CPCB) and respective State Pollution Control Boards (SPCBs). These regulations prescribe emission standards for particulate matter, sulphur oxides (SOx), nitrogen oxides (NOx) and other pollutants generated during combustion processes.

Steel manufacturers operating AFBC or CFBC-based captive power plants are required to implement appropriate pollution-control equipment such as electrostatic precipitators, bag filters and continuous emission monitoring systems. Compliance with these regulations is essential not only for maintaining operational continuity but also for meeting increasingly stringent sustainability expectations from regulators, lenders and customers.

Energy Efficiency and Waste Heat Recovery

The Government of India has increasingly focused on improving industrial energy efficiency through initiatives such as the Energy Conservation Act and the Perform, Achieve and Trade (PAT) Scheme administered by the Bureau of Energy Efficiency (BEE). The PAT Scheme identifies energy-intensive industries, including iron and steel, and establishes specific energy consumption reduction targets. Companies that outperform their targets can generate tradable energy-saving certificates, while underperforming entities may be required to purchase such certificates to meet compliance obligations.

Waste Heat Recovery Boiler (WHRB) systems align closely with these energy-efficiency objectives by enabling recovery of thermal energy that would otherwise be wasted. The installation of WHRB systems improves overall energy utilization, reduces fuel consumption and lowers specific energy consumption levels within industrial plants. As a result, WHRB-based power generation is increasingly viewed as a best practice within the steel industry.

Sustainability and Decarbonization Initiatives

The regulatory landscape is progressively evolving towards lower-carbon industrial operations. The Government of India has introduced various initiatives aimed at improving resource efficiency, reducing carbon intensity and promoting sustainable manufacturing practices. Integrated steel manufacturers are increasingly expected to improve energy efficiency, enhance waste utilization and reduce emissions through adoption of advanced technologies and cleaner production methods.

In this context, captive power generation through WHRB systems and the utilization of by-products such as dolochar in AFBC/CFBC boilers assume greater importance. These technologies contribute to improved resource utilization, reduced dependence on external fuels and enhanced environmental performance. Consequently, they are expected to remain key components of sustainable steel manufacturing practices in the coming years.

Implications for Integrated Steel Manufacturers

For integrated sponge iron and steel manufacturers, compliance with power, environmental and energy-efficiency regulations is a critical aspect of business operations. Manufacturers that effectively utilize waste heat and process by-products through captive power generation are generally better positioned to manage energy costs, improve operational efficiency and comply with evolving sustainability requirements. Accordingly, WHRB and AFBC/CFBC-based power generation systems have become an integral part of the operational strategy of many integrated steel producers, supporting both regulatory compliance and long-term competitiveness.

Demand–Supply dynamics and outlook for thermal, captive and WHRB-based power generation

Demand–Supply dynamics of the Indian power sector

India's power demand has grown significantly over the past decade, driven by economic growth, industrialization, urbanization and increasing electrification. Total electricity generation increased from 1,739.1 billion units (BU) in FY24 to 1,829.7 BU in FY25 and further to 1,847.9 BU in FY26. Although generation growth moderated to 0.99% in FY26, the long-term trend continues to reflect rising electricity consumption across industrial, commercial and residential segments.

The country's power supply position has improved considerably over time owing to substantial investments in generation capacity, transmission infrastructure and grid modernization. The energy deficit declined from 10.1% in FY10 to only 0.03% in FY26, while the peak power deficit reduced from 12.7% to virtually zero during the same period. In FY26, against an energy requirement of 1,707 BU, availability stood at 1,707 BU, indicating a well-balanced supply demand scenario. Similarly, peak demand of 245.4 GW was almost entirely met, highlighting the increasing reliability of the national power system.

Despite the rapid expansion of renewable energy capacity, thermal power continues to play a critical role in India's electricity ecosystem. As of March 31, 2026, thermal power accounted for 249.3 GW of installed capacity, representing approximately 46.8% of total installed capacity. Coal-based power generation alone contributed 221.9 GW, making it the single largest source of electricity generation in the country. The continued importance of thermal generation stems from its ability to provide baseload power and maintain grid stability alongside intermittent renewable energy sources.

Outlook for captive power generation

The increasing electricity requirements of energy-intensive industries are expected to support continued growth in captive power generation across sectors such as steel, cement, aluminium, chemicals and mining. Captive power plants enable industrial consumers to improve energy security, reduce exposure to grid tariff volatility and ensure uninterrupted operations. As manufacturing activity expands under government initiatives such as Make in India and increasing infrastructure investment, demand for reliable industrial power is expected to remain strong.

Captive power generation is likely to gain further importance as industries focus on improving operational efficiency and reducing overall production costs. Integrated steel producers, in particular, are expected to continue investing in captive generation facilities owing to the significant contribution of power costs to total manufacturing expenses. The ability to generate electricity internally enables manufacturers to maintain greater control over operating costs while enhancing competitiveness.

Outlook for WHRB and waste-to-energy power generation

Waste Heat Recovery Boiler (WHRB)-based power generation is expected to witness increasing adoption within the sponge iron and steel industries as manufacturers focus on energy efficiency, sustainability and cost optimization. WHRB systems provide an efficient mechanism for converting waste thermal energy into electricity without additional fuel consumption, thereby improving overall plant economics.

Similarly, the utilization of sponge iron by-products such as dolochar in AFBC and CFBC-based captive power plants is expected to remain an important industry practice. The combined use of WHRB and AFBC technologies enables integrated steel producers to recover energy from both waste heat and process by-products, resulting in lower energy costs and improved resource utilization. As environmental regulations become increasingly stringent and industries place greater emphasis on decarbonization, energy-efficient technologies such as WHRB systems are expected to assume a more prominent role within the steel manufacturing ecosystem.

Relevance for integrated steel manufacturers

For integrated steel manufacturers, power availability and cost competitiveness remain critical determinants of operational performance. In this context, captive power generation supported by WHRB and AFBC/CFBC technologies provides significant strategic advantages through improved energy security, lower operating costs and enhanced sustainability performance. Consequently, investments in captive power infrastructure and waste heat recovery systems are expected to remain integral to the growth strategy of sponge iron and steel producers over the medium to long term.

Relevance of captive power generation for B.S. Sponge

B.S. Sponge has established a captive power generation infrastructure comprising a 48 MW Waste Heat Recovery Boiler (WHRB)-based power plant, a 4 MW AFBC, 15 MW CFBC-based power plant, resulting in an aggregate captive power capacity of 67 MW. The Company's captive generation facilities enable efficient utilization of sponge iron manufacturing by-products, including waste heat and dolochar, thereby improving energy efficiency and reducing dependence on externally sourced power. This integrated energy model provides operational reliability, lowers power procurement costs and enhances overall manufacturing competitiveness.

The combination of WHRB and AFBC technologies allows the Company to recover energy from multiple process streams while supporting sustainable manufacturing practices. Given the energy-intensive nature of steel production, captive power generation remains a key competitive advantage for the Company, contributing to cost optimization, operational stability and improved resource utilization. As environmental regulations continue to evolve and energy costs remain a significant component of steel manufacturing expenses, the Company's captive power infrastructure is expected to remain an important contributor to long-term operational efficiency and profitability.

Competition benchmarking

Operational benchmarking

To assess B.S. Sponge's competitive positioning within the Indian steel industry, a peer set comprising Shyam Metalics & Energy Limited, Gallantt Ispat Limited, Sambhv Steel Tubes Limited and Jai Balaji Industries Limited has been considered. These companies operate across similar segments of the steel value chain, including sponge iron, billets, long steel products, pipes, ferro alloys and captive power generation. The selected peers have been benchmarked based on operational scale, product portfolio, manufacturing integration, plant footprint, captive power infrastructure and strategic growth initiatives.

Brief profile of the peer companies

Company	Brief Profile
B.S. Sponge Limited	Integrated steel manufacturer based in Raigarh, Chhattisgarh with presence across sponge iron, billets and slabs, TMT bars, HR coils, wire rods, ERW pipes, ferro alloys and captive power generation.
Shyam Metalics & Energy Limited	One of India's leading integrated metal producers with operations across carbon steel, stainless steel, ferro alloys and aluminium. The company operates an ore-to-metal model with integrated facilities across Odisha, West Bengal, Madhya Pradesh and Jharkhand.
Gallantt Ispat Limited	Integrated steel producer engaged in pellets, sponge iron, billets, TMT bars and captive power generation with manufacturing facilities in Uttar Pradesh and Gujarat. The company follows a backward-integrated steel manufacturing model supported by captive power and raw material infrastructure.
Sambhv Steel Tubes Limited	Backward-integrated steel pipe manufacturer with presence across sponge iron, blooms, slabs, HR coils, CR coils, galvanized products and ERW pipes. The company operates integrated manufacturing facilities in Chhattisgarh and has significant exposure to value-added downstream steel products.
Jai Balaji Industries Limited	Integrated steel manufacturer operating four manufacturing facilities across West Bengal and Chhattisgarh with presence across sponge iron, billets, TMT bars, ferro alloys, pig iron, coke, ductile iron pipes and captive power generation. The company follows a backward-integrated manufacturing model and has a captive power capacity of 101.1 MW. Jai Balaji is increasingly focused on value-added products, with ductile iron pipes and specialised ferro alloys contributing a significant share of revenues.

Source: Crisil Intelligence
MnTPA: million tonnes per annum

Product portfolio

Company	Captive Power	Pellets	Sponge Iron	Pig Iron	Billets/Slabs	TMT/ Long Products	HR Coils	Wire Rods	Pipes & Tubes	Ferro Alloys
B.S. Sponge										
Shyam Metalics										
Gallantt Ispat										
Sambhv Steel Tubes										
Jai Balaji Industries										

Green Colour- Product present in the portfolio;
Red Colour- Product not present in the portfolio
Source: Crisil Intelligence

Capacity overview (FY25)

Particulars	B.S. Sponge	Shyam Metalics	Gallantt Ispat	Sambhv Steel Tubes	Jai Balaji Industries
Iron Pellets (MnTPA)	-	6.00	0.79	-	-
Sponge Iron (MnTPA)	**0.68**	**3.05**	**0.92**	**0.28**	**0.27**
Billets / Blooms / Slabs (MnTPA)	0.37	2.01	0.96	0.36	0.21

Particulars	B.S. Sponge	Shyam Metalics	Gallantt Ispat	Sambhv Steel Tubes	Jai Balaji Industries
TMT / Long Products (MnTPA)	**0.11**	**2.07**	**0.95**	**-**	**0.24**
HR Coils (MnTPA)	**0.17**	**-**	**-**	**0.39**	**-**
Pipes & Tubes (MnTPA)	**0.12**	**Included in long products**	**-**	**0.45**	**-**
Wire Rods (MnTPA)	**0.17**	**0.92**	**-**	**-**	**-**
Ferro Alloys (MnTPA)	0.03	0.22	-	-	0.17
Stainless Steel Products (MnTPA)	-	0.27	-	0.18	-
Captive Power (MW)	67	467	129	25	101.1
Total Capacity of above mentioned products	**1.63**	**14.54**	**3.62**	**1.66**	**0.89**

N/A: Data not available; MnTPA: Million Tonnes per Annum; MW: Mega Watt
Note: Aggregate capacity represents the arithmetic sum of capacities across various production stages and products. As several facilities are integrated and intermediate products are consumed internally (e.g., sponge iron, billets and rolling products), the aggregate capacity may involve double counting and should not be interpreted as the company's effective crude steel or finished steel production capacity.
Source: Crisil Intelligence

Plant locations, strategic advantages & disadvantages

Company	Manufacturing Locations	Strategic Advantages	Strategic Disadvantages
B.S. Sponge Limited	1. Taraimal, Raigarh, Chhattisgarh	• Integrated manufacturing complex spanning sponge iron, billets, TMT bars, HR coils, wire rods, pipes, ferro alloys and captive power generation.	• Manufacturing operations concentrated at a single location.
		• Strong operational integration within a single facility, enabling efficient material flow and reduced intra-plant logistics costs.	• Lower operating scale compared with larger integrated peers.
		• High degree of captive power dependence through WHRB and AFBC-based generation.	• Significant dependence on Central Indian markets.
		• Diversified product portfolio despite relatively modest scale.	
Shyam Metalics & Energy Limited	1. Sambalpur (Odisha) 2. Jamuria (West Bengal) 3. Mangalpur (West Bengal) 4. Kharagpur (West Bengal) 5. Pithampur (Madhya Pradesh) 6. Giridih (Jharkhand) 7. Pakuria (West Bengal)	• Largest and most diversified player within the peer set with operations across carbon steel, stainless steel, ferro alloys and aluminium products.	• Higher operational complexity arising from diversified product portfolio and multiple manufacturing facilities.
		• Extensive manufacturing footprint across multiple states.	• Larger capital expenditure requirements to sustain growth and maintain diversified operations.
		• Strong backward and forward integration across the metal value chain.	• Greater exposure to fluctuations across multiple metal segments.
		• Large captive power capacity supporting cost competitiveness.	
		• Broad product portfolio spanning intermediate and value-added products.	
Gallantt Ispat Limited	1. Gorakhpur (Uttar Pradesh) 2. Samakhiyali, Kutch (Gujarat)	• Strong backward integration through captive iron ore mining assets.	• Relatively limited presence in downstream value-added products compared with some peers.
		• Integrated manufacturing platform across pellets, sponge iron, billets and rolled products.	• Product portfolio remains concentrated around core steel products.
		• Large captive power infrastructure and logistics capabilities, including railway assets.	• Limited exposure to specialty steel or higher-margin downstream segments.
		• Presence in both Northern and Western India.	
Sambhv Steel Tubes Limited	1. Sarora (Raipur), Chhattisgarh 2. Kuthrel (Raipur), Chhattisgarh	• Strong downstream integration through HR coils, ERW pipes, galvanized products and stainless-steel products.	• Lower sponge iron capacity compared with larger integrated steel peers.
		• One of the few integrated steel-to-pipe manufacturing platforms within the peer group.	• Manufacturing footprint concentrated within a single state.
		• High exposure to value-added steel products.	• Greater exposure to cyclical demand in pipe and tube markets.

Company	Manufacturing Locations	Strategic Advantages	Strategic Disadvantages
		• Captive power infrastructure supports manufacturing operations.	• Comparatively lower scale of captive power generation.
Jai Balaji Industries Limited	1. Durgapur (West Bengal) 2. Raniganj (West Bengal) 3. Purulia (West Bengal) 4. Raigarh (Chhattisgarh)	• Integrated steel manufacturing operations spanning sponge iron, pig iron, billets, TMT bars, ferro alloys, ductile iron pipes, coke and captive power.	• Manufacturing assets are primarily concentrated in Eastern India, resulting in relatively higher dependence on eastern and central markets.
		• Diversified manufacturing footprint across four integrated plants, providing better geographic diversification than single-location peers.	• Absence of flat steel products such as HR coils, CR coils and steel pipes limits participation in certain downstream steel segments.
		• Increasing focus on value-added products such as ductile iron pipes and specialised ferro alloys, which contributed a significant share of revenue in FY25.	• Lower overall manufacturing scale compared with larger integrated peers such as Shyam Metalics.
		• Strong backward integration and internal consumption of intermediate products across the value chain.	• Revenue exposure remains influenced by cyclicality in long steel, ferro alloy and commodity steel markets despite increasing share of value-added products.

Source: Crisil Intelligence

Value chain integration

Company	Integration Assessment	Remarks
Shyam Metalics	Very High	Presence across pellets, sponge iron, billets, long products, ferro alloys, stainless steel, aluminium and captive power.
B.S. Sponge	Very High	Presence across sponge iron, billets, TMT bars, HR coils, wire rods, pipes, ferro alloys and captive power generation.
Gallantt Ispat	High	Backward integration through pellets, sponge iron, billets, long products and captive power.
Sambhv Steel	Moderate to High	Strong downstream integration through HR coils, galvanized products, stainless steel products and pipes.
Jai Balaji Industries	High	Integrated operations across sponge iron, pig iron, billets, TMT bars, ferro alloys, ductile iron pipes, coke and captive power generation Increasing focus on value-added products such as ductile iron pipes and specialised ferro alloys..

Note: *The integration assessment is based on the extent of participation across the steel value chain, including raw material processing, intermediate steel production, finished steel products, value-added downstream products and captive power generation.*
Very High: Presence across almost the entire steel value chain
High: Presence across multiple stages of steel value chain
Moderate to High: Presence across core steelmaking operations and selected downstream products
Source: Crisil Intelligence

- **Shyam Metalics** demonstrates the highest level of integration within the peer set, operating an ore-to-metal manufacturing model spanning pellets, sponge iron, steelmaking, finished steel products, ferro alloys, stainless steel products, aluminium products and captive power generation.

- **B.S. Sponge** exhibits one of the most diversified and integrated manufacturing chains among mid-sized steel producers in India. The Company participates across multiple stages of the steel value chain including sponge iron, billets and slabs, TMT bars, HR coils, ERW pipes and tubes, wire rods and ferro alloys, supported by captive power generation. This diversification provides flexibility in product mix optimization and enables participation across multiple end-user industries.

- **Gallantt Ispat** demonstrates strong backward integration through pellet production, sponge iron manufacturing and captive power generation. However, its downstream product portfolio is relatively narrower compared with B.S. Sponge and Shyam Metalics.

- **Sambhv Steel** is differentiated by its downstream integration strategy, converting steel intermediates into higher value-added products such as HR coils, ERW pipes, galvanized pipes and stainless-steel products.

- **Jai Balaji Industries** maintains a high level of integration through operations spanning sponge iron, pig iron, billets, TMT bars, ferro alloys, ductile iron pipes, coke and captive power generation. The company's increasing focus on value-added products such as ductile iron pipes and specialised ferro alloys further strengthens its integration profile

From an integration perspective, B.S. Sponge occupies a differentiated position within the peer group. The Company has developed a relatively comprehensive manufacturing value chain spanning sponge iron, billets, TMT bars, HR coils, pipes & tubes, wire rods, ferro alloys and captive power generation. Such breadth of integration across multiple stages of the steel value chain is relatively uncommon among companies of its scale and provides operational flexibility through captive consumption of intermediate products and participation across multiple steel product segments.

Captive power (FY26)

Company	Captive Power Capacity (MW)	Captive power as a % of total power requirement	Key Technology / Source
B.S. Sponge	67	96%	WHRB + AFBC + CFBC
Shyam Metalics	467	83%	Captive thermal, WHRB, AFBC and renewable power
Gallantt Ispat	129	90-100%	Thermal and WHRB-based generation
Sambhv Steel Tubes	25	50%	16 MW WHRB + 9 MW AFBC
Jai Balaji Industries	101.1	N/A	Thermal and WHRB-based generation

N/A: Data not available; WHRB: Waste Heat Recovery Boiler; AFBC: Atmospheric Fluidized Bed Combustion; CFBC: Circulating Fluidized Bed Combustion
Source: Crisil Intelligence
MW: mega watt

B.S. Sponge's captive power infrastructure meets a substantial majority of its power requirements, highlighting a high degree of energy self-sufficiency relative to its scale of operations. Captive power generation met approximately 95.86%, 98.14% and 96.01% of the Company's total operational power requirement in FY2024, FY2025 and FY2026, respectively. Supported by a 67 MW captive power plant comprising WHRB, AFBC, and CFBC-based generation facilities, the Company benefits from lower dependence on external power procurement and enhanced cost competitiveness in its energy-intensive manufacturing operations. Although larger peers such as Shyam Metalics, Gallantt Ispat and Jai Balaji Industries operate higher captive power capacities in absolute terms, B.S. Sponge's captive power generation capability remains highly competitive relative to its scale of operations and provides a meaningful cost and operational advantage in energy-intensive steel manufacturing.

Strategic initiatives and growth strategy

Company	Key Strategic Focus	Announced Capex
B.S. Sponge	Product diversification, downstream integration, capacity expansion, captive power augmentation	Company is planning to commission the Nawapara Facility, a greenfield integrated steel manufacturing facility at Nawapara, Gharghoda, Raigarh, Chhattisgarh, India, to be executed in phases. Subject to receipt of the requisite approvals, including environmental approvals, implementation of the project as planned and completion of all the proposed phases, the Nawapara Facility, as on the date of this report, can have a maximum installed manufacturing capacity limit of 858,000 TPA of sponge iron, 792,000 TPA of billets and slabs and 160,000 TPA of silico manganese, together with proposed production facilities for various value-added finished steel products, captive power plants with an aggregate installed capacity of 200 MW and a coal washery basis the TOR approved by the Ministry of Environment, Forest and Climate Change, Government of India, by way of its letter dated June 11, 2026. The company has acquired 44.78 hectares of freehold land for the Nawapara Facility. The proposed Nawapara Facility is located in proximity to the existing Manufacturing Facility, enabling operational synergies and supply chain efficiencies.
Shyam Metalics	Value-added products, stainless steel, aluminium, captive power expansion, diversified metal platform	₹10,025 crore expansion plan, of which ₹6,584 crore invested till FY25; balance ₹3,441 crore earmarked for aluminium foil, stainless steel, captive power and value-added products.
Gallantt Ispat	Capacity expansion, raw material security through mining assets, captive power and logistics integration	₹1,015 crore approved expansion at the Gorakhpur integrated steel plant, including a 100 MW captive solar power plant.
Sambhv Steel Tubes	Pipe and tube leadership, stainless steel expansion, value-added flat products, greenfield expansion	Kesda greenfield project to add 1.2 MMTPA finished steel capacity; FY25 capex additions of approximately ₹690 crore (PPE and CWIP additions).
Jai Balaji Industries	Value-added products, ductile iron pipe expansion, ferro alloy capacity expansion, captive power integration, brownfield growth	Brownfield expansion focused on ductile iron pipes, ferro alloys and OPVC products, funded largely through internal accruals.

Source: Crisil Intelligence

B.S. Sponge

Over the last several years, B.S. Sponge has transformed from a sponge iron-focused producer into an integrated steel manufacturer through successive capacity additions across billets and slabs, TMT bars, HR coils, ERW pipes and tubes, ferro alloys and wire rods. The Company's strategy has focused on increasing value-added product contribution while strengthening its captive power infrastructure and manufacturing integration. This approach has enabled diversification across multiple steel segments without significantly expanding its geographic footprint.

Shyam Metalics & Energy

Shyam Metalics has pursued one of the most diversified growth strategies within the peer set. In addition to capacity expansion across conventional steel products, the company has entered stainless steel, aluminium foil, colour-coated products, battery foil and other higher-margin segments. The company is also undertaking significant investments in captive power infrastructure and downstream manufacturing facilities.

Gallant Ispat

Gallantt's strategy is centred around strengthening backward integration through captive iron ore resources, pellet production and captive power generation. The company has also invested in logistics capabilities and expansion of its integrated steel manufacturing platform. Future growth is expected to be supported by mining security and ongoing brownfield expansion initiatives.

Sambhv Steel Tubes

Sambhv Steel has adopted a differentiated strategy focused on value-added downstream steel products, particularly pipes, galvanized products and stainless-steel offerings. The company is undertaking significant greenfield expansion and increasing exposure to higher-margin steel processing activities. This positioning provides stronger participation in infrastructure, construction and industrial end-use segments.

Jai Balaji Industries

Jai Balaji Industries has focused on strengthening its position within value-added steel segments, particularly ductile iron pipes and specialised ferro alloys. The company has pursued a strategy of brownfield capacity expansion, enhanced manufacturing integration and captive power utilization while maintaining a disciplined balance sheet. This approach has enabled diversification beyond conventional steel products and increased exposure to relatively higher-margin and less cyclical end markets.

Financial benchmarking

Comparison of KPIs with company's listed industry peers

Key performance indicators	Unit	B.S. Sponge Limited			Shyam Metalics Limited			Gallant Ispat Limited			Sambhv Steel Tubes Limited			Jai Balaji Industries Limited			*Peer Average*		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations[1]	₹ in million	25,925.24	21,878.19	14,943.90	18,555.22.10	15,137.5.00	13,195.2.20	44,189.22	42,927.29	42,271.18	24,132.43	15,113.55	12,857.57	57,842.70	63,508.00	64,137.80	-	-	-
Y-o-Y Revenue growth[2]	%	18.50%	46.40%	83.93%	22.56%	14.72%	22.60%	2.94%	1.55%	4.20%	59.67%	17.55%	37.19%	(8.92)%	(0.98)%	4.71%	-	-	-
Total Income[3]	₹ in million	26,060.61	21,925.16	14,962.47	18,758.58.20	15,368.1.30	13,354.2.00	44,785.16	43,083.44	42,339.68	24,204.61	15,167.01	12,893.75	58,205.90	64,184.60	66,288.70	-	-	-
Operating EBITDA[4]	₹ in million	3,730.12	3,365.88	2,850.78	23,330.40	18,655.30	15,700.20	7,164.44	6,944.32	4,481.97	2,762.05	1,544.82	1,598.72	3,495.40	8,667.80	9,062.60	-	-	-
Operating EBITDA Margin[5]	%	14.39%	15.38%	19.08%	12.58%	12.32%	11.90%	16.21%	16.18%	10.60%	11.45%	10.22%	12.43%	6.04%	13.65%	14.13%	11.57%	13.09%	12.27%

Key performance indicators	Unit	B.S. Sponge Limited			Shyam Metalics Limited			Gallant Ispat Limited			Sambhv Steel Tubes Limited			Jai Balaji Industries Limited			*Peer Average*		
		Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
EBITDA (including other income)[6]	₹ in million	3,865.49	3,412.87	2,869.35	25,366.50	20,961.60	17,290.00	7,760.38	7,100.48	4,550.48	2,834.23	1,598.28	1,634.90	3,858.60	9,344.40	11,213.50	-	-	-
EBITDA Margin (including other income)[7]	%	14.83%	15.57%	19.18%	13.52%	13.64%	12.95%	17.33%	16.48%	10.75%	11.71%	10.54%	12.68%	6.63%	14.56%	16.92%	12.30%	13.81%	13.33%
Profit After Tax (PAT) for the year[8]	₹ in million	1,711.06	1,584.30	1,439.47	10,601.70	9,092.60	10,290.00	4,842.68	4,007.42	2,253.38	1,421.51	572.65	824.39	1,299.50	5,578.80	8,795.60	-	-	-
PAT Margin[9]	%	6.60%	7.24%	9.63%	5.71%	6.01%	7.80%	10.96%	9.34%	5.33%	5.89%	3.79%	6.41%	2.25%	8.78%	13.71%	6.20%	6.98%	8.31%
ROE[10]	%	24.18%	29.61%	37.88%	9.60%	9.00%	12.16%	15.73%	15.14%	9.64%	18.35%	12.27%	25.42%	5.93%	30.75%	85.39%	12.40%	16.79%	33.15%
ROCE[11]	%	22.90%	25.51%	29.68%	14.21%	12.92%	10.81%	18.88%	20.04%	13.31%	18.34%	15.16%	22.88%	11.30%	36.98%	57.29%	15.68%	21.28%	26.07%
Debt[12]	₹ in million	7,732.22	6,264.40	5,152.98	10,050.70	7,894.30	5,969.10	5,476.87	3,776.65	4,619.11	3,733.41	5,067.03	3,505.40	4,166.30	5,586.50%	4,725.30	-	-	-
Net Debt[13]	₹ in million	6,721.42	5,341.78	4,898.38	8,994.10	7,211.80	5,464.40	445.40	1,195.32	4,496.03	2,891.32	4,904.50	3,075.53	356.29	432.45	381.55	-	-	-
Debt /Equity Ratio[14]	Times	0.97	1.01	1.14	0.09	0.07	0.06	0.17	0.13	0.19	0.35	1.02	0.80	0.18	0.26	0.31	-	-	-
Net Debt/ Operating EBITDA[15]	Times	1.80	1.59	1.72	0.39	0.39	0.35	0.06	0.17	1.00	1.05	3.17	1.92	1.02	0.50	0.42	-	-	-
Interest Coverage Ratio[16]	Times	4.75	5.08	5.24	8.61	9.62	8.05	15.49	26.83	12.04	5.69	2.65	4.48	3.96	13.42	14.28	8.44	13.13	9.71
Fixed Asset Turnover Ratio[17]	Times	2.7	2.66	2.43	2.3	2.42	3.38	2.49	2.53	2.41	3.3	2.02	3.82	3.69	3.94	4.64	2.95	2.73	3.56
Net Working Capital Days[18]	Days	37	32	43	14	16	25	41	39	43	14	26	41	61	37	13	32.50	29.50	30.50

Source: All the financial information for Company's listed peer mentioned in the above table is from the annual report and published financial results and investor presentation for the respective fiscal.

Note: All financial information for Company's listed peer mentioned in the above table is on a consolidated basis.

Notes:

(1) Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.

(2) Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.

(3) Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(4) Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(5) Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.

(6) EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.

[7] *EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[8] *Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[9] *PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[10] *Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.*

[11] *Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.*

[12] *Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[13] *Net Debt: Net Debt represents the sum of long-term borrowings, short-term borrowings and lease liabilities, less Cash and Cash Equivalents, Fixed Deposits and Interest accrued on Fixed Deposits as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[14] *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

[15] *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

[16] *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

[17] *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[18] *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

Revenue performance across the peer group remained varied during FY2025-FY2026. While Shyam Metalics remained the largest player in terms of revenue from operations, B.S. Sponge and Sambhv Steel Tubes recorded the strongest growth trajectories among the selected peers. B.S. Sponge's revenue from operations increased from ₹14,943.90 million in FY2024 to ₹25,925.24 million in FY2026, translating into growth of 46.40% in FY2025 and 18.50% in FY2026, resulting in a FY2024-FY2026 CAGR of 31.71%. Sambhv Steel Tubes recorded the highest CAGR among peers at 36.98%, supported by ongoing capacity additions and business expansion. In contrast, Jai Balaji Industries reported a decline in revenue during the period, while Gallantt Ispat and Shyam Metalics recorded relatively moderate growth. Overall, B.S. Sponge emerged as one of the fastest-growing companies within the selected peer set during the review period.

B.S. Sponge reported EBITDA of ₹2,850.78 million in FY2024, increasing to ₹3,365.88 million in FY2025, and further to ₹3,730.12 million in FY2026 reflecting growth of 18.07% and 10.82%, respectively. Although the Company's EBITDA remained lower than larger peers such as Shyam Metalics and Gallantt Ispat owing to differences in scale, it maintained one of the strongest margin profiles within the peer group. EBITDA margin moderated from 19.08% in FY2024 to 15.38% in FY2025 and 14.39% in FY2026, but remained above Shyam Metalics (12.58%), Sambhv Steel Tubes (11.45%) and Jai Balaji Industries (6.04%) in FY2026. The Company's ability to maintain superior operating margins reflects the benefits of its integrated manufacturing operations, captive power infrastructure and diversified product mix.

B.S. Sponge reported PAT growth of 10.06% in FY2025 and 8.00% in FY2026, with PAT increasing from ₹1,439.47 million in FY2024 to ₹1,584.30 million in FY2025 and ₹1,711.06 million in FY2026. PAT margin stood at 9.63% in FY2024, moderating to 7.24% in FY2025 and 6.60% in FY2026. While Gallantt Ispat reported stronger profitability and PAT margins during the period, B.S. Sponge maintained a higher PAT margin than Sambhv Steel Tubes and remained broadly comparable with Shyam Metalics. Jai Balaji Industries witnessed a significant decline in profitability, with PAT decreasing from ₹8,795.65 million in FY2024 to ₹1,299.50 million in FY2026, resulting in substantial margin compression. Overall, B.S. Sponge demonstrated stable earnings growth and profitability despite a challenging operating environment.

B.S. Sponge reported a strong return profile relative to the selected peer group, with RoE of 37.88%, 29.61% and 24.18% in FY2024, FY2025 and FY2026, respectively, and RoCE of 29.68%, 25.51% and 22.90% over the same period. While Jai Balaji Industries reported exceptionally high return ratios in FY2024 and FY2025, its metrics declined sharply in FY2026 owing to lower profitability. Among the peers, B.S. Sponge recorded the strongest RoE and RoCE in FY2026, reflecting efficient capital deployment, healthy profitability and benefits derived from its integrated manufacturing operations and captive power infrastructure. The Company's return profile positions it among the stronger performers within the selected peer group from a capital efficiency perspective.

Peer comparison [Credit Rating]

Particulars	Credit Rating		Outlook	Agency
Companies	**Long Term**	**Short term**		
Gallantt Ispat Limited	IND AA-	IND A1+	Stable	India Rating & Research
Jai Balaji Industries Limited	Crisil BBB	Crisil A3+	Stable	Crisil Ratings
Sambhv Steel Tubes Limited	CARE A	CARE A1	Stable	CARE Ratings

Particulars	Credit Rating		Outlook	Agency
Companies	**Long Term**	**Short term**		
Shyam Metalics and Energy Limited	Crisil AA+	Crisil A1+	Stable	Crisil Ratings
B.S. Sponge Limited	***Crisil A+***	***Crisil A1***	***Stable***	***Crisil Ratings***

Source: Company financials, Crisil Intelligence
N/A: Not Available

Credit ratings across the peer group indicate varying levels of creditworthiness, reflecting differences in operating scale, business risk profiles, leverage and financial flexibility. Among the selected peers, Shyam Metalics and Gallantt Ispat hold the strongest credit ratings at AA+ and AA-, respectively, supported by their larger scale of operations, diversified product portfolios and stronger financial profiles. Sambhv Steel Tubes is rated in the A category, and Jai Balaji Industries is rated in BBB category, reflecting moderate credit risk and established operating track records. Jai Balaji Industries' rating profile improved from CRISIL BBB-/A3 in FY24 to CRISIL BBB/A3+ with a Stable outlook, indicating strengthening credit metrics and financial position.

In comparison, B.S. Sponge was assigned a CRISIL A+ long-term rating and CRISIL A1 short-term rating with a Stable outlook. While the Company's long-term rating remains below those of larger integrated steel producers such as Shyam Metalics and Gallantt Ispat, it is superior to the ratings assigned to Jai Balaji Industries and comparable to the rating category of Sambhv Steel Tubes. Overall, B.S. Sponge's credit ratings reflect a satisfactory credit profile supported by its integrated manufacturing operations, diversified product portfolio, strong energy self-sufficiency and ongoing growth trajectory.

Company profiling

Business profile

B.S. Sponge Limited (formerly B.S. Sponge Private Limited) is an integrated steel manufacturer with operations spanning multiple stages of the steel value chain, from the production of sponge iron to the manufacture of value-added finished steel products. The Company commenced operations in 2005 with a single sponge iron kiln having an installed capacity of 30,000 TPA (tonnes per annum). Over the last two decades, it has transformed into a diversified steel producer through a series of capacity expansions and forward integration initiatives. B.S. Sponge is one of the leading manufacturers of steel and steel products in India in terms of installed capacity as of March 31, 2026. The company has an aggregate installed capacity of 1,627,500 TPA (tonnes per annum) across it's portfolio of semi-finished and value-added finished steel products. The Manufacturing Facility is also equipped with a 67 MW captive power generation capacity as on the date of this report. The Company's product portfolio comprises sponge iron, billets and slabs, TMT bars, hot-rolled coils (strips), wire rods, ERW pipes and tubes, and ferro alloys (primarily silico manganese).

The Company operate a Manufacturing Facility strategically located in the mineral-rich state of Chhattisgarh, the steel capital of India (*Source: CRISIL Report*), enabling it to manufacture finished steel products from iron ore through an efficient and largely self-sufficient production process. The state of Chhattisgarh is geographically located at the centre of the country, with Raigarh being a major industrial hub surrounded by major mineral-rich industrial states including Odisha and Jharkhand. Raigarh has a well-developed industrial ecosystem with the presence of numerous steel, power and allied manufacturing industries, and continues to witness the establishment of new industrial projects and manufacturing facilities which provides us with access to a robust supplier network, skilled manpower, logistics infrastructure and other ancillary facilities that support our manufacturing operations. The Company's Manufacturing Facility located at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India, is in close proximity to key raw material sources and suppliers of iron ore, iron ore pellets and coal, and is well-connected via road and railway infrastructure to support efficient inward and outward logistics. The strategic proximity of the manufacturing facility to the raw material sources enables efficient procurement, reduces inbound transportation costs and transit time, mitigates supply chain disruptions, and allows it to benefit from bulk procurement advantages. The strategic location also facilitates easy availability of transportation infrastructure and heavy commercial vehicles, ensuring efficient outward logistics for nationwide product distribution and contributing to timely delivery of products to the customers. The Company's integrated operations allow it to exercise greater control over quality, costs, production scheduling and supply chain management.

A key strength of the Company is its captive power infrastructure of 67 MW, comprising a 48 MW waste heat recovery boiler (WHRB)-based power plant, a 4 MW AFBC-based power plant and a 15 MW CFBC-based power plant. Reliable and uninterrupted availability of power is critical for steel manufacturing operations, where disruptions in electricity supply may adversely impact production efficiency, product quality and operating costs. The captive power generation capabilities significantly reduce dependence on external sources of power and mitigate risks associated with grid interruptions, power shortages, fluctuations in tariffs and supply constraints.

Power is a critical input in steel manufacturing and constitutes a significant component of manufacturing costs for steel producers. The WHRB-based power generation model is significantly cost-efficient, as it requires no additional fuel consumption, and is classified as a renewable and environmentally sustainable source of energy as it recovers and utilizes heat that would otherwise be vented as waste. The AFBC and CFBC based power plants are also very cost-efficient, as they primarily

utilize dolochar, a by-product generated during the sponge iron manufacturing process, as primary fuel source. This enables the company to convert an internal by-product into a valuable energy resource, reducing waste disposal requirements while enhancing operational efficiency and environmental performance.

The Company has also implemented advanced manufacturing technologies such as THERMEX® QST technology for TMT bars, hot charging processes for rolling operations and AGC-enabled 4-Hi rolling mills for HR coil production.

The Company serves customers across India through a diversified distribution network comprising traders, dealers, steel manufacturers, pipe manufacturers and industrial customers. During FY26, its products were sold across 21 states and three union territories, reflecting a broad market presence and diversified customer base.

Mapping of Key Products in the Steel Value-Chain Across End-Use Sectors

B.S. Sponge Limited operates a backward integrated steel manufacturing facility with a diversified product portfolio comprising sponge iron, billets/slabs, TMT bars, wire rods, HR coils (strips), ERW pipes & tubes and ferro alloys. The Company's presence across multiple stages of the steel value chain enables its products to cater to a diverse range of end-use industries and applications, including steel manufacturing, construction and infrastructure, residential and commercial development, agriculture, industrial and engineering applications, and the manufacture of wires, cables, fasteners, nails, fencing products, springs, welding electrodes and other downstream steel products. The products are used both for captive consumption in the company's downstream manufacturing operations and are also sold in the open market primarily through direct institutional sales and a network of traders, distributor and dealers enabling it to cater to customers across multiple geographies and end-use segments including third-party steel manufacturers, re-rollers, pipe manufacturers, fabricators and other industrial customers.

Products	FY26 Industry Size (in MnTPA)	Industry CAGR % (FY26-30P)	Growth in Domestic Demand CAGR % (FY21-26)	Growth in Domestic Production CAGR % (FY21-26)	Key Applications	Principal end-use and markets
Semi-finished steel products						
Sponge Iron	59.9	8-9%	12.1%	11.9%	Raw material for steelmaking through induction furnaces and electric arc furnaces	• Captively consumed in our Steel Melting Shop ("SMS") • Sold to other steel product manufacturers (induction/ EAF furnace operators)
Billets / Slabs	164.2*	6-8%*	10.7%*	10.9%*	Intermediate steel products used for rolling into finished steel products	• Captively consumed for downstream rolling into TMT Bars, Wire rods and HR Coils • Sold to other re-rollers and steel product manufacturers
Value-added finished steel products						
TMT Bars	54.0	6-7%	15.1%	14.9%	Reinforcement in concrete structures	• Residential and commercial construction, infrastructure construction projects, industrial and engineering / capital goods.
Wire Rods	9.0	5-7%	13.2%	12.1%	Manufacturing of wires, fasteners, welding electrodes, wire mesh, springs and fencing products	• Used in manufacturing of wires and cables, fasteners, nails, fencing products, wire mesh, springs, welding electrodes, and various engineering and construction products
HR Coils (Strips)	59.9	6-7%	9.7%	7.0%	Fabrication, pipes, tubes, structural components and downstream steel processing	• Captively consumed for ERW Pipe and Tube manufacturing • Sold to other pipe manufacturers and fabricators
ERW Pipes and Tubes	11.7	8-10%	9.9%	12.0%	Transportation of fluids, structural applications and fabrication	• Construction, irrigation, infrastructure, agricultural, industrial and general engineering applications

Products	FY26 Industry Size (in MnTPA)	Industry CAGR % (FY26-30P)	Growth in Domestic Demand CAGR % (FY21-26)	Growth in Domestic Production CAGR % (FY21-26)	Key Applications	Principal end-use and markets
Ferro Alloys (Silico manganese)	0.8	7-9%	7.4%	10.4%	Deoxidizing and alloying agent in carbon steel and alloy steel production	• Captively consumed in SMS • Sold to other steel manufacturers

**Finished steel taken as a proxy for Billet/Slabs*
Source: Crisil Intelligence

The Company's product portfolio serves a diverse set of end-use industries, reducing dependence on any single demand segment and providing flexibility to benefit from growth across multiple sectors.

Construction and infrastructure remain among the key end-use segments, primarily driven by demand for TMT bars, ERW pipes and tubes and wire rods manufactured from billets and slabs. India's continued focus on housing development, transportation infrastructure and industrial corridor development is expected to support long-term demand for these products.

The engineering and manufacturing sectors represent another important demand driver for the Company. HR coils, ERW pipes and tubes and wire rods are widely used in the production of industrial machinery, fabricated products, engineering equipment, agricultural equipment, fasteners, automotive components and capital goods among other end-use and applications. Sponge iron, billets and slabs and ferro alloys are primarily used as inputs in steel manufacturing. The increasing emphasis on domestic manufacturing, supported by initiatives such as Make in India and Production Linked Incentive (PLI) schemes, is expected to contribute to rising consumption of these products.

The Company's diversified, integrated product portfolio across the steel value chain, combined with their ability to dynamically allocate intermediate products between captive consumption and open market sales, positions them to capture opportunities across multiple end-use sectors, mitigate risks associated with demand volatility in any single product or market segment. This broad exposure positions the Company to benefit from India's ongoing economic growth, infrastructure expansion and increasing steel consumption.

Past performance review

Key performance indicators	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations [(1)]	₹ in million	25,925.24	21,878.19	14,943.90
Y-o-Y Revenue growth [(2)]	%	18.50	46.40	83.93
Total Income [(3)]	₹ in million	26,060.61	21,925.16	14,962.47
Operating EBITDA [(4)]	₹ in million	3,730.12	3,365.88	2,850.78
Operating EBITDA Margin [(5)]	%	14.39	15.38	19.08
EBITDA (including other income) [(6)]	₹ in million	3,865.49	3,412.87	2,869.35
EBITDA Margin (including other income) [(7)]	%	14.83	15.57	19.18
Profit After Tax (PAT) for the year [(8)]	₹ in million	1,711.06	1,584.30	1,439.47
PAT Margin [(9)]	%	6.60	7.24	9.63
Return on Equity (ROE) [(10)]	%	24.18	29.61	37.88
Return on Capital Employed (ROCE) [(11)]	%	22.90	25.51	29.68
Debt [(12)]	₹ in million	7,732.22	6,264.40	5,152.98
Net Debt [(13)]	₹ in million	6,721.42	5,341.78	4,898.38
Debt /Equity Ratio [(14)]	Times	0.97	1.01	1.14
Net Debt/ Operating EBITDA [(15)]	Times	1.80	1.59	1.72
Interest Coverage Ratio [(16)]	Times	4.75	5.08	5.24
Fixed Asset Turnover Ratio [(17)]	Times	2.70	2.66	2.43
Net Working Capital Days [(18)]	Days	37	32	43
Production volumes by product segment (TPA) [(19)]				
Sponge Iron	TPA	7,29,918	6,57,370	4,27,644
Billets and Slabs	TPA	3,10,057	2,50,150	2,30,721
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	74,523	81,073	59,432
Wire Rod	TPA	12,080	-	-
Hot Rolled Coils (Strips)	TPA	1,48,419	1,33,210	1,32,250
Electric Resistance Welded Pipes and Tubes	TPA	42,129	16,059	-
Ferro Alloys	TPA	33,564	29,965	2,727
Sales volumes by product segment (TPA) [(20)]				
Sponge Iron	TPA	4,55,617	3,92,614	1,68,890
Billets and Slabs	TPA	62,932	22,938	30,219
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	76,788	79,661	57,763

Key performance indicators	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Wire Rod	TPA	11,579	-	-
Hot Rolled Coils (Strips)	TPA	1,05,820	1,16,520	1,30,707
Electric Resistance Welded Pipes and Tubes	TPA	41,589	14,296	-
Ferro Alloys	TPA	33,514	26,762	1,602

Source: B.S Sponge Limited, Crisil Intelligence
TPA: Tonnes per Annum

Notes:

(1) *Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(2) *Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.*

(3) *Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(4) *Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(5) *Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(6) *EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(7) *EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(8) *Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(9) *PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

(10) *Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.*

(11) *Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by average of opening and closing capital employed; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.*

(12) *Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

(13) *Net Debt: Net Debt represents the sum of long-term borrowings, short-term borrowings and lease liabilities, less Cash and Cash Equivalents, Fixed Deposits and Interest accrued on Fixed Deposits as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

(14) *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

(15) *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

(16) *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

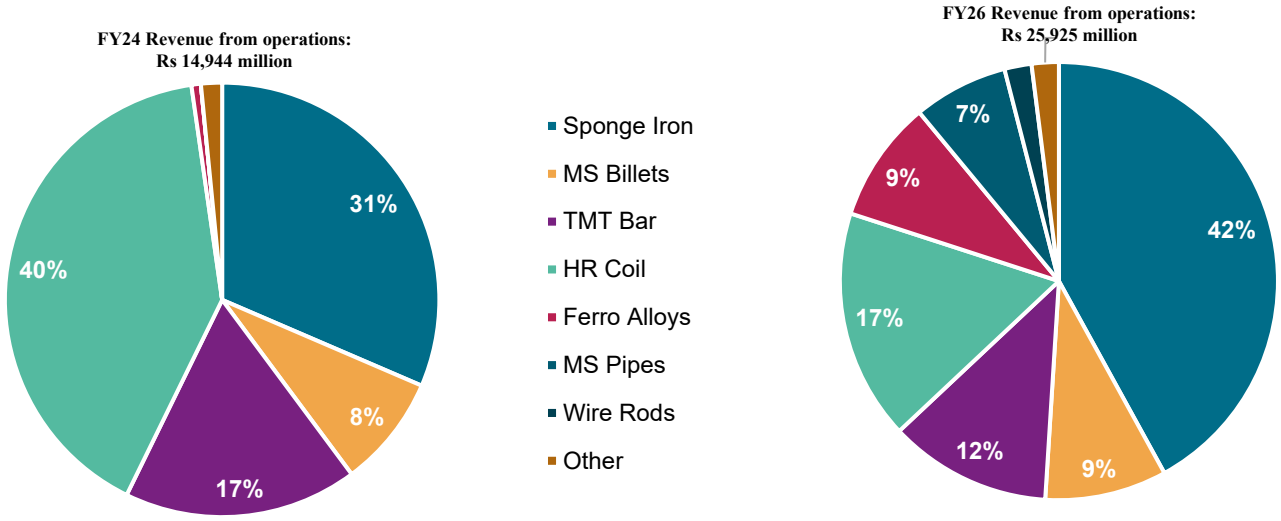
(17) *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

(18) *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

(19) *Production volumes by product segment: Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal.*

(20) *Sales volumes by product segment: Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal.*

Product-wise Revenue contribution (fiscal 2024 and 2026)



Source: B.S Sponge Limited, Crisil Intelligence

Product wise contribution to revenue (fiscal 2024,2025 and 2026)

Particulars	FY2026		FY2025		FY2024	
	Amount (In Rs Mn)	% of Total Revenue from Operation	Amount (In Rs Mn)	% of total Revenue from operations	Amount (In Rs mn)	% of total revenue from operations
Sponge Iron	10,765	42%	9,673	44%	4702	31%
Billets and Slabs	2,334	9%	904	4%	1,250	8%
TMT Bars	3,210	12%	3,434	16%	2,603	17%
HR Coils	4,460	17%	5,087	23%	6,050	40%
Ferro Alloys	2,357	9%	1,868	9%	105	1%
ERW Pipes & Tubes	1,821	7%	628	3%	-	0%
Wire Rods	517	2%	-	0%	-	0%
Other	460	2%	286	1%	234	2%
Grand Total	**25,925**	**100%**	**21,879**	**100%**	**14,944**	**100%**

Source: B.S. Sponge Limited, Crisil Intelligence

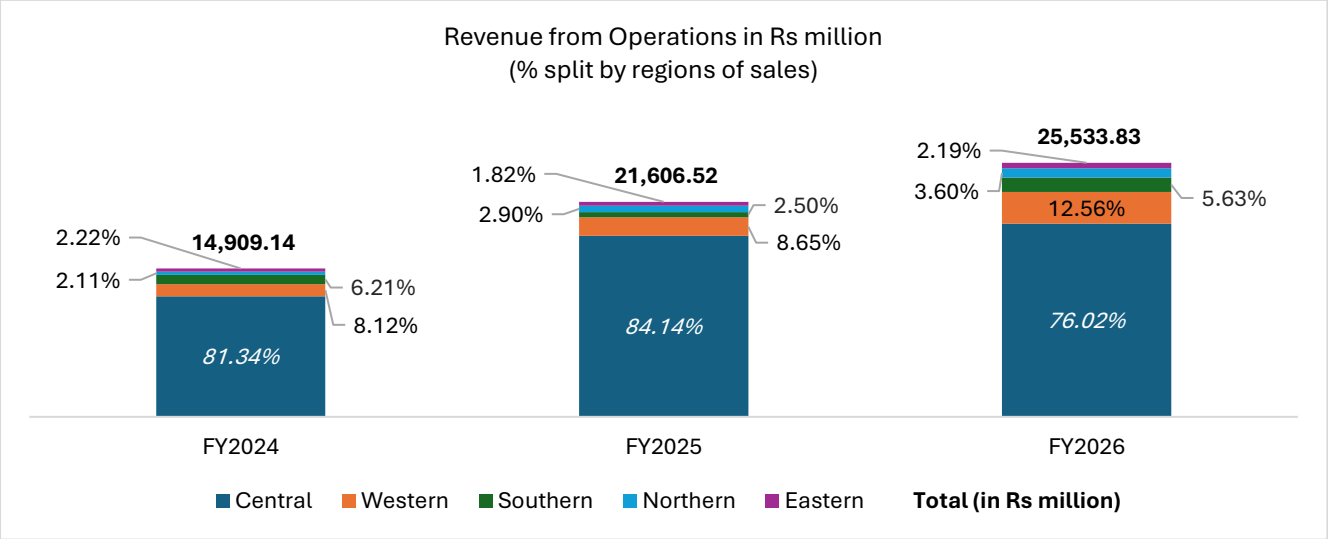
The Company has demonstrated strong operational and financial growth over the last three fiscals, supported by capacity additions, product diversification and increasing market penetration. Revenue from operations increased from approximately ₹1,494 crore in FY24 to ₹2,188 crore in FY25 and further to ₹2,593 crore in FY26, representing a CAGR of approximately 31.7% during FY24–FY26. This growth was driven by higher production volumes, increasing contribution from value-added products and continued expansion of manufacturing capabilities.

The Company's product mix has evolved considerably over the years. While sponge iron continues to be the largest contributor to revenue, contributing approximately 42% of revenue from operations in FY26, the contribution from value-added products such as TMT bars, HR coils, pipes, ferro alloys and wire rods has increased steadily. The commencement of ferro alloys, pipes and wire rod manufacturing has diversified revenue streams and reduced dependence on any single product segment.

Operational performance has strengthened significantly over the review period. Sponge iron production increased from 209,624 tonnes in FY23 to 729,918 tonnes in FY26, while billet production increased from 118,599 tonnes to 310,057 tonnes during the same period. Production of HR coils reached 148,419 tonnes in FY26, while ferro alloys, pipes and wire rods contributed incremental volumes following their commissioning.

The Company's growth trajectory has been supported by continuous investments in manufacturing infrastructure, resulting in a substantial increase in installed capacity across multiple product segments. Simultaneously, its financial profile has strengthened through growth in profitability, increasing net worth and expansion of fixed assets, reflecting the successful execution of its expansion strategy.

Region wise revenue split (FY 2024, FY 2025, and FY 2026)



Source: Company data

Existing footprint

Manufacturing facility

The Company operates a single integrated manufacturing facility located at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India. The facility is spread across approximately 47.19 hectares and houses all major manufacturing operations, including sponge iron kilns, induction furnaces for manufacturing billets and slab, rolling mills for manufacturing TMT bars, HR coil and wire rods, pipe mills for manufacturing ERW pipes and tubes, submerged arc furnaces for manufacturing ferro alloys and captive power plants. The Company manufactures ERW Pipes and Tubes using HR Coils that are captively produced at their Manufacturing Facility, making them one of the few integrated steel manufacturers in India to control the end-to-end supply chain for ERW pipes from iron ore conversion to finished pipe at a single facility.

The strategically located manufacturing facility in the mineral-rich region of Chhattisgarh, the steel capital of India, provides with proximity to key raw material sources, well-established road and railway connectivity, and access to a skilled labour pool. The Company benefits from a strategically located manufacturing facility in Raigarh, Chhattisgarh, which is situated in close proximity to key sources of iron ore, iron ore pellets and coal. A significant portion of the iron-bearing raw material requirement is met through iron ore pellets in place of iron ore (*Source: CRISIL Report*).

A portion of its iron ore requirement is sourced from a Navratna public sector undertaking located in Chhattisgarh and a Gold Category state PSU located in Odisha which is situated within an approximate radius of 300 kilometres from the manufacturing facility and both these PSU's are known for the high-quality of their iron ore. In addition, the Company procures iron ore and iron ore pellets from established private-sector suppliers located within a similar geographic radius, supporting sourcing flexibility and continuity of supply. The proximity to major raw material sources reduces transportation costs and transit times while mitigating supply chain disruptions.

The Company sources coal, a key raw material for sponge iron production, from subsidiaries of a Maharatna PSU that is among the largest coal producers in India. The mines of these subsidiaries are located in close proximity to our Manufacturing Facility. In particular, the Chhal and Jampali mines are located within an approximate radius of 50 kilometres from our Manufacturing Facility, while the Belpahar, Gevra and Kusmunda mines are located within an approximate radius of 100 to 150 kilometres. Further, the Company has entered into long-term coal supply arrangements under the Fuel Supply Agreement (FSA) framework for a portion of its coal requirements. These arrangements provide assured coal supplies at predetermined pricing mechanisms through contracted allocations which mitigates exposure to short-term volatility in coal prices and offer greater visibility over raw material procurement costs. The combination of long-term coal linkages, access to high-quality iron ore sources, proximity from iron ore and iron ore pellet suppliers and a diversified supplier base strengthens raw material security, supports efficient inventory management and enhances the reliability of the Company's manufacturing operations.

Installed capacities and production

Product	Installed Capacity FY26	Available Capacity FY26	Capacity Utilization %	FY26 Production
Sponge Iron	675,000 TPA	675,000 TPA	108.14%	729,918 TPA
Billets & Slabs	367,500 TPA	346,344 TPA	89.52%	310,057 TPA

Product	Installed Capacity FY26	Available Capacity FY26	Capacity Utilization %	FY26 Production
TMT Bars	105,000 TPA	105,000 TPA	70.97%	74,523 TPA
HR Coils (Strips)	165,000 TPA	165,000 TPA	89.95%	148,419 TPA
ERW Pipes & Tubes	120,000 TPA	120,000 TPA	35.11%	39,865 TPA
Ferro Alloys	30,000 TPA	30,000 TPA	111.88%	34,043 TPA
Wire Rods	165,000 TPA	19,438 TPA	62.15%	12,080 TPA
Captive Power	52 MW	52 MW	93.31%	425,027,852 kWh

TPA: Tonnes per Annum; kWh: kilo Wat hour
Source: Company Data

The facility operates as an integrated steel complex where sponge iron serves as the primary feedstock for steelmaking, billets and slabs are further processed into finished products, and ferro alloys and captive power support downstream manufacturing operations. This integration provides operational flexibility and enables efficient utilization of intermediate products across the manufacturing chain.

Future expansion plans and sales tie-ups

The Company has pursued an aggressive capacity expansion strategy over the last several years and continues to focus on both brownfield and greenfield growth opportunities. Between FY23 and FY26, sponge iron capacity expanded from 345,000 TPA to 675,000 TPA, captive power capacity increased from 32 MW to 52 MW between FY23 to FY26 and further 15 MW CFBC added in July, 2026 making the total captive power capacity to 67 MW, billet capacity increased to 367,500 TPA and new product lines such as ferro alloys, ERW pipes and tubes and wire rods were commissioned.

Going forward, the Company plans to undertake further brownfield expansion at its existing Raigarh facility. Proposed projects include expansion of billet and slab manufacturing capacity by 148,500 TPA, enhancement of captive power generation capacity by 18 MW and incremental sponge iron capacity additions of 57,090 TPA and incremental ferro alloys capacity addition of 9,000 TPA, subject to receipt of regulatory approvals. The Company is planning to commission the Nawapara Facility, a greenfield integrated steel manufacturing facility at Nawapara, Gharghoda, Raigarh, Chhattisgarh, India, to be executed in phases. Subject to receipt of the requisite approvals, including environmental approvals, implementation of the project as planned and completion of all the proposed phases, the Nawapara Facility, as on the date of this report , can have a maximum installed manufacturing capacity limit of 858,000 TPA of sponge iron, 792,000 TPA of billets and slabs and 160,000 TPA of silico manganese, together with proposed production facilities for various value-added finished steel products, captive power plants with an aggregate installed capacity of 200 MW and a coal washery basis the TOR approved by the Ministry of Environment, Forest and Climate Change, Government of India, by way of its letter dated June 11, 2026. The company has acquired 44.78 hectares of freehold land for the Nawapara Facility. The proposed Nawapara Facility is located in proximity to the existing Manufacturing Facility, enabling operational synergies and supply chain efficiencies. Further, the Nawapara Facility is also located in close proximity to key raw material sources and suppliers of iron ore, iron ore pellets and coal, and well-connected via road and railway infrastructure to support efficient inward and outward logistic

The Company has established a diversified customer base and intends to continue strengthening its distribution network across India. It is in the process of formalizing distributor relationships for TMT bars and ERW pipes while expanding its reach into new geographical markets and customer segments.

Key client segments

The Company’s products cater to a diversified customer base across multiple sectors of the economy.

Key customer segments include:

- Steel manufacturers and induction furnace operators
- Rolling mills and re-rollers
- Infrastructure and construction companies
- Pipe and tube manufacturers
- Engineering and fabrication companies
- Industrial manufacturers
- Traders, distributors, and dealers
- Wire and fastener manufacturers

Geographically, the Company derives majority of its revenues from Central India. In FY26, the Central region accounted for approximately 75% of revenue e, followed by Western India at 12%, Southern India at 6%, Northern India at 5% and Eastern India at 2%. Chhattisgarh remained the largest individual market, contributing approximately 56% of revenue.

The Company served approximately 1,000+ customers during FY26, with no single customer contributing more than 4.12% of revenue from operations, indicating a diversified customer portfolio and limited customer concentration risk.

Estimated market share of the company

B.S. Sponge has established presence across multiple steel product segments through continuous capacity expansion and product diversification. Based on FY26 installed capacities and industry production estimates, the Company is estimated to account for approximately ~1% of India's installed sponge iron capacity. While its share of the domestic sponge iron market remains relatively modest, the Company has progressively expanded its product portfolio through downstream integration into value-added steel products. The diversified manufacturing platform provides operational flexibility and allows participation across multiple steel product segments, while future capacity additions may support further expansion of its market presence over the medium term.

The Company also has a growing position in downstream products including HR coils, TMT bars, pipes, wire rods and ferro alloys. While its market share remains relatively modest in these larger product segments, the Company's integrated manufacturing model and growing capacities provide significant opportunities to increase its presence over the medium term.

The Company's ability to manufacture products across multiple stages of the steel value chain, combined with its captive power generation capabilities and strategic location, provides a strong platform to enhance market share through future expansions and increasing value-added product sales.

SWOT analysis & unique selling propositions (USPs)

Key strengths

- Integrated steel manufacturing facility with presence across sponge iron, billets, TMT bars, HR coils, ERW pipes & tubes, wire rods and ferro alloys, enabling value addition across multiple stages of the steel value chain.
- Strong energy self-sufficiency, with a 67 MW captive power plant meeting approximately 98.1% of the Company's operational power requirement in FY2025 through WHRB and AFBC-based generation.
- Diversified product portfolio with increasing focus on value-added products such as HR coils, pipes & tubes and wire rods.
- Strategic manufacturing facility located in Chhattisgarh, providing proximity to key raw material sources and major steel-consuming markets.
- Demonstrated execution capability, reflected in successful commissioning of new capacities including wire rods and pipes & tubes facilities.
- Strong operational performance with production utilization exceeding 90% for billets, HR coils and captive power generation in FY2026.

Key weakness

- Manufacturing operations concentrated at a single integrated facility, exposing operations to geographical and plant-specific risks.
- Revenue concentration in Central and adjoining markets, resulting in relatively lower pan-India diversification compared with larger integrated steel peers.
- The Indian steel industry is highly competitive and cyclical in nature, resulting in competition from domestic and international steel and steel products manufacturers and cyclicality in steel pricing, infrastructure spending and industrial demand.
- Capital-intensive business model requiring significant investments for expansion and modernization.

Opportunities

- Rising domestic steel demand driven by infrastructure, manufacturing, housing and industrial capex.
- Expansion into higher-margin downstream products such as ductile iron pipes, wire rods, pipes & tubes and specialty steel products.
- Capacity expansion program expected to enhance downstream integration and increase the contribution of value-added products.
- Increasing policy support under the National Steel Policy, Make in India and infrastructure investment initiatives.
- Potential to increase market penetration across western and southern India.

Threats

- Volatility in iron ore, coal, power and freight costs affecting operating margins.
- Intense competition from larger integrated steel producers and regional secondary steel manufacturers. The company face competition from domestic and international steel and steel product manufacturers.
- More stringent environmental and sustainability regulations leading to higher compliance costs.
- Imports and fluctuations in global steel prices impacting domestic realizations.
- Slowdown in economic activity or infrastructure spending affecting steel demand.

Unique selling propositions (USPs)

- Highly energy self-sufficient operations, with captive power generation meeting approximately 98% of operational power requirements, significantly reducing dependence on grid power.
- Fully integrated steel manufacturing platform capable of converting raw materials into multiple finished products within a single manufacturing complex.
- Diversified downstream product mix spanning long products, flat products, pipes & tubes, wire rods and ferro alloys, providing flexibility to optimize production based on market conditions.
- Strong operational utilization levels, with FY2026 utilization of approximately 108% for sponge iron, 90% for billets, 90% for HR coils and 93% for captive power generation based on available capacity.
- Strategic location advantage through proximity to raw material sources and key steel-consuming regions, supporting logistics and procurement efficiencies.
- Proven brownfield expansion capability, demonstrated through successful commissioning and ramp-up of new product lines and downstream capacities.

OUR BUSINESS

In this Draft Red Herring Prospectus, unless the context otherwise indicates, requires or implies, any reference to "the Company", "our Company", "we", "us" or "our" refers to B.S. Sponge Limited.

Our financial year ends on March 31 of each year, so all references to a particular Financial Year/ Fiscal are to the twelve-month period ended March 31 of that year.

Some of the information in this section with respect to our plans and strategies contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and the section "Risk Factors", "Management's Discussion and Analysis of Results of Operations" and "Industry Overview" on pages 20, 269, and 131, respectively, for a discussion of certain risks that may affect our business, financial condition or results of operations.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 298. We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, some of which may not be derived from our Restated Financial Information or otherwise subjected to an examination, audit or review or any other procedures by our Statutory Auditors. We consider and use these performance indicators as supplemental measures to review and assess our operating performance and some of them are not required by, or presented in accordance with, Ind AS. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. These key performance indicators may not fully reflect our financial performance, liquidity, profitability or cash flows. Further, the manner of calculation and presentation of some of these operational and financial performance indicators, and the assumptions and estimates used in such calculation, may vary from that used by other companies in India, including peer companies and, hence their comparability may be limited. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from the report titled "Steel intermediaries and Steel products" dated September 2026 ("**CRISIL Report**"), prepared and issued by CRISIL Intelligence, a division of CRISIL Limited pursuant to an engagement letter dated June 10, 2026, and exclusively commissioned and paid for by us in connection with the Offer. The industry-related information included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. The CRISIL Report will be available on the website of our Company at www.bsstmx.com/initial-public-offer from the date of the Red Herring Prospectus until the Bid/Offer Closing Date. For more information, see "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation" and "Risk Factors — Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks." on pages 16 and 53, respectively.*

OVERVIEW

We are one of the leading manufacturers of steel and steel products in India in terms of installed capacity as of March 31, 2026 (*Source: CRISIL Report*). We have one of the most diversified and integrated manufacturing chains among mid-size steel producers in India (*Source: CRISIL Report*). Our diversified product portfolio spanning across multiple stages of the steel value chain, comprise semi-finished steel products including sponge iron, and billets and slabs, including M S billets ("**Billets and Slabs**"), and value-added finished steel products including, thermo-mechanically treated bars ("**TMT Bars**"), hot rolled coil (strips) ("**HR Coils**"), wire rods ("**Wire Rods**"), electric resistance welded pipes and tubes ("**ERW Pipes and Tubes**") and ferro alloys, comprising primarily silico manganese ("**Ferro Alloys**"). Our integrated steel manufacturing operations span from the conversion of iron ore into sponge iron to the manufacturing of value-added finished steel products.

We commenced our manufacturing operations in 2005 with one sponge iron rotary kiln having an installed capacity of 30,000 TPA. Over the last two decades, we have expanded our operations through a combination of capacity additions and forward integration initiatives. As of March 31, 2026, our installed manufacturing capacity for sponge iron stood at 675,000 TPA, while our aggregate installed manufacturing capacity across our portfolio of semi-finished and value-added finished steel products was 1,627,500 TPA. Our sponge iron manufacturing facility comprises six rotary kilns of 100 TPD each and six rotary kilns of 250 TPD each, enabling us to operate different kilns using different grades and combinations of raw materials. This operational

flexibility allows us to optimize our raw material mix, improve production planning and respond efficiently to changing customer demand and product mix requirements.

All of our manufacturing operations are carried out at our manufacturing facility, which is spread across approximately 47.19 hectares at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India ("**Manufacturing Facility**") which is strategically located in the mineral-rich state of Chhattisgarh, the steel capital of India (*Source: CRISIL Report*). Our presence across the steel manufacturing value chain coupled with an integrated manufacturing set up provides us with operational efficiencies and logistical advantages across our operations. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is equipped with a 67 MW captive power plant which enables us to reduce our dependence on external sources of power, ensures a reliable and uninterrupted power supply for our manufacturing operations, improves energy efficiency, and provides greater control over power costs, which constitute a significant component of steel manufacturing costs.



Our products cater to a diverse range of end-use industries and applications, including steel manufacturing, construction and infrastructure, residential and commercial development, agriculture, industrial and engineering applications, and for manufacturing of wires, cables, fasteners, nails, fencing products, springs, welding electrodes and other downstream steel products. Our products are used both for captive consumption in our downstream manufacturing operations and are also sold in the open market primarily through direct institutional sales and a network of traders, distributor and dealers enabling us to cater to customers across multiple geographies and end-use segments including third-party steel manufacturers, re-rollers, pipe manufacturers, fabricators and other industrial customers (*Source: CRISIL Report*).

The table below sets forth the sales revenue generated from the sale of our products as a percentage of our revenue from operations for the Fiscals indicated:

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Sponge iron	10,765.34	41.52	9,672.59	44.21	4,702.12	31.47
2.	Billets and Slabs	2,333.62	9.00	903.73	4.13	1,249.93	8.36
3.	TMT Bars	3,219.04	12.42	3,449.31	15.77	2,608.76	17.46
4.	Wire Rods	517.18	1.99	-	-	-	-
5.	HR Coils	4,460.44	17.21	5,087.10	23.25	6,050.18	40.49
6.	ERW Pipes and Tubes	1,820.95	7.02	627.54	2.87	-	-
7.	Ferro Alloys	2,357.46	9.09	1,868.22	8.54	104.58	0.70

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (₹ *in million*)	% of revenue from operations	Revenue from operations (₹ *in million*)	% of revenue from operations	Revenue from operations (₹ *in million*)	% of revenue from operations
8.	Others	451.21	1.74	269.71	1.23	228.33	1.53
Total		**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

The infographic below sets forth our key products and integrated manufacturing process as of the date of this Draft Red Herring Prospectus:



The state of Chhattisgarh is geographically located at the centre of the country, with Raigarh being a major industrial hub surrounded by major mineral-rich industrial states including Odisha and Jharkhand. Raigarh has a well-developed industrial ecosystem with the presence of numerous steel, power and allied manufacturing industries, and continues to witness the establishment of new industrial projects and manufacturing facilities which provides us with access to a robust supplier network, skilled manpower, logistics infrastructure and other ancillary facilities that support our manufacturing operations (*Source: CRISIL Report*). Our Manufacturing Facility located in Raigarh, Chhattisgarh, spread across approximately 47.19 hectares, is in close proximity to key raw material sources and suppliers of iron ore, iron ore pellets and coal, and well-connected via road and railway infrastructure to support efficient inward and outward logistics (*Source: CRISIL Report*). This simplifies the supply chain for procurement of raw materials, distribution of finished products and also reduces our logistics costs. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is also supported by a 67 MW captive power plant, comprising a 48 MW waste heat recovery boiler ("**WHRB**") based unit, a 4 MW atmospheric fluidized bed combustion ("**AFBC**")-based unit and a 15 MW circulating fluidized bed combustion ("**CFBC**") based unit. Our captive power plant met 96.01%, 98.14% and 95.86% of our Company's operational power requirements in Fiscals 2026, 2025 and 2024, respectively. As a result of our captive power generation capabilities, our dependence on external power procurement is limited, and power costs from external sources accounted for 0.73% of our revenue from operations in Fiscal 2026, which provides us with a significant cost advantage in an industry where power constitutes a key operating cost.

We are focused on implementing quality control procedures at our Manufacturing Facility to ensure the manufacturing of quality products. Our Manufacturing Facility has been certified in accordance with internationally recognized management system standards, including ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety management. Further, our products are manufactured to comply with the applicable standards prescribed by the Bureau of Indian Standards ("**BIS**"), as well as quality standards imposed by our customers. We are also registered members of industry associations, including the Chhattisgarh Sponge Iron Manufacturers Association and the India Ferro Alloy Producers' Association.

Our Manufacturing Facility is also equipped with advanced technologies across various stages of the manufacturing process. We continuously focus on adopting efficient manufacturing technologies to enhance product quality, improve operational efficiency and optimize resource utilization. Our TMT Bars are manufactured using THERMEX® QST technology, developed in Germany, which enables the production of reinforcement bars with standard mechanical properties, ductility and weldability. Our TMT Bars, Wire Rods and HR Coils are manufactured using direct hot charging technology, wherein Billets and Slabs produced through the continuous casting process are directly transferred to our TMT rolling mill, wire rod mill and hot strip mill, respectively. This process minimizes heat loss, reduces reheating requirements, improves energy efficiency and contributes to optimizing production costs. In addition, our hot strip mill is a 4-Hi rolling mill and is equipped with Automatic Gauge Control ("**AGC**") technology, which enables control over strip thickness and helps minimize thickness variation in HR Coils. The deployment of such technology assists in maintaining product quality, consistency and adherence to customer specifications.

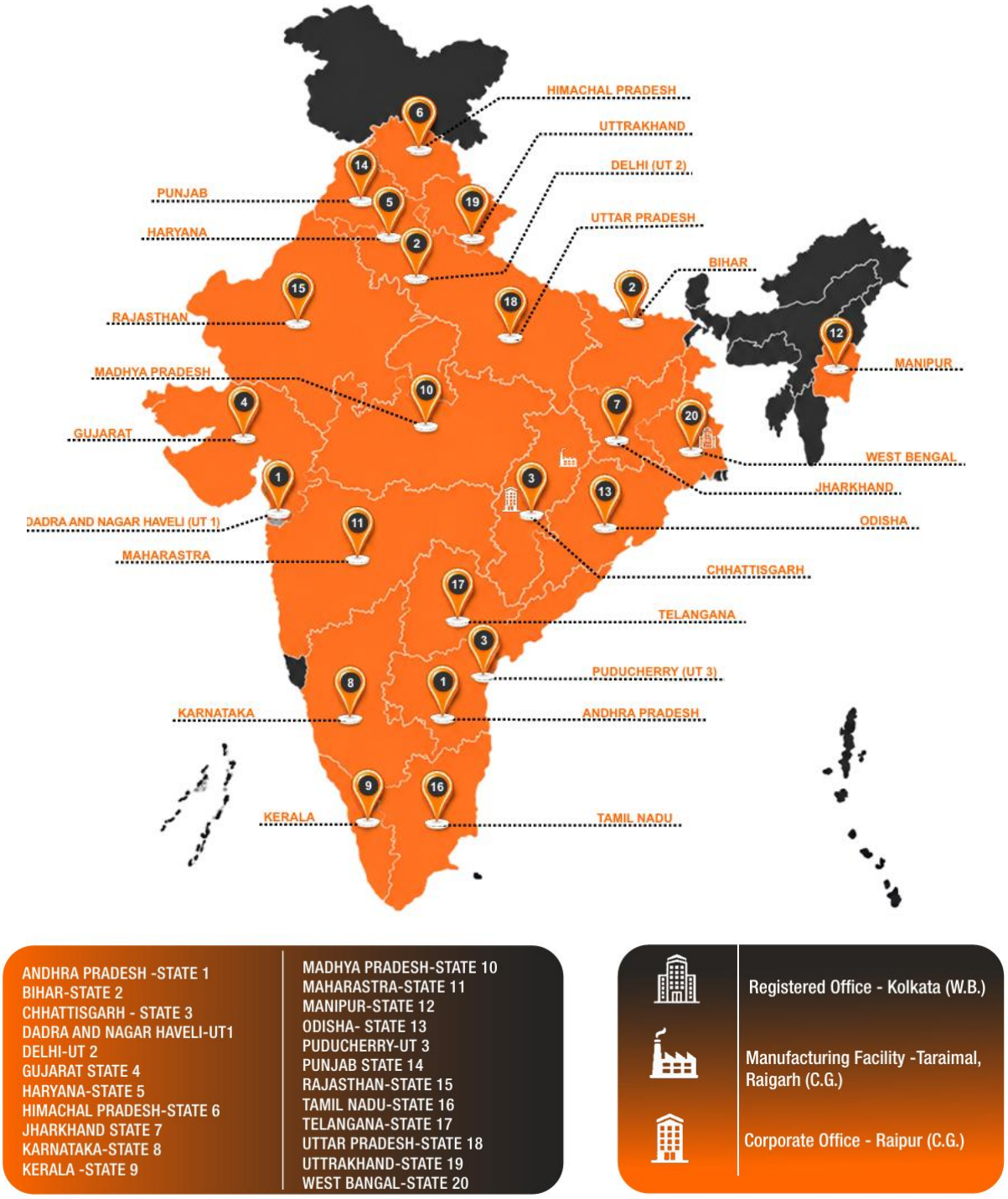
Our operations are currently focused on the domestic market, with a pan-India presence. In Fiscal 2026, our products were distributed across 20 states and three union territories in India, reflecting our broad geographic presence. The table below sets forth our revenue from distribution of our products to various geographical regions in India for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)
Central[(1)]	19,409.42	74.87	18,179.94	83.10	12,128.63	81.16
Western[(2)]	3,207.52	12.37	1,867.86	8.54	1,211.23	8.11
Southern[(3)]	1,440.88	5.56	625.87	2.86	926.12	6.20
Northern[(4)]	1,308.05	5.05	811.99	3.71	347.62	2.33
Eastern[(5)]	559.37	2.16	392.53	1.79	330.30	2.21
Total	**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

In Fiscal 2026:

(1) *Central region includes Chhattisgarh, Madhya Pradesh and Uttar Pradesh.*
(2) *Western region includes Dadra and Nagar Haveli, Gujarat and Maharashtra.*
(3) *Southern region includes Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana.*
(4) *Northern region includes Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan and Uttarakhand.*
(5) *Eastern region includes Bihar, Jharkhand, Manipur, Odisha and West Bengal.*

As of March 31, 2026, we served over 1,000 customers across India, with no single customer contributing more than 4.12% of our revenue from operations in Fiscal 2026. We have cultivated long-standing relationships with certain of our customers. We currently sell our products primarily through direct institutional sales and a network of traders, distributors and dealers, enabling us to cater to customers across multiple geographies and end-use segments. The following map illustrates the states and union territories across India in which we distributed our products in Fiscal 2026, along with the location of our Manufacturing Facility and registered and corporate office:



Our dedicated sales and marketing team, comprising 45 personnel as of March 31, 2026, promotes our product portfolio and establishes relationships with our institutional customers, distributors, dealers, traders and retailers. To effectively market our products, we focus on an approach that combines direct engagement with distributors, dealers, traders, and retailers, visibility through digital and offline channels, integrated marketing campaigns and brand building. Our direct engagement efforts include periodic meets with select distributors, dealers and traders, which enable us to showcase our latest products, gather feedback and build relationships. We have participated in various industry events, trade fairs and exhibitions. For instance, we have recently participated in the 'Tube and Pipe Fair 2026' in Hyderabad, the 'BigMint India Ferrous Week 2025' in Kolkata and the 'Green Steel & Mining Summit 2026' in Raipur. Our digital and offline marketing initiatives include social media marketing, dealer boards and hoarding campaigns, which enhance our product visibility and promote our brand.

We are led by our Promoters, Parmanand Agarwal (Chairman, Non-Executive and Non-Independent Director) and Ashish Agarwal (Managing Director), who collectively bring over 70 years of experience in the steel, power, civil construction and mining sectors. Parmanand Agarwal has over four decades of experience across the mining, civil construction, steel manufacturing and power sectors. As our Chairman, his strategic insights and leadership continue to guide the long-term growth

and operational development of our Company. Ashish Agarwal, Managing Director of our Company, has more than 20 years of experience in steel and power sectors and is responsible for our overall management, operations, finance and performance. Our Board also includes experienced industry professionals who bring deep operational expertise in their respective areas. Our Promoters and Board are supported by an experienced management team comprising professionals with diverse expertise across sales and marketing, strategy, finance, commercial operations, procurement, administration and corporate social responsibility initiatives. For further details, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 290 and 270, respectively.

Key performance indicators

Details of our key performance indicators for the Fiscal 2026, Fiscal 2025 and Fiscal 2024 are provided below:

(₹ in million, unless mentioned otherwise)

Key performance indicators	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs				
GAAP Measures				
Revenue from Operations [(1)]	₹ in million	25,925.24	21,878.19	14,943.90
Profit After Tax (PAT) for the year [(2)]	₹ in million	1,711.06	1,584.33	1,439.47
Total Income [(3)]	₹ in million	26,060.60	21,925.18	14,962.46
Debt [(4)]	₹ in million	7,732.22	6,264.38	5,152.98
Non-GAAP Measures				
Net Debt [(5)]	₹ in million	6,721.42	5,341.78	4,898.38
Y-o-Y Revenue growth [(6)]	%	18.50	46.40	83.93
Operating EBITDA [(7)]	₹ in million	3,730.11	3,365.89	2,850.79
Operating EBITDA Margin [(8)]	%	14.39	15.38	19.08
EBITDA (including other income) [(9)]	₹ in million	3,865.47	3,412.88	2,869.35
EBITDA Margin (including other income) [(10)]	%	14.83	15.57	19.18
PAT Margin [(11)]	%	6.60	7.24	9.63
Return on Equity (ROE) [(12)]	%	24.18	29.61	37.88
Return on Capital Employed (ROCE) [(13)]	%	22.90	25.51	29.68
Debt /Equity Ratio [(14)]	Times	0.97	1.01	1.14
Net Debt/ Operating EBITDA [(15)]	Times	1.80	1.59	1.72
Interest Coverage Ratio [(16)]	Times	4.75	5.08	5.24
Fixed Asset Turnover Ratio [(17)]	Times	2.70	2.66	2.43
Net Working Capital Days [(18)]	Days	37	32	43
Operational KPIs				
Production volumes by product segment (TPA) [(19)]				
Sponge Iron	TPA	7,29,918	6,57,370	4,27,644
Billets and Slabs	TPA	3,10,057	2,50,150	2,30,721
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	74,523	81,073	59,432
Wire Rod	TPA	12,080	-	-
Hot Rolled Coils (Strips)	TPA	1,48,419	1,33,210	1,32,250
Electric Resistance Welded Pipes and Tubes	TPA	42,129	16,059	-
Ferro Alloys	TPA	33,564	29,965	2,727
Sales volumes by product segment (TPA) [(20)]				
Sponge Iron	TPA	4,55,617	3,92,614	1,68,890
Billets and Slabs	TPA	62,932	22,938	30,219
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	76,788	79,661	57,763
Wire Rod	TPA	11,579	-	-
Hot Rolled Coils (Strips)	TPA	1,05,820	1,16,520	1,30,707
Electric Resistance Welded Pipes and Tubes	TPA	41,589	14,296	-
Ferro Alloys	TPA	33,514	26,762	1,602

Note: As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026. The certificate dated September 30, 2026, issued by S K Patodia & Associates LLP, Chartered Accountants, has been included in "Material Contracts and Documents for Inspection" on page 493.

Notes:

(1) Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.

(2) Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.

(3) Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(4) Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.

(5) Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by EBITDA, as enumerated above for and as at the relevant fiscal.

(6) Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.

[7] *Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[8] *Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[9] *EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[10] *EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[11] *PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[12] *Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.*

[13] *Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.*

[14] *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

[15] *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

[16] *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

[17] *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[18] *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

[19] *Production volumes by product segment: Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal.*

[20] *Sales volumes by product segment: Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal.*

OUR STRENGTHS

Diversified product portfolio spanning the steel value chain

We manufacture a diversified portfolio of both semi-finished and value-added finished steel products, including sponge iron, Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes, and Ferro Alloys, which collectively cater to a wide range of end-use industries including steel manufacturing, construction and infrastructure, residential and commercial development, agriculture, industrial and engineering applications, and for manufacturing of wires, cables, fasteners, nails, fencing products, springs, welding electrodes and other downstream steel products.

Our integrated and diversified product portfolio provides us with the flexibility to optimize our product mix based on prevailing market conditions and demand trends, while enabling shifts across products to meet customer requirements. We are not dependent on a single product category or end-user industry for our revenue. For instance, our product mix caters to the construction and infrastructure sector (TMT Bars, ERW Pipes and Tubes and Wire Rods), the manufacturing and engineering sector (HR Coils, ERW Pipes and Tubes and Wire Rods), and the steel manufacturing sector (sponge iron, Billets and Slabs and Ferro Alloys) among other end-use industries and applications.

We have the flexibility to adjust the proportion of intermediate products (sponge iron, Billets and Slabs, HR Coils) sold in the open market versus captively consumed for further processing into value-added finished steel products, depending on the market demand across the steel value chain. This flexibility provides us with multiple revenue streams and supports operational resilience across market cycles. It enables us to cater to diversified customer requirements, respond to evolving demand patterns, and ensure timely execution and delivery of customer orders. While sponge iron, Billets and Slabs, HR Coils and Ferro Alloys are sold in the market as well as captively consumed, our TMT Bars, Wire Rods and ERW Pipes and Tubes are completely sold in the market.

As of March 31, 2026, our installed capacities for sponge iron, Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes and Ferro Alloys stood at 675,000 TPA, 367,500 TPA, 105,000 TPA, 165,000 TPA, 165,000 TPA, 120,000 TPA and 30,000 TPA, respectively, with capacity utilisation of 108.14%, 89.52%, 70.97%, 62.15%, 89.95%, 35.11% and 111.88%, respectively (based on available capacity during the respective periods). For details in relation to our installed capacity and capacity utilization of our products, see "*Our Business — Capacity and Capacity Utilization*" on page 246. While the contribution of individual products to our revenue from operations may vary across periods based on customer demand, market conditions and production planning, our integrated manufacturing capabilities provide us with the flexibility to manufacture and supply products across multiple stages of the steel value chain. While sponge iron contributed to 41.52% of our revenue from operations in Fiscal 2026 it is an intermediate product that can, subject to market conditions, production planning and downstream capacity availability, be channelled towards the manufacturing of other products, including Billets and Slabs, TMT Bars, Wire Rods and HR Coils.

Our ERW Pipes and Tubes are manufactured using HR Coils that are captively produced at our Manufacturing Facility, making us one of the few integrated steel manufacturers in India to control the end-to-end supply chain for ERW pipes from iron ore conversion to finished pipe at a single facility (*Source: CRISIL Report*).

The table below sets forth the sales revenue generated from the sale of our products as a percentage of our revenue from operations for the Fiscals indicated:

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Sponge iron	10,765.34	41.52	9,672.59	44.21	4,702.12	31.47
2.	Billets and Slabs	2,333.62	9.00	903.73	4.13	1,249.93	8.36
3.	TMT Bars	3,219.04	12.42	3,449.31	15.77	2,608.76	17.46
4.	Wire Rods	517.18	1.99	Nil	N.A.	Nil	N.A.
5.	HR Coils	4,460.44	17.21	5,087.10	23.25	6,050.18	40.49
6.	ERW Pipes and Tubes	1,820.95	7.02	627.54	2.87	Nil	N.A.
7.	Ferro Alloys	2,357.46	9.09	1,868.22	8.54	104.58	0.70
8.	Others	451.21	1.74	269.71	1.23	228.33	1.53
Total		**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

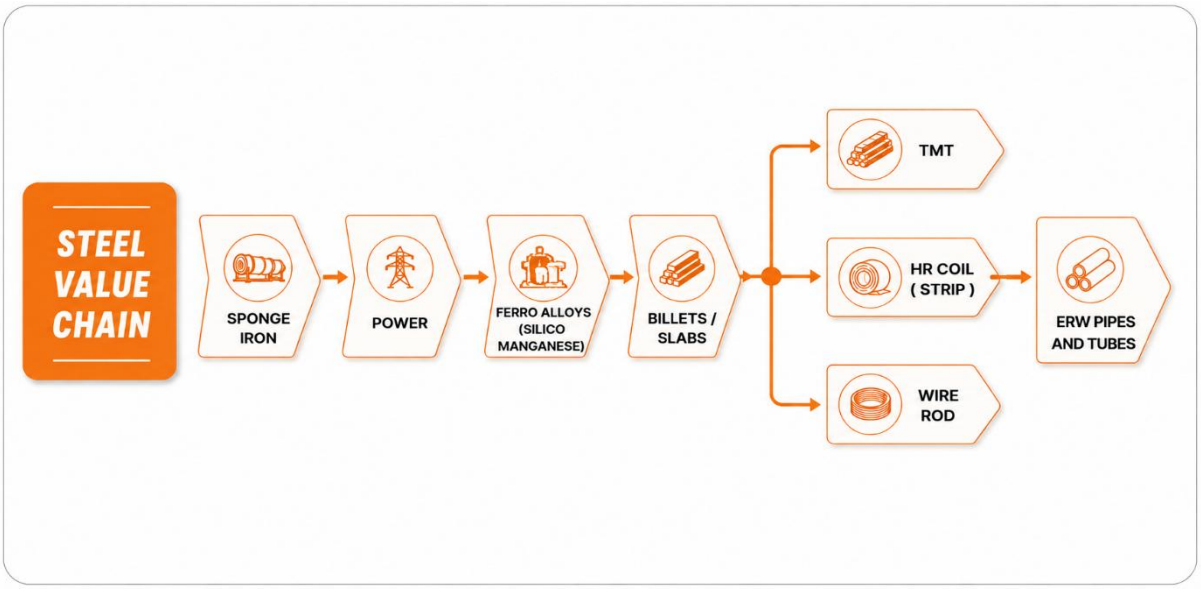
Our diversified, integrated product portfolio across the steel value chain, combined with our ability to allocate products between captive consumption and open market sales, positions us to capture opportunities across multiple end-use sectors, mitigate risks associated with demand volatility in any single product or market segment

Integrated steel Manufacturing Facility with captive power infrastructure providing significant cost and operational efficiency

We operate an integrated steel manufacturing facility at Raigarh, Chhattisgarh, spread across 47.19 hectares, with the capability to manufacture a range of semi-finished and value-added finished steel products. We manufacture sponge iron by utilizing iron ore, iron ore pellets and coal as the key primary raw materials in our rotary kilns, which is further processed into Billets and Slabs in our steel melting shop ("**SMS**") division. We also manufacture Ferro Alloys at our Manufacturing Facility, a portion of which is captively consumed in the production of Billets and Slabs. The Billets and Slabs are transferred through a hot charging process to our downstream rolling mills for the manufacturing of various value-added products, including HR Coils, Wire Rods and TMT Bars, thereby reducing reheating requirements, improving energy efficiency and enhancing operational efficiency. In addition, a portion of HR Coils are captively consumed in the manufacturing of ERW Pipes and Tubes.

Our integrated manufacturing operations enable us to optimise the utilisation of our manufacturing facilities, reduce dependence on external processing and intermediate material movements, and support operational continuity, contributing to efficient capacity utilisation across our manufacturing operations. For details in relation to our Manufacturing Facility and installed capacity and capacity utilization of our products, see "*Our Business — Capacity and Capacity Utilization*" on page 246.

Set down below are details of our steel value chain:



As on the date of this Draft Red Herring Prospectus, we operate a 67 MW captive power plant comprising: (i) a 48 MW WHRB-based power generation unit, which utilizes waste heat from gases generated during the sponge iron manufacturing process to produce electricity without requiring any additional fuel; (ii) a 4 MW AFBC-based power generation unit, and (iii) a 15 MW CFBC based power generation unit. The AFBC and CFBC units primarily utilize dolochar, a by-product of the sponge iron manufacturing process, as fuel for power generation supplemented by a limited quantity of coal. Our captive power infrastructure met 96.01% of our operational power requirements for Fiscal 2026, with the rest sourced from the state electricity board. As a result of our captive power generation capabilities, our dependence on external power procurement is limited, and power costs from external sources accounted for 0.73% of our revenue from operations in Fiscal 2026, which we believe provides us with a significant cost advantage in an industry where power constitutes a key operating cost.

The WHRB-based power generation model is significantly cost-efficient, as it requires no additional fuel consumption, and is classified as a renewable and environmentally sustainable source of energy as it recovers and utilizes heat that would otherwise be vented as waste. The AFBC and CFBC based power plant are also cost-efficient, as they primarily utilize dolochar, a by-product generated during the sponge iron manufacturing process, as their primary fuel source. This enables us to convert an internal by-product into a valuable energy resource, reducing waste disposal requirements while enhancing operational efficiency and environmental performance.

Our Company's captive power generation capabilities significantly reduce our dependence on external sources of power and mitigate risks associated with grid interruptions, power shortages, fluctuations in tariffs and supply constraints. Reliable and uninterrupted availability of power is critical for steel manufacturing operations, where disruptions in electricity supply may adversely impact production efficiency, product quality and operating costs (*Source: CRISIL Report*). Further, our captive power infrastructure enhances our cost competitiveness which strengthens our ability to operate efficiently across industry cycles.

The following table sets forth our captive power generation as a percentage of our total operational power requirements and our power costs as a percentage of revenue from operations for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Captive power as % of total operational power requirements	96.01	98.14	95.86
Power cost from external sources as % of revenue from operations	0.73	0.47	0.61

The integrated nature of our operations enable us to exercise control over key stages of the steel manufacturing process, from raw material conversion to finished product, within a single facility. This provides us with significant advantages including: (i) enhanced control over product quality at each stage of the value chain; (ii) reduced dependence on third-party suppliers for intermediate products; (iii) operational flexibility to adjust the product mix between sale of products such as sponge iron, Billets and Slabs, and HR Coils and further processing them into finished products, depending on market conditions; (iv) shorter production and delivery timelines; (v) ability to respond to customer specifications for our products in a timely manner through production planning and (vi) captive utilization of internally generated scrap from our SMS, hot strip mill, TMT mill, wire rod mill and tube mill divisions, which reduces wastage and supports efficient resource utilization.

Strategically located Manufacturing Facility resulting in procurement and supply chain stability, procurement and logistics efficiencies

Our Manufacturing Facility is strategically located in the mineral-rich region of Raigarh, Chhattisgarh, which provides us with proximity to key sources of iron ore, iron ore pellets and coal (*Source: CRISIL Report*). The strategic proximity of our Manufacturing Facility to these raw material sources enables efficient procurement, reduces inbound transportation costs and transit time, mitigates supply chain disruptions, and allows us to benefit from bulk procurement advantages (*Source: CRISIL Report*). Furthermore, the state of Chhattisgarh is geographically located at the centre of India with Raigarh being a major - industrial hub surrounded by major mineral-rich industrial states including Odisha and Jharkhand, with well-established road and railway connectivity. (*Source: CRISIL Report*). Raigarh has a well-developed industrial ecosystem with the presence of numerous steel, power and allied manufacturing industries, and continues to witness the establishment of new industrial projects and manufacturing facilities which provides us with access to a robust supplier network, skilled manpower, logistics infrastructure and other ancillary facilities that support our manufacturing operations (*Source: CRISIL Report*). This strategic location also facilitates easy availability of transportation infrastructure and heavy commercial vehicles, ensuring efficient outward logistics for nationwide product distribution and contributing to timely delivery of products to our customers (*Source: CRISIL Report*).

We source a portion of our requirements of iron ore from a "Navratna" public sector undertaking ("**Navratna PSU**") located in Chhattisgarh and a "Gold Category" state PSU ("**Gold Category PSU**") located in Odisha, which is situated within an approximate radius of 300 kilometres from our Manufacturing Facility and both these PSU's are known for the high quality of their iron ore (*Source: CRISIL Report*). A significant portion of our iron-bearing raw material requirement is met through iron ore pellets in place of iron ore (*Source: CRISIL Report*). In addition, we also procure iron ore and iron ore pellets from private sector manufacturers, who are also located within a similar geographic radius (*Source: CRISIL Report*). We procure iron ore under a long-term supply agreement with a Navratna PSU and from a Gold Category PSU and other private sector suppliers through auctions and market purchases. To ensure cost-effective procurement decisions, we compare raw material prices on a regular basis.

We source coal, a key raw material for sponge iron manufacturing, from subsidiaries of a "Maharatna" PSU that is among the largest coal producers in India (*Source: CRISIL Report*). The mines of these subsidiaries are located in close proximity to our Manufacturing Facility. In particular, the Chhal and Jampali mines are located within an approximate radius of 50 kilometres from our Manufacturing Facility, while the Belpahar, Gevra and Kusmunda mines are located within an approximate radius of 100 to 150 kilometres (*Source: CRISIL Report*). This proximity enables efficient procurement, reduces inbound transportation costs and transit time, and supports continuity of coal supplies for our manufacturing operations. We have entered into long-term supply arrangements with this PSU under their fuel supply agreement ("**FSA**") framework for supply of 404,500 MT of coal annually. Further, we have received LOIs for additional long-term supply arrangements covering 466,000 MT of coal annually, providing us with visibility on the availability and pricing of our key raw material for quantities aggregating up to 870,500 MT annually, representing more than 75% of our total annual coal requirements. Such agreements provide us with assured coal supplies at predetermined pricing mechanisms for the contracted quantities, which mitigates our exposure to volatility in coal prices and provides visibility over our raw material procurement costs. Further, the assured allocation of contracted quantities enables us to optimize our inventory levels and reduces the need to maintain significant coal inventories.

In addition to our key raw materials, we require other raw materials and industrial consumables such as mild steel scrap, dolomite, refractories, electrodes, industrial gases, fluxes, and packaging materials for our manufacturing operations. Given the location of our Manufacturing Facility, we have access to a supplier ecosystem for such raw materials and consumables. We evaluate and select suppliers based on various parameters, including product quality, pricing, delivery performance, reliability of supply and compliance with applicable statutory and regulatory requirements.

Our strategic location also enables us to efficiently serve a geographically diversified customer base across India. The proximity of our Manufacturing Facility to key transportation corridors, coupled with an established logistics ecosystem, enables us to maintain operational flexibility in servicing customer requirements across multiple regions. This facilitates timely order execution, supports efficient inventory planning and reduces transit lead times. Our ability to efficiently distribute our products is demonstrated by our customer reach, pursuant to which we have distributed our products across 20 states and three union territories in Fiscal 2026. We believe this strengthens our customer relationships, enhances the reliability of our product deliveries and improves our competitiveness across the markets in which we operate.

We utilise multiple modes of transportation, including established road and rail networks, for the procurement of raw materials and dispatch of finished products to various markets. We engage third-party logistics and transportation service providers on a need basis to support our inbound and outbound logistics requirements. While transportation expenses relating to the procurement of raw materials are generally borne by us and are minimised due to our proximity to raw material sources, the freight and transportation costs relating to the delivery of finished products are typically borne by our customers, in accordance with the terms of our customer arrangements. We continuously evaluate our logistics efficiency and transportation planning to optimise freight costs and reduce turnaround time.

Demonstrated execution capability and track record of timely capacity expansion

We have demonstrated strong execution capabilities through the progressive and timely expansion of our manufacturing operations across the steel value chain. Since commencing operations in 2005, we have expanded our sponge iron manufacturing capacity from 30,000 TPA to 675,000 TPA as of March 31, 2026, and diversified our product portfolio to include Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes, and Ferro Alloys, achieving a total installed capacity of 1,627,500 TPA as of March 31, 2026. This represents a capacity growth of 121.43% from 735,000 TPA in Fiscal 2023 to 1,627,500 TPA in Fiscal 2026. Our captive power generation capacity has also increased from 32 MW in Fiscal 2023 to 52 MW in Fiscal 2026 and further to 67 MW as on the date of this Draft Red Herring Prospectus, representing an overall growth of 109.38% from Fiscal 2023 to the date of filing of this Draft Red Herring Prospectus. These capacity additions and product diversifications have been undertaken through brownfield expansions within our existing manufacturing facility, enabling us to leverage our existing land, infrastructure, utilities and operational capabilities, thereby facilitating efficient project implementation and shorter execution timelines

We believe that our ability to execute and operationalize such expansions in a timely and efficient manner reflects the strength of our operational planning, project management and technical expertise. Further, we have demonstrated a track record of completing major capacity expansion projects within or ahead of planned timelines. Set down below is a year-wise summary of the capacity expansions undertaken by us, including the corresponding increase in our installed manufacturing capacities:

Calendar Year	Milestone	Additional installed capacity (TPA / MW)	Total installed capacity (TPA / MW)
2005	Commenced manufacturing sponge iron with one rotary kiln having an installed capacity of 30,000 TPA	30,000 TPA	30,000 TPA
2006	Increased installed capacity of sponge iron to 60,000 TPA	30,000 TPA	60,000 TPA
2010	Increased installed capacity of sponge iron to 90,000 TPA	30,000 TPA	90,000 TPA
2017	Increased installed capacity of sponge iron to 120,000 TPA	30,000 TPA	120,000 TPA
2018	Increased installed capacity of sponge iron to 180,000 TPA	60,000 TPA	180,000 TPA
2019	Commenced manufacturing Billets and Slabs with an installed capacity of 120,000 TPA and TMT Bars with an installed capacity of 105,000 TPA; and commissioned 12 MW captive power plant	225,000 TPA and 12 MW	4,05,000 TPA and 12 MW
2021	Increased installed capacity of captive power plant to 22 MW	10 MW	4,05,000 TPA and 22 MW
2022	Commenced manufacturing HR Coils with an installed capacity of 165,000 TPA; increased installed capacity of sponge iron to 345,000 TPA; and increased installed capacity of captive power plant to 32 MW	330,000 TPA and 10 MW	735,000 TPA and 32 MW
2023	Increased installed capacity of Billets and Slabs to 219,000 TPA and sponge iron to 510,000 TPA; commenced manufacturing Ferro Alloys with an installed capacity of 30,000 TPA; and increased installed capacity of captive power plant to 42 MW	294,000 TPA and 10 MW	1,029,000 TPA and 42 MW
2024	Commenced manufacturing ERW Pipes and Tubes with an installed capacity of 120,000 TPA; increased installed capacity of sponge iron to 675,000 TPA; and increased installed capacity of captive power plant to 52 MW	285,000 TPA and 10 MW	1,314,000 TPA and 52 MW
2025	Increased installed capacity of Billets and Slabs to 367,500 TPA	148,500 TPA	1,462,500 TPA and 52 MW
2026	Commenced manufacturing Wire Rods with an installed capacity of 165,000 TPA	165,000 TPA	1,627,500 TPA and 52 MW
	Increased installed capacity of captive power plant to 67 MW	15 MW	1,627,500 TPA and 67 MW

The timely execution and commissioning of such projects have enabled our Company to scale its operations, improve manufacturing efficiencies and capitalize on market opportunities in a timely manner.

Skilled and experienced promoters and management team

We are led by a skilled and experienced group of promoters and senior management team with significant experience in the steel and power industry. Our Company was founded by two of our Promoters, Parmanand Agarwal and Ashish Agarwal, who possess experience in the mining, civil construction, steel manufacturing and power sectors. Parmanand Agarwal and Ashish Agarwal have played a significant role in the establishment, expansion and growth of our Company's business operations and continue to provide strategic direction to our Company.

Our Chairman, Non-Executive and Non-Independent Director, Parmanand Agarwal, has over four decades of experience across mining, civil construction, steel manufacturing and power sectors. His strategic insights and leadership continue to guide the long-term growth and operational development of our Company. Ashish Agarwal, Managing Director of our Company, has more than 20 years of industry experience. He is responsible for the strategic leadership and oversees the overall administration of our Company, including procurement of raw materials and finance, management, operations, and performance of our Company. He has played a key role in driving our operational growth, capacity expansion, business diversification and strengthening our integrated manufacturing operations while overseeing the execution of our long-term strategic initiatives. Richhi Agarwal, Executive Director of our Company, leads the company's corporate social responsibility, marketing and HR functions. Her responsibilities include strengthening the Company's brand and stakeholder engagement, driving talent management and employee engagement initiatives, fostering organizational development, and overseeing community engagement programs that reinforce the Company's long-term sustainability objectives. Bijay Kumar Agarwal, Executive Director of our Company, oversees the Company's engagement with government departments and regulatory authorities and plays a key role to manage and oversee all government relations and liaison legal activities. Our Promoters and Board are supported by an experienced management team, certain members of which have been associated with our Company since its formative years. The management team comprises professionals with diverse expertise across sales and marketing, strategy, finance, commercial operations, procurement, administration and corporate social responsibility initiatives.

For further details, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 290 and 270, respectively.

As of March 31, 2026, we have 2,020 permanent employees and 407 contractual employees across our operations. Our Company also has been certified as a "Great Place to Work" by Great Place to Work® India in April 2026.

We believe that the extensive experience of our Promoters, Board and senior management team, together with their industry knowledge and execution capabilities, provides a strong foundation for our Company's continued growth and operational efficiency.

Track record of healthy financial performance and robust financial risk profile

We have demonstrated a track record of healthy revenue growth and profitability. Our revenue from operations grew from ₹ 14,943.90 million in Fiscal 2024 to ₹ 21,878.19 million in Fiscal 2025 (representing a growth of 46.40%), and to ₹ 25,925.24 million in Fiscal 2026, representing a CAGR of 31.71% over Fiscal 2024 to Fiscal 2026. Our Operating EBITDA has grown from ₹ 2,850.79 million in Fiscal 2024 to ₹ 3,365.89 million in Fiscal 2025, and ₹ 3,730.11 million in Fiscal 2026. Our ROCE was 22.90%, 25.51% and 29.68% in the Fiscals 2026, 2025 and 2024, respectively. Our profit after tax ("**PAT**") has grown from ₹ 1,439.47 million in Fiscal 2024 to ₹ 1,584.33 million in Fiscal 2025, and ₹ 1,711.06 million in Fiscal 2026.

Our EBITDA margins have been supported by: (i) cost efficiencies from our captive power infrastructure; (ii) benefits from our integrated operations; (iii) procurement advantages from proximity to raw material sources; (iv) an improving product mix; and (v) our ability to switch between our products and multiple points of sale across the steel value chain.

Set forth below are details of our EBITDA margins and ROCE as compared to that of the peer set average in the Fiscals indicated below:

Name	Fiscal 2026 (%)	Fiscal 2025 (%)	Fiscal 2024 (%)
*Operating EBITDA margin***			
Our Company	14.39	15.38	19.08
Peer set average*	11.57	13.09	12.27
*ROCE****			
Our Company	22.90	25.51	29.68
Peer set average*	15.68	21.28	26.07

** Source: CRISIL Report.*

*** Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

****ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of our Company as at the end of the respective fiscal*

Our financial risk profile is supported by a conservative capital structure, debt and strong liquidity. CRISIL Ratings Limited has recently upgraded our rating for long term bank loan facilities to CRISIL A+ / Stable; and Acuité Ratings has assigned a rating of ACUITE A+ (Stable) in Fiscal 2026, reflecting our Company's business risk profile.

OUR STRATEGIES

Capacity expansion with continued focus on captive power generation

We intend to continue expanding our manufacturing capacities across various product segments to strengthen our market position, improve operational scale and capitalize on the growing demand for steel and value-added steel products in India.

Brownfield expansion at our Manufacturing Facility:

We are pursuing capacity expansion at our Manufacturing Facility. We have obtained the consent to establish ("**CTE**") for the proposed expansion of our power and sponge iron capacities and have applied for CTE for our Ferro Alloys capacity, in each case under no increase in pollution load ("**NIPL**") framework. We have also obtained a CTE for the proposed expansion of our Billets and Slabs capacity and have applied for a consent to operate ("**CTO**") under the applicable regulatory process. The proposed capacity expansion is also subject to receipt of applicable regulatory approvals, including the relevant CTOs. Upon completion of the proposed expansion and receipt of applicable approvals, our installed manufacturing and power capacity is proposed to increase as follows:

- Power (WHRB-based): An 18 MW increase in our captive power capacity, from 67 MW to 85 MW;
- Billets and Slabs: An increase of 148,500 TPA in our Billets and Slabs capacity through additional induction furnaces, from 367,500 TPA to 516,000 TPA;
- Sponge iron: An increase of 57,090 TPA in our sponge iron capacity, from 675,000 TPA to 732,090 TPA; and
- Ferro Alloys: An increase of 9,000 TPA in our Ferro Alloys capacity, from 30,000 TPA to 39,000 TPA.

Greenfield expansion — Nawapara Facility:

We are also planning to commission a greenfield integrated steel manufacturing facility at Nawapara, Gharghoda, Raigarh, Chhattisgarh, India ("**Nawapara Facility**"), to be executed in phases. Subject to receipt of the requisite approvals, including environmental approvals, implementation of the project as planned and completion of all the proposed phases, the Nawapara Facility, can have a maximum installed manufacturing capacity limit of 858,000 TPA of sponge iron, 792,000 TPA of Billets and Slabs and 160,000 TPA of Ferro Alloys, together with proposed production facilities for various value-added finished steel products, captive power plants with an aggregate installed capacity of 200 MW and a coal washery basis the terms of reference ("**TOR**") approved by the Ministry of Environment, Forest and Climate Change, Government of India, by way of its letter dated June 11, 2026 (*Source: CRISIL Report*). We have acquired 44.78 hectares of freehold land for the Nawapara Facility. The proposed Nawapara Facility is located in proximity to our existing Manufacturing Facility, enabling operational synergies and supply chain efficiencies.

For further details, see "*Risk factors – All of our manufacturing operations are carried out at our Manufacturing Facility located in Raigarh, Chhattisgarh. Any disruption at our Manufacturing Facility or any adverse developments affecting the region could have a material adverse effect on our business, results of operations, cash flows and financial condition.*" on page 20.

Additional planned expansion:

Further, we currently have additional land parcel in proximity to our Manufacturing Facility that provides flexibility for future capacity expansion and development initiatives, subject to market conditions, business requirements and applicable approvals. For further details, see "— *Property*" on page 253.

In line with our integrated manufacturing model, we intend to continue strengthening our captive power generation capabilities to support our existing operations as well as future capacity expansions. With the proposed brownfield expansions upon receipt of applicable approvals, our total captive power capacity is proposed to increase to 85 MW, comprising the existing 67 MW and an additional 18 MW from the proposed WHRB-based expansion for which an NIPL CTE has been received.

We believe that our proposed capacity expansion initiatives, supported by captive power infrastructure and integrated operations, will strengthen our manufacturing capabilities, improve scalability and position us to capitalize on long-term growth opportunities in the steel sector.

Continue to increase the contribution of value-added and finished steel products to our revenue mix to improve overall realisations and EBITDA

We intend to focus on increasing the contribution from our value-added finished steel products, including Ferro Alloys, Wire Rods, HR Coils, TMT Bars and ERW Pipes and Tubes, to our overall revenue mix, with the objective of improving product mix and enhancing profitability margins. Based on our product mix in Fiscal 2026, semi-finished products comprising sponge

iron and Billets and Slabs accounted for 41.52% and 9.00% of our overall revenue from operations, respectively, while our value-added finished products comprising HR Coils, TMT Bars, Ferro Alloys, ERW Pipes and Tubes, and Wire Rods, accounted for 17.21%, 12.42%, 9.09%, 7.02% and 1.99% of our revenue from operations, respectively.

We are undertaking a brownfield expansion of our Billets and Slabs capacity by 148,500 TPA, from 367,500 TPA to 516,000 TPA. We have made an application dated July 20, 2026, for grant of consent to operate in relation to such proposed expansion, which is currently pending. This proposed expansion is expected to enhance the availability of raw material for our downstream rolling mills, thereby supporting increased production of our finished products. Further, with the commencement of manufacturing operations at our wire rod mill in February 2026, we expect the contribution of value-added finished products to our overall revenue mix to increase, subject to market conditions and demand trends.

Increasing the share of value-added finished steel products in our sales mix relative to semi-finished products (such as sponge iron and Billets and Slabs) is expected to improve overall realisations, as finished products generally command higher per-tonne realisations. The diversification of our revenue mix towards value-added finished products also reduces our exposure to the price volatility of intermediate products.

Continue to focus on operational and cost optimization through strategic initiatives

We intend to continue improving our operational efficiency and optimizing our cost structure across the manufacturing value chain.

Key elements of our operational optimization strategy include:

Captive power efficiency: We intend to continue optimizing the performance of our WHRB, AFBC and CFBC power generation units to ensure maximum efficiency and reduce power costs. With the proposed expansion of captive power capacity from 67 MW to 85 MW, subject to receipt of applicable regulatory approvals, we aim to continue meeting a major portion of our power requirements internally and maintain our cost-competitive position in an industry where power constitutes a key operating cost. We also intend to maintain our focus on captive power generation as a key component of our manufacturing strategy for the proposed Nawapara Facility, with an aim to meet a major portion of its power requirements through captive sources, subject to project implementation and receipt of applicable approvals.

Strengthening integration: We intend to further strengthen our integration through the proposed coal washery at the Nawapara Facility, subject to receipt of requisite approvals and implementation of the project. We believe these initiatives will support improved raw material quality, enhance operational efficiencies and contribute to long-term cost optimisation.

Product mix optimisation: We intend to continue optimising our product mix based on prevailing market demand, and customer requirements. Our integrated manufacturing operations provide us with the flexibility to allocate production capacity across various products, enabling us to maintain operational efficiencies.

Improving energy efficiency: We intend to continue implementing initiatives aimed at reducing specific energy consumption across our manufacturing operations through process improvements, optimisation of fuel consumption and efficient utilisation of captive power resources. We have implemented various energy-efficient initiatives, including direct hot charging and waste heat recovery through our WHRB-based captive power plant. We intend to continue building on these initiatives by adopting additional process improvements and energy optimisation measures to further enhance operational efficiency and maintain a competitive cost structure.

Procurement optimization: We intend to leverage our proximity to key raw material sources, bulk procurement arrangements with PSU suppliers, and established supplier relationships, while pursuing FSAs and long term supply agreements with PSUs, to continue optimizing procurement costs and ensuring supply chain stability. We have entered into long-term supply arrangements with this PSU under their fuel supply agreement ("**FSA**") framework for supply of 404,500 MT of coal annually. Further, we have received LOIs for additional long-term supply arrangements covering 466,000 MT of coal annually, providing us with visibility on the availability and pricing of our key raw material for quantities aggregating up to 870,500 MT annually, representing more than 75% of our total annual coal requirements.

Strengthen our market presence with our distribution network and other marketing initiatives

We intend to strengthen our market position across our portfolio of semi-finished and value-added finished steel products by deepening our presence in existing markets, expanding our customer base and increasing our penetration into new geographies and customer segments. We intend to continue leveraging our integrated manufacturing operations, diversified product portfolio, focus on product quality, timely deliveries and long-standing customer relationships to enhance our market presence.

Key elements of our market strengthening strategy include:

Distribution network: We currently sell our products primarily through direct institutional sales and a network of traders, distributors and dealers, and intend to continue expanding our distribution network across India.

Export Opportunities: We also intend to evaluate opportunities to expand our presence in international markets by developing export relationships in select geographies, subject to prevailing market conditions and customer requirements.

Multi-channel marketing: We intend to continue undertaking marketing initiatives across multiple channels, including: (i) outdoor advertising through strategically placed hoardings and display boards; (ii) wall paintings and rural marketing campaigns in semi-urban and rural markets; (iii) participation in trade fairs such as the 'Tube and Pipe Fair 2026' in Hyderabad, the 'BigMint India Ferrous Week 2025' in Kolkata and the 'Green Steel & Mining Summit 2026' in Raipur; and (iv) social media and digital marketing campaigns. The marketing expenditure incurred by us in Fiscal 2026, 2025 and 2024 was ₹18.06 million, ₹12.55 million and ₹4.58 million, respectively.

Customer engagement: We intend to continue strengthening our relationship with our customers, distributors, dealers, traders and retailers through meetings and customer engagement events. We believe that sustained customer engagement supports long-term business relationships and provides insights into evolving customer requirements and market trends.

We also intend to continue focusing on operational reliability, product consistency and efficient supply chain management, which we believe are critical factors in maintaining customer confidence and strengthening our brand value in the steel sector.

Well positioned to capitalize on the growing demand for steel in India

India is one of the fastest-growing major steel-consuming markets globally. India's finished steel demand was estimated at 159.8 million tonnes in CY2025, representing approximately 9.3% of global steel demand, and is projected to increase to approximately 187.4 million tonnes by CY2027, with demand growth expected at 7-9% annually. Further, domestic steel demand is expected to increase from 164.2 million tonnes in Fiscal 2026 to approximately 225-250 million tonnes by Fiscal 2031, representing a CAGR of 6.5-8.5%. This growth is expected to be supported by continued investments in infrastructure, housing, transportation, renewable energy and manufacturing. (*Source: CRISIL Report*)

Demand for sponge iron is projected to increase from approximately 60.3 million tonnes in Fiscal 2026 to 76-78 million tonnes by Fiscal 2030, representing a CAGR of approximately 6-7%. Demand for HR coils/strips is expected to remain supported by infrastructure, manufacturing, engineering and automotive sectors, with demand having increased from 37.7 million tonnes in Fiscal 2021 to an estimated 59.9 million tonnes in Fiscal 2026. In addition, demand for long steel products, including TMT bars and Wire Rods, and welded pipes is expected to benefit from continued investments in infrastructure, construction, manufacturing and other steel-intensive sectors. Demand for manganese-based ferro alloys is also projected to grow at approximately 7-9% between Fiscal 2025 and Fiscal 2030, driven by increasing steel consumption across infrastructure, construction, manufacturing and engineering sectors. (*Source: CRISIL Report*)

We believe we are well positioned to participate in this growth on account of our integrated manufacturing operations and diversified product portfolio comprising sponge iron, Billets and Slabs, TMT Bars, HR Coils, ERW Pipes and Tubes, Wire Rods and Ferro Alloys. Our presence across multiple stages of the steel value chain enables us to cater to diverse end-use industries, including construction, infrastructure, manufacturing, engineering, automotive and other industrial sectors. Our product portfolio also provides us with flexibility to participate in the growth of multiple steel product segments and reduces our dependence on any single product or end-use sector.

Further, our integrated Manufacturing Facility enables us to manufacture products across multiple stages of the steel value chain, including the manufacturing of ERW Pipes and Tubes using HR Coils that are captively produced. Our captive power generation capabilities also support our energy requirements and may provide operational and cost efficiencies. We believe that our integrated operations, diversified product portfolio and ability to participate across multiple steel product segments position us to benefit from the expected growth in domestic steel consumption.

DESCRIPTION OF OUR BUSINESS

Our product portfolio

We manufacture a diversified portfolio spanning across multiple stages of the steel value chain, comprise (i) semi-finished steel products including sponge iron, and Billets and Slabs, and (ii) value-added finished steel products including, TMT Bars, HR Coils, Wire Rods, ERW Pipes and Tubes and Ferro Alloys.

The following table sets out our product portfolio, key product details and principal end-use applications as of the date of this Draft Red Herring Prospectus:

Product	Product category as per our value chain		Description of Product	Principal end-use and markets
Semi-finished products				
Sponge iron	Intermediate and finished		Sponge iron is a metallic product produced through the direct reduction of iron ore and/or iron ore pellets, with a typical metallic iron content ranging from 80-88%. It serves as a key raw material in steel manufacturing and is commonly used as a substitute for steel scrap in steel melting operations.	• Captively consumed in our Steel Melting Shop ("**SMS**") • Sold to other steel product manufacturers (induction/ EAF furnace operators)
Billets and Slabs	Intermediate and finished		Billets and Slabs are semi-finished steel products that typically have square or rectangular cross-sections. Billets and Slabs are utilized in the manufacturing of various downstream steel products, including TMT Bars, Wire Rods, and HR Coils.	• Captively consumed for downstream rolling into TMT Bars, Wire Rods and HR Coils • Sold to other re-rollers and steel product manufacturers
Value-added finished steel products				
TMT Bars	Finished		TMT bars are high-strength, thermo-mechanically treated steel bars used as reinforcement in concrete structures.	• Residential and commercial construction, infrastructure construction projects, industrial and engineering / capital goods.

Product	Product category as per our value chain		Description of Product	Principal end-use and markets
Wire Rods	Finished		Wire Rods are hot-rolled steel products with a round cross-section, typically produced in coiled form.	• Used in manufacturing of wires and cables, fasteners, nails, fencing products, wire mesh, springs, welding electrodes, and various engineering and construction products
HR Coils	Intermediate and finished	 	HR Coils are flat steel products manufactured by rolling steel slabs and coiling them into rolls.	• Captively consumed for ERW Pipe and Tube manufacturing • Sold to other pipe manufacturers and fabricators
ERW Pipes and Tubes	Finished		ERW Pipes and Tubes are hollow steel products with a circular cross-section, manufactured from steel strips or coils.	• Construction, irrigation, infrastructure, agricultural, industrial and general engineering applications

Product	Product category as per our value chain		Description of Product	Principal end-use and markets
Ferro Alloys	Intermediate and finished		Silico manganese is a Ferro Alloy primarily used in steel manufacturing as a deoxidizing and alloying agent to improve the strength, hardness and wear resistance of steel.	• Captively consumed in SMS • Sold to other steel manufacturers

(*The remainder of this page has intentionally been left blank*)

Manufacturing process

(a) Sponge Iron



Stage 1 (Raw material preparation and charging):

The manufacturing process commences with the receipt of iron ore (or iron ore pellets) and coal as principal raw materials. The iron ore is crushed, screened, and sized to the required specifications, and is thereafter charged along with coal and dolomite (as flux) into rotary kilns in predetermined proportions.

Stage 2 (Direct reduction in rotary kiln):

The charged materials travel through the rotary kiln, operating at controlled rotational speeds and temperatures generally ranging between 800°C and 1,100°C, where they are subjected to controlled high-temperature conditions without melting the raw material. The coal serves as both a reductant and fuel source, generating carbon monoxide which removes oxygen from the iron ore through a solid-state reduction reaction, producing sponge iron with a metallic iron content of approximately 80-88%.

Stage 3 (Cooling and discharge):

The reduced product (sponge iron) along with residual char (dolochar) is discharged from the kiln into a rotary cooler where it is cooled under controlled conditions using water spray and indirect cooling mechanisms. The waste gases from the kiln are directed to the waste heat recovery boiler (WHRB) power plant for captive power generation.

Stage 4 (Separation, screening and classification):

The cooled down product is subjected to magnetic separation to segregate sponge iron from non-magnetic dolochar. The separated sponge iron is thereafter screened and classified by size into various grades suitable for captive consumption in the SMS division or for sale to external customers, while the residual char (dolochar) is utilized as fuel in our AFBC and CFBC power plants for captive power generation.

(b) Billets and Slabs



Stage 1 (Charge preparation and melting):

The SMS operation commences with the preparation of the charge mix comprising sponge iron, mild steel scrap, and requisite alloys. The charge is fed into induction furnaces where it is melted at temperatures exceeding 1,600°C to produce molten steel of the desired chemical composition.

Stage 2 (Refining and alloying):

The molten steel is refined through the addition of Ferro Alloys (including captively produced silico manganese) and other deoxidizers to achieve the target metallurgical composition. Impurities are removed through slag separation, while the temperature and chemical composition of the molten steel are continuously monitored and controlled.

Stage 3 (Continuous casting):

The refined molten steel is tapped from the induction furnace into a ladle, and is thereafter poured into a tundish which feeds multiple continuous casting strands. The molten steel is cast through water-cooled moulds, solidifying progressively into billets (square cross-section) or slabs (rectangular cross-section) of the specified dimensions.

Stage 4 (Cutting and finishing):

The continuously cast Billets and Slabs are cut to the required lengths, and are either directly transferred via hot charging to the rolling mills for further processing or stored in the yard for sale to external customers.

(c) TMT Bars



Stage 1 (Hot charging):

Hot billets from the continuous casting machine are directly transferred to the TMT rolling mill via hot charging technology, which minimizes heat loss and reduces energy consumption.

Stage 2 (Rolling):

The billets are passed through a series of roughing, intermediate, and finishing stands in the rolling mill, where they are progressively reduced in cross-section to achieve the desired bar dimensions and profile conforming to BIS specifications.

Stage 3 (Thermo-mechanical treatment - THERMEX® QST):

The rolled bars undergo thermo-mechanical treatment using THERMEX® QST (Quenching and Self-Tempering) technology sourced from Germany. This process involves rapid water quenching of the bar surface, creating a hardened outer layer, while the core remains hot. The residual core heat then tempers the outer layer. This process imparts strength, ductility and weldability to the TMT Bars.

Stage 4 (Atmospheric cooling and finishing):

The quenched and self-tempered bars undergo atmospheric cooling on a cooling bed, allowing the metallurgical transformation to complete. The finished bars are thereafter cut to required lengths, bundled, tagged with product specifications, and dispatched to storage or directly to customers.

(d) Wire Rods



Stage 1 (Hot charging):

Hot billets from the continuous casting machine are directly transferred to the wire rod mill via hot charging technology, which minimizes heat loss and reduces energy consumption.

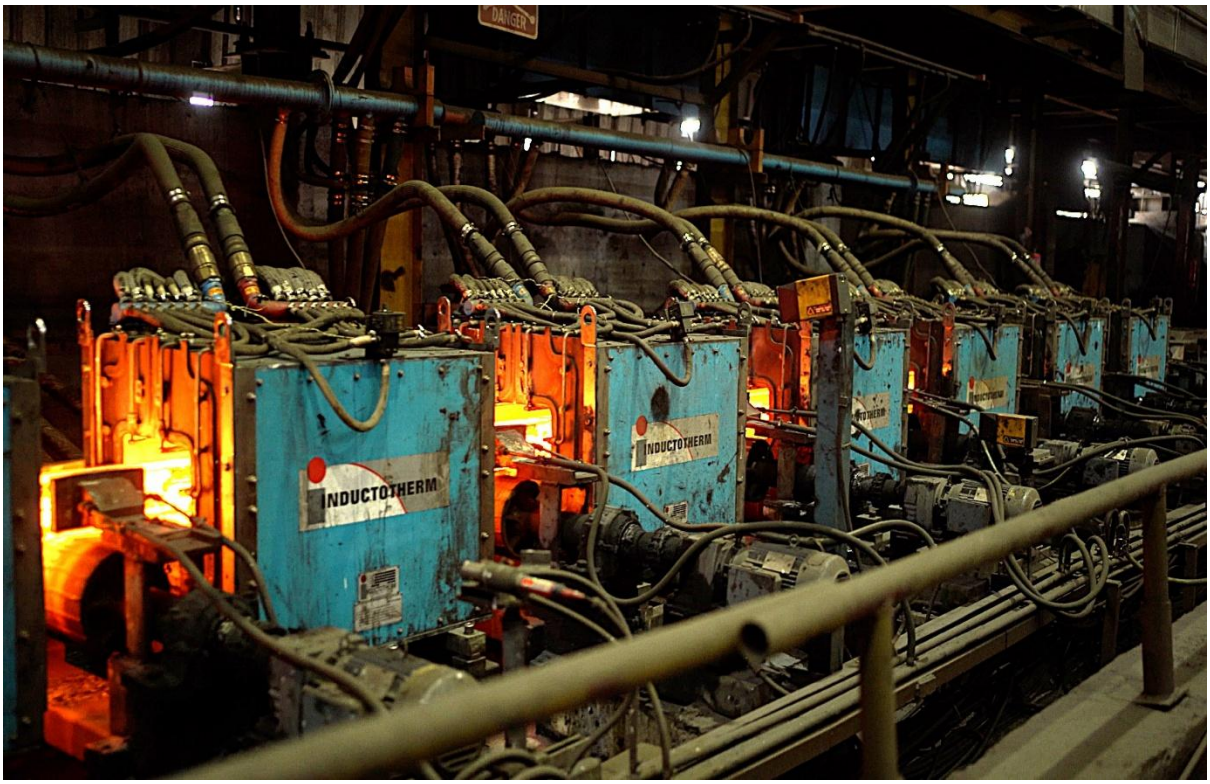
Stage 2 (Rolling through multiple stands):

The heated billets are rolled through a series of roughing, intermediate, and finishing stands, where the cross-section is progressively reduced to achieve the desired wire rod diameter. The rolling process is carefully controlled to ensure dimensional accuracy and consistent metallurgical properties.

Stage 3 (Controlled cooling and coiling):

The rolled Wire Rods exit the finishing block and are subjected to controlled cooling. The cooled Wire Rods are thereafter wound into coils of the specified weight, compacted, and secured with binding wire for handling and dispatch.

(e) HR Coils



Stage 1 (Hot charging):

Hot slabs from the continuous casting machine are directly transferred to the hot strip mill via hot charging technology, which minimizes heat loss and reduces energy consumption and where required, the slabs are heated to the appropriate rolling temperature using an induction heater before further processing.

Stage 2 (Rolling in 4-Hi mill with AGC technology):

The heated slabs are passed through the hot strip mill, which is a 4-Hi rolling mill equipped with AGC technology. The slabs are rolled through a series of stands to progressively reduce thickness to the target strip dimensions and specifications.

Stage 3 (Cooling and coiling):

The rolled hot strips are cooled and subsequently coiled on the downcoiler. The finished HR Coils are either transferred to the ERW pipe mill for captive consumption or dispatched to customers.

(f) ERW Pipes and Tubes



Stage 1 (Uncoiling and slitting):

HR Coils are uncoiled and slit into strips of the desired width corresponding to the circumference of the target pipe diameter. The slit strips are edge-trimmed to ensure clean, uniform edges suitable for high-quality welding.

Stage 2 (Forming):

The prepared strips are fed through a series of forming rolls that progressively shape the flat strip into a tubular profile. The forming operation is designed to achieve consistent roundness and dimensional uniformity throughout the length of the pipe.

Stage 3 (Electric resistance welding):

The edges of the formed tube are heated to forging temperature using high-frequency electric current and pressed together under controlled pressure, creating a solid-state forge weld (electric resistance weld) along the longitudinal seam. The weld flash (internal and external bead) is trimmed to produce a smooth pipe surface.

Stage 4 (Sizing, straightening, cutting and finishing):

The welded pipe passes through sizing rolls to achieve the final dimensional specifications, followed by straightening. The pipe is cut to required lengths, finished, and bundled for storage and dispatch.

(g) Ferro Alloys





Stage 1 (Raw material preparation and charging):

Manganese ore, quartz (silica source), and carbonaceous reductants (coke/coal) are received, stored, and proportioned according to the target silico manganese composition. The raw materials are sized and blended before being charged into the submerged arc furnace.

Stage 2 (Smelting in submerged arc furnace):

The charged raw materials are smelted in a submerged arc furnace at high temperatures exceeding 1,400°C. The electric arc generates the thermal energy required to reduce the manganese and silicon oxides, producing molten silico manganese alloy.

Stage 3 (Tapping, cooling and crushing):

The molten silico manganese alloy is periodically tapped from the furnace and allowed to solidify and cooled under controlled conditions. The solidified alloy is subsequently crushed and screened to produce sized Ferro Alloy products conforming to customer specifications.

Stage 4 (Quality testing and dispatch):

The crushed and sized Ferro Alloy is sampled and tested for chemical composition (manganese, silicon, carbon, and phosphorus content) to confirm compliance with applicable BIS standards and customer specifications. The finished product is packaged and dispatched either for captive consumption in our steel melt shop or for sale to external customers.

Manufacturing Facility

Our Manufacturing Facility is located at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India, spread across 47.19 hectares of land. The facility houses all our manufacturing operations, including our sponge iron kilns, induction furnaces in steel melting shop, hot rolling mills (TMT, Wire Rods and hot strip mill), tube mill, Ferro Alloy submerged arc furnaces, and captive power plants, in a single integrated set-up.

Our Manufacturing Facility is certified under the following management system standards:

(a) ISO 9001:2015 – Quality Management Systems;
(b) ISO 14001:2015 – Environmental Management Systems; and
(c) ISO 45001:2018 – Occupational Health and Safety Management Systems.

The strategic location of our Manufacturing Facility in the mineral-rich region of Chhattisgarh, the steel capital of India, provides us with proximity to key raw material sources, well-established road and railway connectivity, and access to a skilled labour pool (*Source: CRISIL Report*).





For further details, see "*Risk Factors – We have experienced under-utilization of our manufacturing capacities for certain of our products. Any inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance*." on page 27.

Machinery and technology

Our Manufacturing Facility is equipped with modern machinery and advanced technologies to ensure operational efficiency, product quality, and energy conservation. Key technologies deployed at our facility include:

(a) *Direct hot charging technology*: Enables the direct transfer of hot Billets and Slabs from our SMS to downstream rolling mills, eliminating the need for reheating, thereby achieving significant energy savings and reduced processing time.

(b) *THERMEX® QST Technology (German)*: Deployed in our TMT Bar rolling mill, this technology involves rapid water quenching followed by self-tempering and atmospheric cooling, resulting in TMT Bars with standard mechanical properties including strength, ductility and weldability.

(c) *4-Hi rolling mill with AGC technology*: Our hot strip mill is equipped with a 4-Hi rolling configuration with automatic gauge control, which ensures precise thickness control of HR Coils within tight tolerances.

(d) *Submerged arc furnace*: Used for the manufacturing of Ferro Alloys at high temperatures.

(e) *Waste heat recovery boiler (WHRB) power plant*: Recovers waste heat from our sponge iron kilns for power generation, resulting in cost-efficient and environmentally sustainable power generation.

(f) *AFBC and CFBC power plant:* Primarily utilizes dolochar, a by-product generated during the sponge iron manufacturing process, supplemented by a limited quantity of coal as fuel for captive power generation, thereby supporting efficient utilization of process by-products and enhancing overall energy efficiency.

Capacity and capacity utilization

The following table sets forth certain information relating to the capacity utilization of our Manufacturing Facility, calculated during Fiscals 2026, 2025 and 2024, as certified by Prakash Upadhyay, independent chartered engineer, through his certificate dated September 30, 2026. The information on capacity utilization is based on certain assumptions and estimates, including standard capacity calculation practices in the steel industry and the capacity of other ancillary equipment installed at our Manufacturing Facility. The table below sets forth details of the installed annual capacity, available capacity, actual production and capacity utilization for the products of our Company as of March 31, 2026, March 31, 2025 and March 31, 2024, are provided below:

Particulars/Products	Fiscal											
	2026				2025				2024			
	Installed annual capacity	Available capacity	Actual production	Capacity utilisation	Installed annual capacity	Available capacity	Actual production	Capacity utilisation	Installed annual capacity	Available capacity	Actual production	Capacity utilisation
	(TPA)			(%)	(TPA)			(%)	(TPA)			(%)
Sponge Iron	675,000	675,000	729,918	108.14	675,000	553,849	657,370	118.69	510,000	387,041	427,644	110.49
Billets and Slabs	367,500	346,344	310,057	89.52	219,000	219,000	250,150	114.22	219,000	202,726	230,721	113.81
TMT Bars	105,000	105,000	74,523	70.97	105,000	105,000	81,073	77.21	105,000	105,000	59,432	56.60
Wire Rods	165,000	19,438	12,080	62.15	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.
HR Coils (Strips)	165,000	165,000	148,419	89.95	165,000	165,000	133,210	80.73	165,000	165,000	132,250	80.15
ERW Pipes and Tubes	120,000	120,000	42,129	35.11	120,000	31,890	16,059	50.36	Nil	Nil	Nil	N.A.
Ferro Alloys	30,000	30,000	33,564	111.88	30,000	30,000	29,965	99.88	30,000	9,945	2,727	27.42
Total	**1,627,500**	**-**	**-**	**-**	**1,314,000**	**-**	**-**	**-**	**1,029,000**	**-**	**-**	**-**
Power (KwH)	455,520,000	455,520,000	425,027,852	93.31	455,520,000	391,200,000	342,185,969	87.47	367,920,000	302,640,000	214,535,719	70.89

As certified by Prakash Upadhyay, independent chartered engineer, by way of his certificate dated September 30, 2026.

Notes: *(1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal, while the available capacity has been calculated on a pro rata basis considering the number of days for which the capacity was available during the relevant Fiscal.*

(2) Actual production represents quantum of production in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the available capacity during such Fiscal.

For further details, see "*Risk Factors – We have experienced under-utilization of our manufacturing capacities for certain of our products. Any inability to effectively utilize our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.*" on page 27.

Raw materials

The principal raw materials used in our manufacturing operations include iron ore, iron ore pellets, coal, manganese ore, quartz, and scrap.

(a) *Iron ore and iron ore pellets*: We source a portion of our iron ore requirement from a "Navratna" PSU located in Chhattisgarh and a "Gold Category" state PSU located in Odisha which is situated (within an approximate radius of 300 kilometers) *(Source: CRISIL Report)*. We have entered into a long-term supply agreement with the Navratna PSU for the supply of iron ore. A significant portion of our iron-bearing raw material is in the form of iron ore pellets. Accordingly, we procure iron ore and iron ore pellets from private sector suppliers located within a similar radius of our Manufacturing Facility.

(b) *Coal*: We source coal, a key raw material for sponge iron production, from subsidiaries of a "Maharatna" PSU located in close proximity to our Manufacturing Facility (*Source: CRISIL Report*), under long-term fuel supply arrangements as well as through open auctions. In particular, the Chhal and Jampali mines are located within an approximate radius of 50 kilometres from our Manufacturing Facility, while the Belpahar, Gevra and Kusmunda mines are located within an approximate radius of 100 to 150 kilometres (*Source: CRISIL Report)*. Coal is primarily used as a reductant in our sponge iron kilns, as fuel in our AFBC and CFBC power units and as a reducing agent in the manufacturing of Ferro Alloys.

(c) *Manganese ore and quartz*: Required for the manufacturing of Ferro Alloys (silico manganese) in our submerged arc furnaces.

(d) *Scrap*: We reutilise internally generated scrap from our sponge iron, SMS, hot strip mill, TMT mill, wire rod mill, Ferro Alloys and tube mill in our steel melting operations, thereby reducing our dependence on external scrap procurement. We also procure mild steel scrap from external suppliers to supplement our raw material requirements, based on production requirements and the availability of internally generated scrap.

The table below sets out our expenditure towards cost of raw material consumed, based on our Restated Financial Information, for the periods mentioned:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in millions)	% of total expenses	Amount (₹ in millions)	% of total expenses	Amount (₹ in millions)	% of total expenses
Cost of raw materials consumed	19,097.84	80.44	16,196.79	81.87	10,223.16	77.82

For further details, see "*Risk Factors – Our business is dependent on third-party suppliers to procure raw materials, with our top 10 suppliers representing 68.91%, 75.91% and 78.92% of raw materials purchased, for Fiscal 2026, Fiscal 2025, and Fiscal 2024, respectively. Any loss of suppliers or interruptions in the timely delivery of raw materials or volatility in their prices could have an adverse impact on our business, financial condition and results of operations.*" and "*Risk Factors – An increase in the cost of, or a shortfall, delay or disruption in the availability or supply of, our key raw materials, including coal, iron ore, iron ore pellets and manganese ore, from our suppliers (with the cost of raw materials consumed constituting 73.67%, 74.03% and 68.41% of our revenue from operations in Fiscals 2026, 2025 and 2024, respectively), could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition*." on pages 22 and 21, respectively.

Distribution and logistics

Our operations are focused on the domestic market with a pan-India presence. In Fiscal 2026, our products were distributed across 20 states and three union territories in India. We utilise multiple modes of transportation, including established road and rail networks, for the procurement of raw materials and dispatch of finished products. We engage third-party logistics and transportation service providers on a need basis to support our inbound and outbound logistics requirements. While transportation expenses relating to the procurement of raw materials are generally borne by us and are minimised due to our proximity to raw material sources, the freight and transportation costs relating to the delivery of finished products are typically borne by our customers, in accordance with the terms of our customer arrangements. We continuously evaluate our logistics efficiency and transportation planning to optimise freight costs and reduce turnaround time.

In Fiscal 2026, our products were distributed across 20 states and three union territories. We sell our products primarily through direct institutional sales and a network of traders, distributors and dealers, enabling us to cater to customers across multiple geographies and end-use segments.

Our transportation costs amounted to ₹ 2,774.10 million, ₹ 2,060.66 million and ₹ 1,586.57 million in Fiscals 2026, 2025 and 2024, respectively which represented 11.68%, 10.42%, and 12.08% of our total expenses during the respective Fiscals.

Inventory management

We maintain inventory of both raw materials and finished products at our Manufacturing Facility to ensure continuity of manufacturing operations and fulfilment of customer orders. We store our key raw materials, including iron ore, iron ore pellets, coal, manganese ore, quartz and mild steel scrap, as well as finished products, in designated storage yards and covered storage facilities within our Manufacturing Facility until they are required for consumption or dispatch. Our inventory management practices are supported by our customized ERP system, which assists in inventory tracking, material availability, production planning and dispatch scheduling. We monitor our raw material consumption patterns and maintain buffer stock levels to mitigate the risk of supply disruptions.

For finished products, we plan production and inventory levels based on prevailing market demand, customer order patterns and logistics considerations, with the objective of optimizing working capital utilization while ensuring adequate product availability for timely delivery to customers.

Sales and marketing

We have a dedicated sales and marketing team comprising 45 personnel as of March 31, 2026. The team is responsible for customer acquisition, business development, pricing and commercial negotiations, customer relationship management, brand-building initiatives, distributor and dealer development, and coordination with production and logistics teams to facilitate timely execution of customer orders.

We undertake various marketing initiatives to strengthen our market presence and expand our customer base. Our key sales and marketing initiatives include direct engagements with customers, including direct visits, technical discussions, sales presentations and customer relationship management; digital and offline marketing channels, including social media, digital advertising, outdoor advertising and wall paintings/rural branding; participation in trade fairs, industry exhibitions and conferences to engage with existing and prospective customers across our product portfolio, including our recent participation in the 'Pipe and Tube Fair 2026' in Hyderabad, the 'BigMint India Ferrous Week 2025' in Kolkata and the 'Green Steel & Mining Summit 2026' in Raipur; and expansion into new geographies, identification of prospective customers and development of distribution channels.

We do not have any significant customer concentration. In Fiscal 2026, we served over 1,000 customers across India, with no single customer contributing more than 4.12% of our revenue from operations, reflecting a diversified customer base.

Power and fuel

Power is a critical input in steel manufacturing and constitutes a significant component of manufacturing costs for steel producers. As on the date of this Draft Red Herring Prospectus, we operate a 67 MW captive power plant at our Manufacturing Facility, comprising a 48 MW WHRB based unit; a 4 MW AFBC based unit; and a 15 MW CFBC based unit.

Our WHRB-based power generation is particularly cost-efficient as it utilises waste heat generated from our sponge iron rotary kilns, requiring no additional fuel cost. WHRB-based power generation is also classified as a renewable energy source. Our AFBC and CFBC units utilises dolochar, a by-product of the sponge iron manufacturing process, as its primary fuel source, thereby further optimising our fuel costs.

In addition to our captive power generation facilities, we procure power from the state electricity distribution utility, as required, to supplement our power requirements, including during maintenance shutdowns, planned outages or periods when captive generation is insufficient to meet operational requirements.

The following table sets forth details of our captive power generation and dependence on external power sources for the periods indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Captive power as % of total operational power requirements	96.01	98.14	95.86
Power cost from external sources as % of revenue from operations	0.73	0.47	0.61

Our captive power plant met 96.01% of our operational power requirements in Fiscal 2026, with power costs from external sources accounting for only 0.73% of our revenue from operations.

For further details, see "*Risk Factors – We met 96.01%, 98.14% and 95.86% of the total operational power requirements of our Manufacturing Facility through our captive power plant in Fiscals 2026, 2025 and 2024, respectively, and the majority of our captive power is generated by our WHRB-based unit, which is operationally tied to our sponge iron manufacturing process. Any unexpected disruption or shortage in power, water, fuel or other essential utilities could disrupt our manufacturing operations and increase our production costs, which could adversely affect our business, results of operations, cash flows and financial condition.*" on page 29.

Our WHRB based unit



Our AFBC based unit



Our CFBC based unit



Quality assurance

We are committed to maintaining high standards of product quality across our manufacturing operations. Our Manufacturing Facility is certified under ISO 9001:2015 (Quality Management Systems), reflecting our adherence to internationally recognised quality management practices.

Our products are manufactured to comply with applicable BIS standards. We hold IS marking certifications under the following BIS standards:

BIS standard	Description	Applicable product
IS 1786:2008	High strength deformed steel bars and wires for concrete reinforcement	TMT Bars
IS 14650:2023	Unalloyed and Alloyed Steel Ingot and Semi-Finished Products for Re-Rolling Purposes -Specification (First Revision)	Billets and Slabs
IS 1161:2014	Steel Tubes for Structural Purposes -Specification	ERW Pipes and Tubes
IS 3601:2006	Steel tubes for mechanical and general engineering purposes	ERW Pipes and Tubes
IS 4923:2017	Hollow Steel Sections for Structural Use -Specification	ERW Pipes and Tubes
IS 18573:2024	Cold formed welded carbon steel square and rectangular hollow sections for mechanical, general engineering and decorative purposes - Specification	ERW Pipes and Tubes
IS 7887:1992	Mild Steel Wire Rods for General Engineering Purposes	Wire Rods
IS 2879:1998	Mild Steel for Metal Arc Welding Electrodes	Wire Rods
IS 10748:2004	Hot-Rolled Steel Strip for Welded Tubes and Pipes	HR Coils
IS 2062:2011	Hot Rolled Medium and High Tensile Structural Steel	HR Coils
IS 1470:2013	Silico manganese	Ferro Alloys

Our products are also manufactured to meet customer-specific requirements and specifications such as formulation length of the products. We are required to comply with the applicable provisions of the Bureau of Indian Standards Act, 2016 and the rules made thereunder for obtaining and renewing the requisite BIS certifications.

For further details, see "*Risk Factors – We are subject to strict quality requirements and are required to obtain and maintain various product and management certifications. Any product defect, failure by us to comply with applicable quality standards, or the loss, suspension, non-renewal or revocation of such certifications could lead to cancellation of existing and future orders, recalls, product liability claims, regulatory action, and an adverse effect on our business, results of operations, cash flows and financial condition.*" on page 32.

Research and development

We are focused on continually improving our manufacturing processes, product quality, and operational efficiency. We have a dedicated research and development team, which focuses on process innovation, product development, and continuous improvement initiatives. Our research and development team works on an ongoing basis to optimise our manufacturing processes, evaluate and adopt new technologies, improve product quality, reduce energy consumption, and enhance capacity utilisation.

We periodically review our manufacturing processes and operational parameters to identify opportunities for continuous improvement and to support efficient utilization of resources across our manufacturing operations.

Awards and accreditations

For details, see "*History and Certain Corporate Matters – Key awards, accreditations and recognitions*" on page 266.

Information technology

We have deployed information technology systems to support our manufacturing, operational, and corporate functions. Our IT infrastructure facilitates the integration of key business processes, including material management, raw material inventory management, quality control, freight management, production planning and control, finance and accounts, special management information system, human resources, sales and marketing.

To further strengthen our operational backbone, we continue to evaluate automation initiatives to streamline procurement of raw materials, manufacturing processes, sale and dispatch of finished goods, payments to vendors and suppliers, and receivables from customers.

Health, safety and environment

Our manufacturing activities are subject to various environmental laws and regulations of India. For information regarding applicable health, safety and environmental laws and regulations, see "*Key Regulations and Policies*" on page 254.

The nature of our steel manufacturing operations involves inherent occupational health, safety and environmental risks associated with high-temperature processes, heavy machinery, material handling, and handling of industrial chemicals. Accordingly, we have implemented comprehensive health, safety, and environment ("**HSE**") policies and practices designed to protect the well-being of our employees and the surrounding environment across our manufacturing facility.

We have implemented management systems certified to ISO 45001:2018 for occupational health and safety management and ISO 14001:2015 for environmental management. We also undertake periodic surveillance and recertification audits in accordance with the requirements of the applicable certification standards.

Our key health, safety and environmental initiatives include:

- Regular health and safety training programs for permanent and contractual employees;
- Personal protective equipment (PPE) requirements enforced across all production areas;
- Periodic health check-ups for employees engaged in hazardous processes;
- Periodic safety inspections and safety audits to identify workplace hazards, assess compliance with established safety procedures and implement corrective and preventive measures, where required
- Environmental monitoring (air quality, water quality, noise levels) as required under applicable environmental consents;
- Energy conservation and resource efficiency initiatives, including the utilization of waste heat through our WHRB-based captive power plant and utilization of dolochar in our AFBC and CFBC based captive power plant for captive power generation, which support efficient utilization of resources, conservation of energy and reduction in environmental impact; and
- Compliance with applicable environmental laws and regulations including the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981.

Insurance

Our manufacturing operations are subject to hazards inherent in steel manufacturing including fire, explosions, mechanical breakdowns, and industrial accidents. We maintain standard industrial insurance coverage designed to protect our assets, operations, and personnel against such risks.

We believe that the insurance coverage currently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with industry standards in India. See "*Risk Factors – Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, financial condition and results of operations.*" on page 38.

Competition

We face competition from domestic and international steel and steel product manufacturers. The Indian steel industry is highly competitive and cyclical in nature. Key competitive factors in our industry include product quality and consistency, manufacturing capacity, production technology, logistics infrastructure, workforce capabilities, operating cost efficiency, product pricing, access to funding for capacity expansion, and access to key raw materials.

We believe our integrated manufacturing operations, diversified product portfolio, captive power generation facilities, proximity to key raw material sources and operational flexibility position us to compete effectively in our target markets.

For further details, see "*Risk Factors – We operate in a highly competitive industry and face substantial competition from domestic and international steel and steel product manufacturers, some of whom may have advantages over us, including specialisation in value-added or niche products, stronger distribution networks, greater market presence or access to cheaper sources of funding. Any failure to compete effectively, including against new entrants in our region, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.*" on page 26.

Intellectual property

We rely on trade names, brand names, and proprietary know-how to conduct our business operations. Our key brand includes "BS TMX" (for TMT Bars). We have applied for / obtained trademark registrations for our brand names and company trade name in the relevant classes. For further information, see "*Government and Other Approvals – Intellectual Property*" and "*Risk Factors – Any failure to protect and leverage our intellectual property rights could adversely affect our competitive position, business, financial condition and results of operations. We may also inadvertently infringe on the intellectual property rights of others and infringement claims could subject us to significant liability for damages and potentially injunctive action.*" on pages 411 and 34, respectively.

Corporate social responsibility

We have constituted a Corporate Social Responsibility ("**CSR**") Committee of our Board of Directors and have adopted a CSR Policy in compliance with Section 135 of the Companies Act, 2013. For further information, see "*Our Management – Committees of our Board*" on page 277. Our CSR initiatives are focused on the following areas:

(a) *Education*: Our education-focused CSR activities are conducted under the "Sapno Ka Basta" program and related school transformation initiatives. These programs encompass providing educational supplies, implementing fire safety measures in schools, installing CCTV infrastructure for security, and establishing science laboratories to enhance learning outcomes in schools in communities proximate to our Manufacturing Facility.

(b) *Healthcare*: Our healthcare initiatives include the "Arogya Sewa" program which provides mobile medical van services to underserved communities, and the organization of osteopathic health camps for community members in areas surrounding our operations.

(c) *Environmental sustainability*: We undertake tree plantation drives as part of our environmental stewardship and community welfare activities.

(d) *Rural development and community welfare*: We engage in rural development activities in the communities surrounding our Manufacturing Facility, focusing on infrastructure development, livelihood enhancement, and general community welfare.

Our CSR expenditure, based on our Restated Financial Information, for the periods mentioned is set out below:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses	Amount (₹ in million)	% of total expenses
CSR expenses	34.56	0.15	24.73	0.13	13.83	0.11

Human resources

As of March 31, 2026, we had 2,020 permanent employees and 407 contractual employees. Our workforce is deployed across our Manufacturing Facility, Corporate Office, and Registered Office.

The following table provides a break-down of our permanent employees by function as of March 31, 2026:

Department	Number of employees
Administration	101
Sales & Customer Relations	39
Marketing & Branding	6
Dispatch & Logistics	108
Security	15
Health & Safety	18
Purchase & Store	57
Quality Control	55
Research & Development	9
Power Plant	344
Steel Plant	1268
Total	**2,020**

We also engage contract workers in our Manufacturing Facility to support our manufacturing operations and other ancillary activities. The number of contract workers engaged by us varies from time to time based on the operational requirement including nature and extent of work involved in our on-going projects. These contract workers are engaged through independent contractors in accordance with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended.

We have been certified as a "Great Place to Work" by Great Place to Work India in April 2026, which reflects our commitment to fostering an inclusive, safe, and rewarding workplace environment.

We have not experienced any material industrial disputes, strikes, or work stoppages during the Fiscals 2026, 2025, and 2024. We consider our employee relations to be cordial and satisfactory.

Property

The following table sets forth the details of properties owned, leased, or otherwise occupied by us as of the date of this Draft Red Herring Prospectus:

Sr. No.	Property	Location	Nature of occupancy	Area	Name of the Owner/ Lessor	Validity/ Term of the lease
1.	Registered Office	Office No.1 and 2, 2nd Floor, 34A, Metcalfe Street, Kolkata, West Bengal, India	Owned	523 sq. ft.	Our Company	N.A.
2.	Corporate Office	Shop No. 202, 2nd Floor, Block A, Crystal Arcade, Mowa, Raipur, Chhattisgarh, India	Leased	635 sq. ft.	B.L. Choke	11 Months from November 1, 2025
3.	Manufacturing Facility, Raigarh	Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India	Owned	45.98 hectares	Our Company	N.A.
			Leased	1.21 hectares	Government of Chhattisgarh, Chhattisgarh State Industrial Development Corporation Limited	99 Years from September 15, 2023
4.	Proposed Greenfield expansion, Nawapara	Gharghoda, Raigarh, Chhattisgarh, India	Owned	44.78 hectares	Our Company	N.A.
5.	Additional land parcel, Raigarh	Taraimal, Gharghoda, Raigarh Chhattisgarh, India	Owned	72.59 hectares	Our Company	N.A.
6.	Additional land parcel, Kanker	Kevti, Bhanupratappur, Kanker, Chhattisgarh, India	Owned	16.47 hectares	Our Company	N.A.

KEY REGULATIONS AND POLICIES

The following is an overview of certain key sector specific laws, regulations and policies in India which are applicable to the business and operations of our Company. The information detailed in this chapter is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies under Indian law which are subject to amendments, changes and/or modifications by subsequent legislative actions, regulatory, administrative or judicial decisions. The information in this section has been obtained from publications available in public domain. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of government approvals obtained by our Company, see "Government and Other Approvals" on page 408.

Industry/Business/Trade Related Laws

National Steel Policy, 2017 ("NSP 2017")

The NSP 2017 seeks to enhance domestic steel demand with focus on creating a technologically advanced and globally competitive steel industry in India that promotes economic growth. It also aims to create environment for attaining (i) self-sufficiency in steel production by providing policy support and guidance to private manufacturers, MSME steel producers, central public sector enterprises 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; and (iv)facilitate investment in overseas, asset acquisitions of raw materials and enhancement of the 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 pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management.

Steel Scrap Recycling Policy 2019 ("Policy")

The Ministry of Steel, Government of India has introduced the Steel Scrap Recycling Policy, 2019 which envisages a framework to facilitate and promote establishment of metal scrapping centers in India. The Policy aims to ensure scientific processing & recycling of ferrous scrap generated from various sources and a variety of products. The Policy framework provides standard guidelines for collection, dismantling and shredding activities in an organized, safe and environmentally sound manner. The Policy aims to achieve the following objectives: (i) to promote circular economy in the steel sector, (ii) to promote a formal and scientific collection, dismantling and processing activities for end of life products that are sources of recyclable (ferrous, non-ferrous and other non-metallic) scraps which will lead to resource conservation and energy savings and setting up of an environmentally sound management system for handling ferrous scrap; (iii) processing and recycling of products in an organized, safe and environment friendly manner; (iv) to evolve a responsive ecosystem by involving all stakeholders; (v) to produce high quality ferrous scrap for quality steel production thus minimizing the dependency on imports; (vi) To decongest the Indian cities from ELVs and reuse of ferrous scrap; (vii) to create a mechanism for treating waste streams and residues produced from dismantling and shredding facilities in compliance to Hazardous & Other Wastes (Management & Transboundary Movement) Rules, 2016 issued by MoEF & CC; and (viii) to promote 6Rs principles of reduce, reuse, recycle, recover, redesign and remanufacture through scientific handling, processing and disposal of all types of recyclable scraps including nonferrous scraps, through authorized centers / facility.

Steel and Steel Products (Quality Control) Order, 2024 ("QC Order")

The QC Order was notified by the Ministry of Steel, Government of India, vide Gazette Notification No. S.O. 5134(E) dated November 20, 2025, to bring certain steel products under mandatory certification of Bureau of Indian Standards. All manufacturers of steel and steel products are required to apply for certification and ensure compliance with the QC Order. The QC Order further provides that certain steel and steel products stated therein shall bear the standard mark under a license from Bureau of Indian Standards, as provided in Bureau of Indian Standards (Conformity Assessment) Regulations, 2018. The sub-standard or defective steel and steel product, which do not conform to the specified standard, shall be disposed off as scrap in such a way so that there is no violation of the Bureau of Indian Standards Act, 2016.Any person who contravenes any of the provisions of this Order shall be punishable under section 29 of the Bureau of Indian Standards Act, 2016.

Policy for Providing Preference to Domestically Manufactured Iron and Steel Products in Government Procurement, 2025 ("Domestically Manufactured Iron and Steel Products Policy")

The Policy for Providing Preference to Domestically Manufactured Iron and Steel Products in Government Procurement, 2019, notified in 2017 and subsequently revised in May 26, 2025 and further amended on July 25, 2025 aims at providing preference to domestically manufactured iron and steel products in government procurement. The Domestically Manufactured Iron and Steel Products Policy mandates to provide preference to Domestically Manufactured iron & Steel Products (DMI&SP) with a minimum of 15%-50% value addition in Government Procurement. The Domestically Manufactured Iron and Steel Products Policy is applicable to supply of iron and steel products having aggregated estimate value of ₹ 5 lakhs or more. The Domestically Manufactured Iron and Steel Products Policy also provide for provisions for waivers to all such procurements, where specific grades of steel are not manufactured in the country, or the quantities as per the demand of the project cannot be met through domestic sources. Apart from promoting the use of domestically manufactured steel in government projects, the Domestically Manufactured Iron and Steel Products Policy also encourage local manufacturing. The Domestically Manufactured Iron and Steel Products Policy is envisaged to promote growth and development of domestic steel.

Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("BIS") for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. The functions of the BIS, under the BIS Act includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) enter and search places, premises or vehicles, and inspect and seize goods, articles and documents to enforce the provisions of the BIS Act; (c) undertake testing of samples for purposes other than for conformity assessment; and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides penalties in case there is a contravention of the provisions of the BIS Act.

Bureau of Indian Standards Rules, 2018 ("Bureau of Indian Standards Rules")

The Bureau of India Standards Rules 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.

The Electricity Act, 2003 ("Electricity Act") and Electricity Rules, 2005 (the "Electricity Rules")

The Electricity Act provides for, inter alia, generation, transmission, distribution, trading and use of electricity. It governs the establishment, operation and maintenance of any electricity generating company and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per the provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, substations and dedicated transmission lines. As per the provisions of the Electricity Act, the generating companies are required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating company may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and any other open access charges, as may be determined by the relevant electricity regulatory commission. In terms of the Electricity Act, open access means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the relevant electricity regulatory commission.

Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission ("**CERC**"), the concerned State Electricity Regulatory Commissions ("**SERCs**") or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be). However, in accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a license under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act. Under Section 86 of the Electricity Act, the SERCs are required to promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person from sources other than the incumbent distribution licensee under the provision of open access.

Additionally, the Electricity Rules, 2005 (the "**Electricity Rules**") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined

on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the equity shares of such special purpose vehicle required to be held by the captive user(s) are to be determined with reference to such unit or units identified for captive use and not with reference to the generating station as a whole, and the electricity required to be consumed by the captive user(s) must not be less than 26% of the proportionate equity interest of the Company related to the generating unit or units identified as the captive generating plant.

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023 ("Measures relating to Safety and Electric Supply Regulations")

The Central Electricity Authority ("**CEA**") notified the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023 which came into effect on June 15, 2023. Measures relating to Safety and Electric Supply Regulations shall be applicable to electrical installation including electrical plant and electric line, and the person engaged in the generation or transmission or distribution or trading or supply or use of electricity. It provides, inter alia, safety measures for operation and maintenance of generating station and transmission and distribution system, general safety requirements, safety provisions for electrical installations and apparatus, safety requirements for overhead lines and underground cables and additional safety requirements for renewable generating stations. All suppliers of electricity including generating companies, transmission companies and distribution companies shall designate an Electrical Safety Officer for ensuring observance of safety measures specified under these regulations in their organisation for construction, operation and maintenance of electrical system of all generating stations, transmission lines, substations, distribution systems and supply lines. The generating units producing electricity from renewable sources of energy shall be required to be inspected by the Electrical Inspector before commissioning.

Importer-Exporter Code

Under Foreign Trade Policy of India, 2023 notified by the Central Government in exercise of powers under Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. An application for an Importer Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/ units/factories.

The Indian Boilers Act, 2025 ("Boilers Act")

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. It also prescribes standard requirements with respect to material, construction, safety and testing of boilers. The Boiler Regulations provides for, inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

Environmental Laws

The Environment Protection Act, 1986 ("Environment Protection Act") and Environment Protection Rules, 1986 ("EP Rules")

The purpose of the Environment Protection Act is to act as an umbrella legislation providing a framework for Central Government to co-ordinate environment protection activities of various central and state authorities. The said Environment Protection Act prohibits a person carrying on business, operations, process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed by the Government in this regard. Further, the EP Rules specify, inter alia, the standards for the emission or discharge of environmental pollutants, restrictions on the location of industries, and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the Environment Protection Act or the EP Rules framed thereunder, the punishment includes either imprisonment or fine, or both.

The Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EIA Notification issued under the Environment Act and the Environment Rules, as amended from time to time, mandates the prior approval of the Ministry of Environment, Forest and Climate Change, Government of India, or State Environment Impact Assessment Authority, as the case may be for the establishment of any new project, expansion or modernisation of existing projects, change of product mixes in existing manufacturing units. The EIA Notification prescribes a stage-wise approval process for obtaining environmental clearances for projects.

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted to provide for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water. Further, the Water Act also provides for the establishment of central pollution control board and state pollution control board with a view to carry out the aforesaid purpose, for conferring on and assigning to such boards powers and functions relating thereto and for matters connected therewith. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the prior consent of the state pollution control board concerned.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes Central and State pollution control boards for the aforesaid purposes for conferring on and assigning to such Boards powers and functions relating thereto and for matters connected therewith. In accordance with the provisions of the Air Act, any person establishing or operating an industrial plant or carry on any process, and discharging effluent/emitting pollutants into the air and polluting the environmental air must apply in a prescribed form and obtain consent from the concerned pollution control board prior to commencing any activity.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, as amended (the "Hazardous Waste Rules")

The objective of the Hazardous Waste Rules is to control the collection, reception, treatment, storage, reuse, recycling, recovery, pre-processing, utilisation including co-processing and disposal of hazardous waste. The Hazardous Waste Rules prescribes for every person who is engaged in, collection, storage, packaging, transportation, use, treatment, processing, recycling, recovery, pre-processing, co-processing, utilisation, offering for sale, transfer or disposal of the hazardous and other wastes to obtain an authorisation from the relevant state pollution control board.

The Public Liability Insurance Act, 1991 ("PLI Act") and Public Liability Insurance Rules, 1991 ("PLI Rules")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate the employer to contribute towards the environmental relief fund sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

Municipal Solid Wastes (Management and Handling) Rules, 2000 ("Waste Management Rules, 2000") as superseded by Solid Waste Management Rules, 2016 ("Waste Management Rules, 2016")

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

Guidelines to regulate and control ground water extraction in India, 2020

On the directions of Hon'ble Supreme Court vide its order dated 10th December, 1996 passed in Civil writ Petition No 4677 of 1985, MC Mehta Vs Union of India, the Central Government had constituted the Central Ground Water Board as "**Authority**" vide notification number S.O. 38 (E), dated the 14th January, 1997 to exercise powers under sub section (3) of Section 3 read with Section 5 of EPA for the purposes of regulation and control of ground water management and development and to exercise certain powers and perform certain functions as per EPA. The Authority has been regulating ground water development and management by way of issuing 'No Objection Certificates' for ground water extraction to industries or infrastructure projects or mining projects etc., and framed guidelines in this connection from time to time. The said guidelines provide for the categories of consumers which shall be exempted from seeking No Objection Certificate for ground water extraction. According to Clause (v) of Para 1.0, MSMEs drawing ground water less than 10 cum/day are exempted from seeking a No Objection Certificate.

Fire Prevention Laws

State governments have enacted laws that provide fire prevention and life safety. Such laws may be applicable to our offices and Training Centres and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to fire prevention and life safety measures and imposing penalties for non-compliance.

Legislations Relating to Labour, Employment and Industry

Code on Wages, 2019

This Code received the assent of the President of India on August 8, 2019, and subsumes four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government vide notification dated December 18, 2020, notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board. The remaining provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Industrial Relations Code, 2020

This Code received the assent of the President of India on September 28, 2020, and it subsumes three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Occupational Safety, Health and Working Conditions Code, 2020

The Code received the assent of the President of India on September 28, 2020, and it subsumes 12 existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Code provides for, inter alia, standards for health, safety and working conditions for employees of the establishments. The provisions of this Code have been brought into force with effect from November 21, 2025. The Central government and State government are yet to notify the rules under this Code.

Code on Social Security, 2020

This Code received the assent of the President of India on September 28, 2020 and it subsumes 9 existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996, and the Unorganised Workers' Social Security Act, 2008. This Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The provisions of this Code were partially brought into force by the Central Government vide notification dated May 3, 2023 and vide notification dated November 21, 2025. The remaining provisions of this Code will be brought into force on a date to be notified by the Central Government. As per the notification dated November 21, 2025, Employees Provident Fund and Miscellaneous Provisions Act, 1952 has not been repealed by the Government and continues to be in force. The Central government and State government are yet to notify the rules under this Code.

Employees Provident Fund and Miscellaneous Provisions Act, 1952, and the schemes formulated there under ("EPF Act")

The EPF Act provides for the institution of provident funds, family pension funds, and deposit-linked insurance funds for the employees in factories and other establishments. Accordingly, the following schemes are formulated for the benefit of such employees:

1. The Employees Provident Fund Scheme, 1952: As per this scheme, a provident fund is constituted and both the employees and employer contribute to the fund at the rate of 12% (or 10% in certain cases) of the basic wages, dearness allowance and retaining allowance, if any, payable to employees per month.

2. The Employees' Pension Scheme, 1995: The employees' pension scheme is a pension scheme for survivors, old aged and disabled persons. This scheme derives its financial resources by partial diversion from the provident fund contribution, the rate is 8.33%. Thus, a part of the contribution representing 8.33% of the employee's pay shall be remitted by the employer to the employee's pension fund within fifteen (15) days of the close of every month by a separate bank draft or cheque on account of the employees' pension fund contribution in such manner as may be specified in this behalf by the appropriate authority constituted under the EPF Act.

3. The Employees Deposit Linked Insurance Scheme, 1976: As per this scheme, the contribution by the employer shall be remitted by him together with administrative charges at such rate as the Central Government may fix from time to time under Section 6C (4) of the EPF Act, to the insurance fund within fifteen (15) days of the close of every month by a separate bank draft or cheque or by remittance in cash in such manner as may be specified in this behalf by the appropriate authority constituted under the EPF Act.

Information Technology Act, 2000

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

Digital Personal Data Protection Act, 2023 ("DPDP Act") and the Digital Personal Data Protection Rules, 2025

This act was first introduced as a bill in 2019 as the Personal Data Protection Bill, 2019. The bill was introduced in Lok Sabha by the Minister of Electronics and Information Technology, Ravi Shankar Prasad, on December 11, 2019. The DPDP Act received the assent of the President of India on August 11, 2023, and the provisions of the DPDP Act shall come into effect on such date as the Central Government may notify in the official gazette. The DPDP Act provides for collection and processing of digital personal data by persons, including companies. Further, companies collecting and dealing in high volumes of personal data are defined as significant data fiduciaries. These significant data fiduciaries will be required to fulfil certain additional obligations under the DPDP Act including appointment of a data protection officer who will be the point of contact between such fiduciaries and individuals for grievance redressal. Further such significant data fiduciaries will also be required to appoint an independent data auditor who will evaluate their compliance with the DPDP Act. The Central Government will also establish the Data Protection Board of India (the "DPB"), whose key functions include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals.

The Indian Ministry of Electronics and Information Technology has notified the Digital Personal Data Protection Rules, 2025 ("DPDP Rules") on November 13, 2025. The DPDP Rules, regulate the processing of personal data in India, ensuring individuals privacy rights are protected. The DPDP Rules apply to all entities that process digital personal data, both within India and abroad. It mandates the conduct of data protection impact assessments for high-risk processing activities and requires the notification of data breaches within a stipulated timeframe.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The SHWW Act provides for the protection of women at the workplace and the prevention of sexual harassment at the workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviours namely, physical contact and advances a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of a sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an internal complaints committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the internal complaints committee i.e., a written complaint is to be made within a period of three (3) months from the date of the last incident. If the establishment has less than ten (10) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the local complaints committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

Statutory And Commercial Laws

The Companies Act, 2013 & Companies Act, 1956

The Companies Act, 2013, has replaced the Companies Act, 1956, in a phased manner. The Companies Act, 2013 received the assent of the President of India on August 29, 2013. At present, almost all the provisions of this law have been made effective except a few to which extent the Companies Act, 1956, is still applicable. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act, 2013 prescribes regulatory mechanisms regarding all relevant aspects including organizational, financial and managerial aspects of companies.

SEBI Regulations

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities,

exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable rules and regulations.

Indian Contract Act, 1872 ("Contract Act")

The Contract Act codifies the way in which a contract is entered, executed, and implemented and the implications of a breach of a contract. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced, as amended from time to time. It determines the circumstances in which a promise made by the parties to a contract shall be legally binding on them. Each contract creates some rights and duties upon the contracting parties. The Contract Act deals with the enforcement of these rights and duties upon the parties. The Contract Act also lays down provisions of indemnity, guarantee, bailment, and agency. Provisions relating to the sale of goods and partnerships which were originally in the Act are now the subject matter of separate enactments viz., the Sale of Goods Act, 1930 and the Indian Partnership Act 1932. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

Specific Relief Act, 1963 ("Specific Relief Act")

The Specific Relief Act is complimentary to the provisions of the Contract Act, as the Specific Relief Act applies to movable property also. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

The Negotiable Instruments Act, 1881 ("NI Act")

In India, the laws governing monetary instruments such as cheques are contained in the NI Act. The NI Act provides effective legal provision to restrain persons from issuing cheques without having sufficient funds in their account and any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the NI Act creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker.

The Sale of Goods Act, 1930 ("Sale of Goods Act")

The Sale of Goods Act governs contracts relating to the sale of goods. The contracts for the sale of goods are subject to the general principles of the law relating to contracts i.e. the Contract Act. A contract for the sale of goods has, however, certain peculiar features such as transfer of ownership of the goods, delivery of goods, rights, and duties of the buyer and seller, remedies for breach of contract, conditions, and warranties implied under a contract for sale of goods, etc. which are the subject matter of the provision of the Sale of Goods Act.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the said CIRP, a resolution to be sought for the company within a time bound time period of 180 days.

The Arbitration & Conciliation Act, 1996 ("A&C Act")

The A&C Act provides a framework for the resolution of disputes through arbitration and conciliation. The main aim of A&C Act is to promote alternative dispute resolution mechanisms and offer cost-effective, and private alternative to court litigation. Arbitration or conciliation is initiated based on an agreement between the parties or by a court order. In arbitration proceedings the tribunal conducts hearings, gathers evidence, and issues an award based on the proceedings. In conciliation proceedings, the conciliator engages with the parties to help them reach a mutually acceptable resolution. The arbitral award is the final decision of the arbitrator(s), which is binding on the parties. The arbitral award has the same force of decree as that the court decree.

Competition Act, 2002 as amended by the Competition (Amendment) Act, 2023 (the "Competition Act Amendment")

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with the prohibition of agreements and anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the act. The prima facie duty of the Competition Commission established under the act is to eliminate practices having adverse effects on competition, promote and sustain competition, protect the interests of the consumer, and ensure freedom of trade.

The Competition Act Amendment introduces significant changes to the Competition Act in India. It introduces a deal value threshold of ₹ 20,000.00 million for reporting merger and acquisition transactions to the CCI. The time limit for the CCI's assessment of mergers and acquisitions is reduced from 210 days to 150 days. The scope of anti-competitive agreements is broadened by replacing "exclusive supply agreement" with "exclusive dealing agreement" and now covers the acquiring or the selling side of such agreements. The definition of cartel is expanded to include hubs and spoke arrangements involving trade associates, consultants, or intermediaries.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the Transfer of Property Act, 1882. This Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")

The MSME Act was enacted in order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise. As per the notification no. F. No. P-11/3/2023-POLICY-DCMSME dated March 21, 2025, the Central Government notified the following criteria for the classification of MSME with effect from April 01, 2025: as a micro-enterprise, where the investment in plant and machinery or equipment does not exceed Two Crore and fifty lakhs Rupees and turnover does not exceed Ten Crore Rupees; a small enterprise, where the investment in plant and machinery or equipment does not exceed Twenty- Five crore rupees and turnover does not exceed One Hundred Crore Rupees; and a medium enterprise, where the investment in plant and machinery or equipment does not exceed One Hundred and Twenty-Five Crore Rupees and turnover does not exceed Five Hundred Crore Rupees.

Indian Stamp Act, 1899 ("Stamp Act")

Under the Stamp Act and other State specific stamp legislations stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property and other instruments specified therein. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Negotiable Instruments Act, 1881 ("NI Act")

In India, the laws governing monetary instruments such as cheques are contained in the NI Act. The NI Act provides effective legal provision to restrain persons from issuing cheques without having sufficient funds in their account and any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the NI Act creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker.

Limitation Act, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period means the period of limitation computed in accordance with the provisions of this Act.

Legal Metrology Act, 2009 ("LM Act")

The LM Act aims 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. The LM Act and rules framed thereunder regulate,

among others, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state government under the Legal Metrology Act. Any non-compliance or violation under the LM Act may result in, among others, a monetary penalty or seizure of goods or imprisonment in certain cases.

Intellectual Property Laws

Trademarks Act, 1999 ("Trademarks Act") and the Trademark Rules, 2017 (Trademark Rules)

The Trademarks Act provides for the registration and better protection of trademarks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trademark under the Trademarks Act confers on the proprietor the exclusive right to the use of the trademark, and the right to obtain relief in respect of infringement of the trademark. The registration of a trademark shall be for a period of ten years but may be renewed from time to time as prescribed under the Trademarks Act. The Trademarks Act also prescribes penalties for the falsification or false application of trademarks.

In March 2017, the Trademark Rules were notified, in supersession of the Trademarks Rules, 2002. The Trademark Rules brought about changes in the application process, in terms of an increase in application fees and common formats for several kinds of applications. However, the e-filing process has been incentivised by providing for lower application fees. With the Trademark Rules, the definition of "Opposition" also saw a change to encompass a greater. Further, the Trademark Rules also allow for video conferencing for conducting hearings.

Taxation Laws

Income Tax Act, 2025 and the Income Tax Rules, 2026, as amended by the Finance Act in respective years.

The Income Tax Act, 2025 (the "Income Tax Act") is applicable to every company, whether domestic or foreign, whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company required to pay income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. with effect from April 1, 2026, the Government enacted the Income tax Act, 2025, pursuant to which a comprehensive and simplified framework for taxation has been introduced, including streamlined provisions relating to computation of income, classification of income, and compliance requirements.

Goods and Services Tax ("GST")

GST is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as the Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by central on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the central and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. GST has replaced following indirect taxes and duties at the central and state levels.

The Customs Act, 1962, and Customs Tariff Act, 1975

The stipulations prescribed by the Customs Act of 1962 and its corresponding regulations are enforceable during the importation of goods into India from foreign territories, as well as during the exportation of goods from India to foreign destinations. Additionally, the Customs Tariff Act of 1975 establishes the applicable rates for the imposition of customs duties as per the provisions outlined in the Customs Act of 1962.

The West Bengal State Tax on Professions, Trade, Callings and Employments Act, 1979

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Foreign Investment Regulations

Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the Foreign Trade Policy of India, 2023 ("Policy, 2023")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. 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 Foreign Trade Policy of India, 2023 is notified by Central Government, in the exercise of powers conferred under Section 5 of the FTA, as amended. In accordance with Policy 2023, an entity is required to mandatorily apply for the Importer-Exporter Code for undertaking import/export activities.

Foreign Exchange Management Act, 1999, and rules and regulations framed thereunder ("FEMA")

Foreign investment in India is governed primarily by the provisions of FEMA which relates to regulation primarily by the RBI and the rules, regulations, and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations (as defined hereunder), no prior consents and approvals are required from the RBI, for foreign direct investment ("**FDI**") under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in the exercise of its power under the FEMA, has notified the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 vide notification F.No. 1/14/EM/2015 dated October 17, 2019 ("**FEMA Regulations**") which governs transfer by or issue security to a person resident outside India. FEMA Regulations repealed the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, and Foreign Exchange Management (Acquisition and Transfer of Immovable Property in India) Regulations, 2018.

Foreign Trade (Regulation) Rules, 1993

The Foreign Trade (Regulation) Rules, 1993, framed under the Foreign Trade (Development and Regulation) Act, 1992, lay down the procedural and regulatory framework governing India's foreign trade operations. These Rules prescribe the requirements relating to registration, licensing, permissions, and compliance obligations for importers and exporters, and regulate the manner in which authorisations for import and export of goods are\ granted, amended, suspended or cancelled by the Directorate General of Foreign Trade. The Rules also provide for enforcement mechanisms and penalties for non-compliance. To the extent applicable to the Company's business, compliance with these Rules is necessary for undertaking and continuing cross-border trade activities.

Other Applicable Laws

In addition to the above, our Company is also required to comply with other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations, including the Companies Act and rules framed thereunder, municipal laws and fire safety laws, to the extent applicable. Our Company is also amenable to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as "B. S. Sponge Private Limited" as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated June 12, 2000, issued by the Registrar of Companies, West Bengal. Subsequently, our Company was converted to a public limited company, pursuant to the resolution passed in the extraordinary general meeting of our Shareholders held on September 1, 2026, following which and consequently the name of our Company was changed to "B. S. Sponge Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Central Processing Centre on September 9, 2026.

Changes in our Registered Office

As on the date of this Draft Red Herring Prospectus, the Registered Office of our Company is situated at 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700 013, West Bengal, India. Except as disclosed below, there has been no change in the registered office of our Company since its incorporation.

Date of Change	Details of change in the registered office	Reasons for change
August 17, 2007	The registered office of our Company was changed from 34A, Metcalfe Street, 4th Floor, Kolkata – 700013, West Bengal, India to 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700 013, West Bengal, India	Carrying out business efficiently and economically.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

1. *To carry in India or elsewhere the business of manufacturing, producing, processing, melting, converting, manipulating, treating and to act as agent broker, seller, trader, importer, exporter, distributor, stockiest, metallurgist, engineer, consultant, foundryman, job worker, supplier, contractor or otherwise to deal in sponge iron and other allied items and to do all such incidental acts and things for the attainment of the above objects.*

2. *To carry on the business of manufacturers of, dealers in, exporters and importers of, all varieties of steel, special steel, carbon steel, tool alloy steel mild steel and any other kind and grades of steel and to carry on and execute the work of steel engineers including manufacturing and dealing in steel billets, steel rods, steel ingots, steel sheets, steel wires and in all kinds of steel products whether forged, rolled or drawn and consequently to manufacture, sell and deal in all or any of the by-products which will be obtained in the process of manufacturing these steel of products.*

3. *To carry on the business of miners, importers and exporters in and dealers in iron +ores, chromium ores, magnesite ores, thorium, uranium, asbestos, nickel, copper, lead, tin, bauxite ores all ferrous and non- ferrous ores of every description and grades whatsoever in any part of the country and to carry on the business of the processing, cleaning, melting, forging, grading, and machining to convert the ores into marketable metals.*

4. *To manufacture, deal, import and export of pig iron, ferro silicon, ferrochrome and other ferrous substance and metals or every description and grades and to manufacture, deal import and export all kinds and varieties of non-ferrous raw metals such as aluminum, copper, tin, lead etc. and the by-products obtained in processing and manufacturing these raw metals.*

5. *To carry on the business of purchase, sale, miner, manufacture, process, import, export, buyers, sellers, traders, merchants, distribution, deal in, to act as indent or agent, commission agent, distributors, whole sellers, retailers, broker, contractor, otherwise deal with raw and process materials, semi products and end products of Low ash Metallurgical Coke, carbon, Chemicals, Coal, Pallet, Iron-ore, Dolomite, Coke, Petroleum Coke products, Calcites Petroleum Coke, Ferro Alloys, Electrodes, Petro Products and Petro Products of all kinds & specification and other allied items and industrial raw material.*

6. *To carry on the business of generation of power by any conventional or nonconventional sources including Hydro Thermal, Solar, Nuclear, Biomass, Natural Gas, Wind Energy, Diesel or fuel or any other method/ technology which has been in existence or which is developed over the time for captive consumption as well as accumulation and for transmission, distribution or supply to others on commercial and or other consideration and to design, assemble, manufacture, repair, install, maintain, buy, sell, export, import, and deal in all types of plants, machine, apparatus, equipment, systems, devices, accessories, fittings, articles and things and things required for or capable of being used in connection with generation, accumulation, transmission, distribution, supply or employment of power.*

7. *To carry on the business of mining for any element or substance including washing and/or mining of coal, and carrying out business of coal washery, coal trading, beneficiation, minerals and trade, import all types of coals and cokes, calcined coke and coal tar, anthracite coal and to take on lease or otherwise acquire, purchase, transfer, lease out or sell mines,*

mining rights and land or any interest therein and for this purpose to search for, prospect, explore, mines and quarries and to do all allied activities.

8. *To carry on the business of coal beneficiation, coal washing, crushing, screening, grading, handling, and treatment of raw coal for the purpose of improving quality and reducing ash content; to establish, operate, and maintain coal washeries, coal handling plants (CHPs), and related infrastructure; to undertake the activities of designing, engineering, procurement, construction, erection, commissioning, operation, and maintenance of coal processing and washery plants and associated facilities; to buy, sell, import, export, trade, transport, and otherwise deal in raw coal, washed coal, middlings, rejects, coke, and other coal by-products; to acquire, lease, or otherwise obtain land, mines, machinery, equipment, and materials required for setting up and operating such plants and allied infrastructure.*

9. *To provide consultancy and technical services related to mining, coal beneficiation, environmental compliance, pollution control, energy management, and operational efficiency in coal processing operations; and to collaborate with, or enter into joint ventures, technical partnerships, or service agreements with domestic or international entities for enhancement of coal washing technology, capacity building, and business development.*

10. *To carry on the business of manufacturing, producing, processing, developing, assembling, marketing, selling, trading, importing, exporting and otherwise dealing in all kinds of bricks including fly ash bricks, red bricks, and fly ash-based building materials and products, including but not limited to blocks, pavers, tiles, panels, interlocking bricks, cement-based products, and other eco-friendly or conventional construction materials; and to establish or operate manufacturing units, plants, or factories for the same, and to undertake all related activities aimed at promoting sustainable, environmentally friendly, and durable construction solutions.*

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association of our Company in the last 10 years preceding the date of this Draft Red Herring Prospectus:

Date of shareholders' resolution/effective date	Details of amendment
June 30, 2025	The object clause of the Memorandum of Association of our Company was altered to include: *7. To carry on the business of mining for any element or substance including washing and/or mining of coal, and carrying out business of coal washery, coal trading, beneficiation, minerals and trade, import all types of coals and cokes, calcined coke and coal tar, anthracite coal and to take on lease or otherwise acquire, purchase, transfer, lease out or sell mines, mining rights and land or any interest therein and for this purpose to search for, prospect, explore, mines and quarries and to do all allied activities.* *8.To carry on the business of coal beneficiation, coal washing, crushing, screening, grading, handling, and treatment of raw coal for the purpose of improving quality and reducing ash content; to establish, operate, and maintain coal washeries, coal handling plants (CHPs), and related infrastructure; to undertake the activities of designing, engineering, procurement, construction, erection, commissioning, operation, and maintenance of coal processing and washery plants and associated facilities; to buy, sell, import, export, trade, transport, and otherwise deal in raw coal, washed coal, middlings, rejects, coke, and other coal by-products; to acquire, lease, or otherwise obtain land, mines, machinery, equipment, and materials required for setting up and operating such plants and allied infrastructure.* *9.To provide consultancy and technical services related to mining, coal beneficiation, environmental compliance, pollution control, energy management, and operational efficiency in coal processing operations; and to collaborate with, or enter into joint ventures, technical partnerships, or service agreements with domestic or international entities for enhancement of coal washing technology, capacity building, and business development.* *10.To carry on the business of manufacturing, producing, processing, developing, assembling, marketing, selling, trading, importing, exporting and otherwise dealing in all kinds of bricks including fly ash bricks, red bricks, and fly ash-based building materials and products, including but not limited to blocks, pavers, tiles, panels, interlocking bricks, cement-based products, and other eco-friendly or conventional construction materials; and to establish or operate manufacturing units, plants, or factories for the same, and to undertake all related activities aimed at promoting sustainable, environmentally friendly, and durable construction solutions.*
May 16, 2026	Clause V of the Memorandum of Association of our Company was amended to reflect the reclassification of the authorised share capital from ₹65.00 million divided into 4,750,000 equity shares of ₹10 each and 1,750,000 preference shares of ₹10 each, to ₹65.00 million divided into 6,500,000 equity shares of ₹10 each.
August 25, 2026	Clause V / capital clause was amended to increase the authorised share capital from ₹65.00 million divided into 65,00,000 equity shares of ₹10 each to ₹10,000.00 million divided into 100,00,00,000 equity shares of ₹10 each.

Date of shareholders' resolution/effective date	Details of amendment
September 1, 2026	Clause I of the Memorandum of Association was amended to reflect the change in name of our Company from 'B.S. Sponge Private Limited' to 'B.S. Sponge Limited' pursuant to resolution passed in the extra ordinary general meeting of the Shareholders.

Major events and milestones of our Company

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Major events and milestones
2005	Commenced manufacturing of sponge iron with one rotary kiln having an installed capacity of 30,000 TPA
2006	Increased the installed capacity of sponge iron to 60,000 TPA
2010	Increased the installed capacity of sponge iron to 90,000 TPA
2017	Increased the installed capacity of sponge iron to 120,000 TPA
2018	Increased the installed capacity of sponge iron to 180,000 TPA
2019	Commenced manufacturing of Billets and Slabs with installed capacity of 120,000 TPA
	Commenced manufacturing of TMT Bars with installed capacity of 105,000 TPA
	Commissioned a 12 MW captive power plant
2021	Increased the installed capacity of captive power plant to 22 MW
2022	Commenced manufacturing of HR Coils with installed capacity of 165,000 TPA
	Increased the installed capacity of sponge iron to 345,000 TPA
	Increased the installed capacity of captive power plant to 32 MW
2023	Increased the installed capacity of Billets and Slabs to 219,000 TPA
	Commenced manufacturing of Ferro Alloys with installed capacity of 30,000 TPA
	Increased the installed capacity of sponge iron to 510,000 TPA
	Increased the installed capacity of captive power plant to 42 MW
2024	Increased the installed capacity of sponge iron to 675,000 TPA
	Increased the installed capacity of captive power plant to 52 MW
	Commenced manufacturing of ERW Pipes and Tubes with installed capacity of 120,000 TPA
2025	Increased the installed capacity of Billets and Slabs to 367,500 TPA
2026	Commenced manufacturing of Wire Rods with installed capacity of 165,000 TPA
	Increased installed capacity of captive power plant to 67 MW

Awards, accreditations, and recognition

The table below sets forth some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards, accreditations and recognition
2025	Awarded the CSR Project of the year – Large Impact by 16th India CSR Awards
2026	Awarded the certificate of honor for Arogya Sewa Programme in Aspirational Region by 17th India CSR Awards
2026	Awarded "Great Place to Work" by Great Place to Work, India

Significant financial and strategic partnerships

Our Company does not have any significant financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

Time/cost overrun in setting up projects

There has been no time or cost overrun in respect of our business operations, as on the date of this Draft Red Herring Prospectus.

Capacity/facility creation, location of centres

For details regarding capacity/facility creation and location of our manufacturing facility, see "*Our Business*" on page 219.

Launch of key products or services, entry in new geographies or exit from existing markets

For details in relation to launch of key products or services offered by us, entry into new geographies or exit from existing markets, as applicable, see "*Our Business*" and "*– Major events and milestones*" on pages 219, and 266, respectively.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There has been no instance of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.

A revaluation of the freehold land held by the Company was carried out in Fiscal 2024, as at April 01, 2023, being the date of transition to Ind AS, in accordance with the provisions of Ind AS 16 (Property, Plant and Equipment). The fair value of the freehold land was determined pursuant to a valuation report dated August 14, 2025 issued by Rajeeb Sarkar, a registered valuer holding registration number IBBI/RV/08/2019/12455 issued by Insolvency and Bankruptcy Board of India, prepared using the market approach (sales comparison method) method of valuation. Pursuant to such revaluation, the carrying value of the freehold land of the Company increased by ₹ 861.05 million during the year ended March 31, 2024.

A revaluation of the freehold land held by the Company was carried out in Fiscal 2026 in accordance with the provisions of Ind AS 16 (Property, Plant and Equipment). The fair value of the freehold land was determined pursuant to a valuation report dated September 12, 2026, issued by Rajeeb Sarkar, a registered valuer holding registration number IBBI/RV/08/2019/12455 issued by Insolvency and Bankruptcy Board of India, prepared using the market approach (sales comparison) method of valuation. Pursuant to such revaluation, the carrying value of the freehold land of the Company increased by ₹ 95.48 million during the year ended March 31, 2026.

The valuation reports have been included in "*Material Contracts and Documents for Inspection –Material Documents*" on page 493.

Guarantees provided to third parties by our Promoters offering their Equity Shares in the Offer for Sale

Except as disclosed below, our Promoter Selling Shareholders have not issued any guarantees to third parties:

Promoter	Name of the lender	Name of the borrower	Type of facility	Sanctioned amount/ Amount Guarantee *(In ₹ million)*	Outstanding amount as at July 31, 2026 (including interest accrued and due) *(In ₹ million)*	Period of guarantee	Obligation on the Company	Obligation of the Promoter offering his shares in the Offer for Sale	Security	Reason for the borrowing
Parmanand Agarwal and Ashish Agarwal	HDFC Bank	The Company	Cash credit	1,150.00	935.17	Period of the facility	Primary repayment obligation lying with the Company	Obligation to repay would be on the guarantors in case of default by the principal borrower	The facilities are primarily secured by a charge on the Company's current assets, both present and future, as well as on its movable assets and the immovable fixed assets of the Company. The loans are further secured by an equitable mortgage on immovable properties of the Company located at Kh no 1/4 K, Old PH No. 36, New PH No. 9, 36.739 Hectare and Kh No. 3/9, part of khasra no. 3, Area - 0.308 Hectare, Vill : Taraimal, Teh-Tamnar, Distt-Raigarh (Road to the plant). Additionally,	Working capital
	Indian Bank	The Company	Cash credit	1,000.00	783.59	Period of the facility				Working capital
	SBI	The Company	Cash credit	320.00	145.06	Period of the facility				Working capital
	Axis Bank	The Company	Cash credit	280.00	259.38	Period of the facility				Working capital
	HDFC Bank	The Company	Letter of credit	320.00	173.19	Period of the facility				Working capital
	Indian Bank	The Company	Letter of credit	420.00	364.03	Period of the facility				Working capital
	SBI	The Company	Letter of credit	360.00	261.03	Period of the facility				Working capital
	HDFC Bank	The Company	Bank guarantee	30.00	1.42	Period of the facility				Working capital
	Indian Bank	The Company	Bank guarantee	80.00	60.08	Period of the facility				Working capital
	SBI	The Company	Bank guarantee	90.00	5.18	Period of the facility				Working capital
	Indian Bank	The Company	Term loan	130.00	16.15	Period of the loan				Capital expenditure for hot charged rolling mills having capacity of 1,05,000 TPA
	HDFC Bank	The Company	Term loan	300.00	171.79	Period of the loan				Capital expenditure for installation of 10MW power plant
	Axis Bank	The Company	Term loan	220.00	117.22	Period of the loan				Capital expenditure for installation of strip mill 1,65,000 TPA

Promoter	Name of the lender	Name of the borrower	Type of facility	Sanctioned amount/ Amount Guarantee *(In ₹ million)*	Outstanding amount as at July 31, 2026 (including interest accrued and due) *(In ₹ million)*	Period of guarantee	Obligation on the Company	Obligation of the Promoter offering his shares in the Offer for Sale	Security	Reason for the borrowing
	Indian Bank	The Company	Term loan	680.00	524.79	Period of the loan			the borrowings are backed by unconditional and irrevocable personal guarantees of Parmanand Agarwal and Ashish Agarwal	Capital expenditure for installation of 2 DRI kiln having capacity of 1,65,000 TPA
	HDFC Bank	The Company	Term loan	700.00	601.42	Period of the loan				Capital expenditure for (i) 2 kiln (DRI plant), (ii). Induction furnace (2*15MT each), (iii). Ferro (1* 9MVA) (iv). Captive power plant (20 MW)
	SBI	The Company	Term loan	900.00	795.78	Period of the loan				Capital expenditure for (i) 2 kiln (DRI plant), (ii). Induction furnace (2*15MTeach), (iii). Ferro (1* 9MVA) (iv). Captive power plant (20 MW)
	Axis Bank	The Company	Term loan	240.00	240.85	Period of the loan				Installation of ferro alloys capacity by 15,000 TPA and fresh installation of pipe mill of capacity 1,20,000 TPA
	HDFC Bank	The Company	Term loan	800.00	705.43	Period of the loan				Capital expenditure for expansion of sponge iron plant
	Indian Bank	The Company	Term loan	580.00	580.90	Period of the loan				Capital expenditure for captive power plant from existing 38 MW to 48 MW (expansion by 10 MW)
	HDFC Bank	The Company	Term loan	570.00	569.73	Period of the loan				Capital expenditure for induction furnace and wire rod mill
	HDFC Bank	The Company	Term loan	430.00	429.80	Period of the loan				
	Indian Bank	The Company	Term loan	540.00	542.83	Period of the loan				Part financing of capacity expansion of captive power plant by 15 MW

Key terms of all subsisting shareholders' agreements

As on the date of this Draft Red Herring Prospectus, there are no other subsisting arrangements or agreements, deeds of assignment, acquisition agreements, shareholders agreements, inter-se agreements to which our Company, Promoters or Shareholders are a party, or agreements of like nature or agreements comprising any clauses/covenants which are material to our Company, and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer. Further, there are no clauses/covenants that are adverse or prejudicial to the interest of the minority/public Shareholders of our Company.

Key terms of other subsisting material agreements

Our Company has not entered into any subsisting material agreements with strategic partners, joint venture partners and/or financial partners other than in the ordinary course of business of our Company.

Other material agreements

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third-party regarding compensation or profit sharing in connection with dealings in the securities of our Company.

Agreements required under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations

As on the date of this Draft Red Herring Prospectus, there are no other agreements required to be disclosed in respect of the requirement under Clause 5A of paragraph A of part A of Schedule III of the SEBI Listing Regulations.

Holding company

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

Subsidiaries, associates and joint ventures of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary, associate or joint venture.

OUR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, our Company is required to have not less than two Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting. As on the date of this Draft Red Herring Prospectus, we have eight Directors on our Board, comprising three Executive Directors, one Chairman, Non-Executive and Non-Independent Director and four Independent Directors, including two woman Independent Directors.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Parmanand Agarwal *Designation*: Chairman, Non-Executive and Non-Independent Director *Date of birth*: June 14, 1946 *Address*: F- 2B, 11 B.P. Road, Ballygunge, Kolkata – 700019, West Bengal, India *Occupation*: Business *Term*: With effect from September 12, 2026; Not liable to retire by rotation *Period of directorship*: Director since June 12, 2000 *DIN*: 00585415	80	*Indian companies:* • Nachiketa Gift-Ads Private Limited *Foreign companies:* • Nil
Ashish Agarwal *Designation*: Managing Director *Date of birth*: February 18, 1982 *Address*: House No- 122, Las Vista, Amlidih, Raipur, - 492001 Chhattisgarh, India *Occupation*: Business *Term*: For a period of 5 years with effect from September 12, 2026; Liable to retire by rotation *Period of directorship*: Director since February 9, 2004 *DIN*: 01218609	44	*Indian companies:* • Nachiketa Gift-Ads Private Limited *Foreign companies:* • Nil
Richhi Agarwal *Designation*: Whole-time Director *Date of birth*: December 11, 1985 *Address*: 11 Flat 2B, Ballygunge Park Road, Ballygunge, Kolkata – 700019, West Bengal, India *Occupation*: Business *Term*: For a period of 5 years with effect from September 12, 2026; Liable to retire by rotation *Period of directorship*: Director since September 12, 2026 *DIN*: 03041292	40	*Indian companies:* • Nil *Foreign companies:* • Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Bijay Kumar Agarwal *Designation*: Whole–time Director *Date of birth*: April 15, 1966 *Address*: Shree Ram Hydraulics, Urdana Road, Near Dhimrapur Chowk, Raigarh – 496001, Chhattisgarh, India *Occupation*: Business *Term*: For a period of 5 years with effect from September 12, 2026; Liable to retire by rotation *Period of directorship*: Director since April 30, 2021 *DIN*: 03505035	60	*Indian companies:* • Nil *Foreign companies:* • Nil
Mazhar Hussain Arif *Designation*: Independent Director *Date of birth*: January 16, 1964 *Address*: F-1901, Ashok Gardens, Tower 2 T.J. Road, Swan Mills Compound, Sewri West – 400015, Mumbai, India *Occupation*: Chartered Accountant *Term*: For a period of 5 years with effect from September 12, 2026; Not Liable to retire by rotation *Period of directorship*: Director since September 12, 2026 *DIN*: 00095056	62	*Indian companies:* • Abacus Corporation Private Limited *Foreign companies:* • NIL
Prem Sagar Mishra *Designation*: Independent Director *Date of birth*: January 15, 1965 *Address*: Bungalow No. 1, C.M.D. Bungalow, Nehru Shatabdi Nagar, Seepat Road, Lingiyadih, Bilaspur – 495006, Chhattisgarh, India *Occupation*: Professional *Term*: For a period of 5 years with effect from September 12, 2026; Not liable to retire by rotation *Period of directorship*: Director since September 12, 2026 *DIN*: 07379202	61	*Indian companies:* • Nil *Foreign companies:* • Nil
Deepali Soni *Designation*: Independent Director *Date of birth*: April 7, 1980 *Address*: House No. 136, Sapphire Greens Phase-1, Ama Seoni, Raipur - 493111, Chhattisgarh, India *Occupation*: Chartered Accountant	46	*Indian companies:* • Rajendra Prasad Financial Consultants Private Limited *Foreign companies:* • Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Term: For a period of 5 years with effect from September 12, 2026; Not liable to retire by rotation *Period of directorship*: Director since September 12, 2026 *DIN*: 06738006		
Pooja Sadhwani *Designation*: Independent Director *Date of birth*: October 29, 1994 *Address*: 20/A Ramswarup Khettry Road, New Alipore S.O., New Alipore, Kolkata – 700053, West Bengal, India *Occupation*: Professional *Term*: For a period of 5 years with effect from September 15, 2026; Not liable to retire by rotation *Period of directorship*: Director since September 15, 2026 *DIN*: 11943845	31	*Indian companies:* • Nil *Foreign companies:* • Nil

Brief profiles of our Directors

Parmanand Agarwal, aged 80 years, is the Chairman, Non-Executive and Non-Independent Director of our Company. He has been on the Board of our Company since incorporation. He does not hold any undergraduate degree. He has over 49 years of experience across the mining, construction, steel, and power sectors. He currently serves as a director on the board of directors of Nachiketa Gift-Ads Private Limited and is a designated partner in Florance Engineering Enterprises LLP and Zortea Logistics LLP. Previously, he was also associated with Parampara Impex Private Limited and M/s Bishan Swarup Agarwal in the capacity of a director and partner, respectively. Currently his role in the Company is to provide strategic guidance and expertise to support the formulation of the Company's vision and long-term strategy.

Ashish Agarwal, aged 44 years, is the Managing Director of our Company. He has been on the Board of our Company since 2004. He holds a bachelor's degree in commerce from University of Mumbai, has completed a diploma programme in project management from University of California, Berkeley, certifications on business mastery program on advanced sales and marketing program from Business Coaching India. He has over 22 years of experience across the steel and power sectors. He currently serves as a director on the board of directors of Nachiketa Gift-Ads Private Limited and is a designated partner in Florance Engineering Enterprises LLP and Zortea Logistics LLP. Currently his role in the Company is to provide strategic leadership and oversee the overall finance, management, operations, and performance.

Richhi Agarwal aged 40 years is a Whole-time Director of our Company. She has been on the Board of our Company since 2026. She holds a bachelor's degree in business administration from Jadavpur University, an advanced diploma in finance from The Institute of Chartered Financial Analysts of India University, Tripura, and certification on business mastery program and certification on advanced sales and marketing program from Business Coaching India. She has over 13 years of experience. Currently her role in the Company is to oversee management, administration, CSR, and marketing functions.

Bijay Kumar Agarwal, aged 60 years, is a Whole-time Director of our Company. He was originally appointed on the Board of our Company in 2011. He has passed the annual intermediate examination from Bihar Intermediate Education Council, Patna from Patna University, Ranchi. He has over 12 years of experience across the steel and power sectors. Currently his role in the Company is to manage and oversee all government relations and liaison legal activities.

Mazhar Hussain Arif, aged 62 years, is an Independent Director of our Company. He is a fellow member of the Institute of Chartered Accountants of India. He has over 36 years of experience in finance and accountancy. He was previously associated with Foundation of Independent Financial Associates *(formerly known as Foundation of Independent Financial Advisors),* and M/s. Varawala & Arif as a partner. He currently serves as a director on the board of directors of Abacus Corporation Private Limited as a director and is a designated partner in Fiducia Financial Services LLP.

Prem Sagar Mishra, aged 61 years, is an Independent Director of our Company. He holds a bachelor's degree in technology in mining engineering from Indian School of Mines, Dhanbad, a post graduate diploma in business laws from the West Bengal National University of Juridical Sciences and degree of doctorate of philosophy from Indian Institute of Technology (Indian

School of Mines), Dhanbad. He has over 37 years of experience across the mining sectors. He was previously associated with South Eastern Coalfields Limited (SECL) as chairman cum managing director, Eastern Coalfields Limited (ECL) as chairman cum managing director, The Orissa Minerals Development Company Limited (OMDC) as director (Production & Planning), Bharat Coking Coal Limited as an area general manager and Central Coalfields Limited (CCL) as Colliery Manager.

Deepali Soni, aged 46 years is an Independent Director of our Company. She holds a bachelor's degree in commerce from Samrat Vikramaditya Vishwavidyalaya, Ujjain. She is a fellow member of the Institute of Chartered Accountants of India. She has over 15 years of experience in finance and accountancy. She currently serves as a director on the board of directors of Rajendra Prasad Financial Services Private Limited. She is currently associated with M/s. Soni & Jain as a partner.

Pooja Sadhwani, aged 31 years, is an Independent Director of our Company. She holds a bachelor's degree in commerce in accounting and finance group from University of Calcutta. She has over seven years of experience in administration and human resource functions. She was previously associated with Kapokk Fashions.

Relationship between our Directors, Key Managerial Personnel and Senior Management

Except as stated below, none of our Directors are related to each other, nor are any of our Directors related to any of our Key Managerial Personnel or Senior Management:

Name of Director	Relationship
Parmanand Agarwal	Parmanand Agarwal is the father of Ashish Agarwal
Ashish Agarwal	Ashish Agarwal is the son of Parmanand Agarwal
Richhi Agarwal	Richhi Agarwal is the wife of Ashish Agarwal and daughter in law of Parmanand Agarwal
Bijay Kumar Agarwal	Bijay Kumar Agarwal is Parmanand Agarwal's brother in law

Terms of appointment of our Chairman, Non-Executive and Non-Independent Director

Parmanand Agarwal – Chairman, Non-Executive and Non-Independent Director

Our Board at their meeting held on September 12, 2026 approved the appointment of Parmanand Agarwal as the Chairman, Non-Executive and Non-Independent Director of our Company with effect from September 12, 2026. Our Shareholders approved such appointment at their meeting held on September 15, 2026 setting out the details of the remuneration and other terms of his employment. The following table sets forth the details of the remuneration and other terms of his employment applicable with effect from September 12, 2026:

(in ₹ million)

Sr. No	Category	Remuneration
1.	Commission (per annum)	18.00
Total (per annum)		**18.00**

Terms of appointment of our Managing Director

Ashish Agarwal – Managing Director

Our Board at their meeting held on September 12, 2026 approved the appointment of Ashish Agarwal as the Managing Director of our Company with effect from September 12, 2026. Our Shareholders approved such appointment at their meeting held on September 15, 2026 setting out the details of the remuneration and other terms of his employment. The following table sets forth the details of the remuneration and other terms of his employment applicable with effect from September 12, 2026:

(in ₹ million)

Sr. No	Category	Remuneration
1.	Salary (per annum)	Up to 120.00
2.	Perquisites and benefits	1. House rent allowance; 2. Leave travel concession for self and family; 3. Conveyance allowance; 4. Reimbursement of telephone, books and periodicals, fuel and vehicle expenses, and driver's salary; 5. Other prerequisites and allowances as the Company's rules/policy
Total (per annum)		**Up to 120.00**

Terms of appointment of our Whole-time Directors

Richhi Agarwal – Whole-time Director

Our Board at their meeting held on September 12, 2026 approved the appointment of Richhi Agarwal as the Whole-time Director of our Company with effect from September 12, 2026. Our Shareholders approved such appointment at their meeting held on September 15, 2026 setting out the details of the remuneration and other terms of her employment. The following table sets forth the details of the remuneration and other terms of her employment applicable with effect from September 12, 2026:

(in ₹ million)

Sr. No	Category	Remuneration
1.	Salary (per annum)	Up to 100.00
2.	Perquisites and benefits	1. House rent allowance; 2. Leave travel concession for self and family; 3. Conveyance allowance; 4. Reimbursement of telephone, books and periodicals, fuel and vehicle expenses, and driver's salary; 5. Other prerequisites and allowances as the Company's rules/policy provide
Total (per annum)		**Up to 100.00**

Bijay Kumar Agarwal – Whole-time Director

Our Board at their meeting held on September 12, 2026 approved the re-appointment of Bijay Kumar Agarwal as the Whole-time Director of our Company with effect from September 12, 2026. Our Shareholders approved such re-appointment at their meeting held on September 15, 2026 setting out the details of the remuneration and other terms of his employment. The following table sets forth the details of the remuneration and other terms of his employment applicable with effect from September 12, 2026

(in ₹ million))

Sr. No	Category	Remuneration
1.	Salary (per annum)	Up to 1.13
2.	Perquisites and benefits	1. House rent allowance; 2. Leave travel concession for self and family; 3. Conveyance allowance; 4. Reimbursement of telephone, books and periodicals, fuel and vehicle expenses, and driver's salary; 5. Other prerequisites and allowances as the Company's rules/policy provide
Total (per annum)		**Up to 1.13**

Terms of appointment of our Non-Executive Directors (including Independent Directors)

Pursuant to the Board resolution dated September 12, 2026, the sitting fees payable to our Independent Directors for attending meetings of our Board and meetings of various committees of our Board, is ₹ 0.03 million and ₹ 0.02 million respectively, within the limits prescribed under the Companies Act, 2013, and the rules notified thereunder.

Payment or benefits to Directors

Except as disclosed in "*— Terms of appointment of our Chairman, Non-Executive and Non-Independent Director*", "*— Terms of appointment of our Managing Director*" and "*— Terms of appointment of our Whole-time Directors*" on pages 273 and 274 above, our Company has not entered into any contract appointing or fixing the remuneration of any Director in the two years preceding the date of this Draft Red Herring Prospectus.

Except as stated in "*Summary of Related Party Transactions*" on page 75, no amount or benefit has been paid or given within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our Directors except remuneration or re-imbursements for services rendered as Directors, officers or employees of our Company.

In Fiscal 2026, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors other than the remuneration as disclosed above "*— Terms of appointment of our Chairman, Non-Executive and Non-Independent Director*", "*— Terms of appointment of our Managing Director*" and "*— Terms of appointment of our Whole-time Directors*" on pages 273 and 274 above, and sitting fees paid to them for such period.

The remuneration that was paid to our Directors in Fiscal 2026 is as follows:

1. Managing Director

The details of the remuneration paid to our Managing Director in Fiscal 2026 is set out below:

(in ₹ million)

Name of Director	Designation	Remuneration
Ashish Agarwal	Managing Director	120.00

2. Whole-time Directors

The details of the remuneration paid to our Whole-time Directors in Fiscal 2026 is set out below:

(in ₹ million)

Name of Director	Designation	Remuneration
Bijay Kumar Agarwal	Whole-time Director	1.03
Richhi Agarwal*	Whole-time Director	13.20

** Richhi Agarwal was appointed as a Whole-time Director with effect from Fiscal 2027. Accordingly, the remuneration received by her in Fiscal 2026 was as an employee.*

3. Chairman, Non- Executive and Non-Independent Director

The details of the remuneration paid to our Chairman, Non-Executive and Non-Independent Director in Fiscal 2026 is set out below

. (in ₹ million)

Name of Director	Remuneration
Parmanand Agarwal*	120.00

** Parmanand Agarwal was re-designated as a Chairman, Non-Executive and Non-Independent Director with effect from Fiscal 2027. Accordingly, the remuneration received by him in Fiscal 2026 was as an executive director.*

4. Independent Directors

As Mazhar Hussain Arif, Prem Sagar Mishra, Deepali Soni and Pooja Sadhwani were appointed as Independent Directors with effect from Fiscal 2027, they did not receive any remuneration from the Company during Fiscal 2026.

Shareholding of Directors in our Company

Our Articles of Association do not require our directors to hold qualification shares.

Except as disclosed below, none of our directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Director	Total Number of Equity Shares held	Percentage of the pre-offer Equity Share capital (%)
1.	Parmanand Agarwal	48,573,000	22.99
2.	Ashish Agarwal	75,654,000	35.81
3.	Richhi Agarwal	225,000	0.11

Confirmations

None of our Directors have been associated with any company that has been struck off by the registrar of companies or the Ministry of Corporate Affairs.

None of our Directors are prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or any other form, has been paid, or agreed to be paid, to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become

or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations or Fugitive Economic Offenders under the Fugitive Economic Offenders Act, 2018.

Arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Draft Red Herring Prospectus, none of our directors have any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which they were appointed as a director or member of senior management.

Service contracts with Directors

None of our Directors have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of their employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no Directors are entitled to any benefit upon termination of employment or superannuation.

Bonus or profit-sharing plan for the Directors

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Contingent or deferred compensation payable to the Directors

There is no contingent or deferred compensation payable to the Directors for Fiscal 2026.

Interest of Directors

All our Non-Executive Directors may be deemed to be interested to the extent of sitting fees and commission payable to them for attending meetings of our Board and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them as approved by our Board.

Our Directors may be deemed to be interested to the extent of the remuneration and reimbursements payable to each of them by our Company and remuneration payable to them.

Our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Our Directors may be interested to the extent of Equity Shares, if any, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members, trustees or beneficiaries or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members, trustees or beneficiaries, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares. For details, see "*— Shareholding of Directors in our Company"* on page 275.

None of our Directors, other than Parmanand Agarwal and Ashish Agarwal, have any interest in the promotion or formation of our Company.

Except for our Directors, Parmanand Agarwal and Ashish Agarwal, who were promoter and director(s), as applicable, at the time of acquisition by our Company on November 18, 2025, of, on a freehold basis, two land parcels aggregating to 34.72 hectares situated at Charmar (12.73 hectares) and Nawapara (21.99 hectares), P.No. 18, Gharghoda, Raigarh, Chhattisgarh, India, for the proposed greenfield expansion of our Company, from Nachiketa Gift-Ads Private Limited, and our Promoters, Richhi Agarwal and Bijay Kumar Agarwal, by virtue of being relative of Parmanand Agarwal and Ashish Agarwal, none of our Directors have any interest, whether direct or indirect, in any other property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by it or in any transaction by our Company with respect to any property, land, construction of building or supply of machinery, as on the date of this Draft Red Herring Prospectus.

Further, except for the proposed acquisition by our Company of the property located at Sheet No. 18, Online Plot No. 3/1/Kh/9, Bhagwati Charan Shukla Ward No. 57, Civil Line, Raipur, Chhattisgarh, pursuant to a letter of intent dated June 1, 2025, for the proposed corporate office of our Company, from Florance Engineering Enterprises LLP, in which our Promoters, Parmanand Agarwal, Ashish Agarwal and Richhi Agarwal and Bijay Kumar Agarwal, by virtue of being relative of Parmanand Agarwal and Ashish Agarwal, are designated partner(s) of Florance Engineering Enterprises LLP, as applicable, at the time of

such proposed acquisition or proposed intention to buy, our Promoters do not have any other such interest as on the date of this Draft Red Herring Prospectus.

For further details, see "*Risk Factors – Our Promoters, Directors, Senior Management and Key Managerial Personnel are interested in our Company, in addition to their remuneration and reimbursement of expenses. Further, certain of our Promoter Group members are interested in our Company to the extent of our shared Registered Office space.*" on page 50.

None of our Directors have availed loans from our Company as on the date of this Draft Red Herring Prospectus.

None of our Directors have any business interest in our Company as on the date of this Draft Red Herring Prospectus.

There is no conflict of interest between the lessors of immoveable properties, suppliers of raw materials and third party service providers, which are crucial for the operations of our Company, and our Directors.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable provisions of the Companies Act, 2013, and the resolution passed by our Shareholders in their general meeting held on September 15, 2026, our Board has been authorized to borrow or from time to time, any sum or sums of monies, including by way of issuance of debentures, advances, deposits, loans or otherwise, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) either from the Company's bankers and/or any one or more persons, bodies corporate or financial institutions or from any other sources abroad whether secured or unsecured may exceed the aggregate of the then paid up capital of the Company, its free reserves and securities premium, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 20,000 million at any point of time.

Changes to our Board in the last three years

The changes to our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of appointment/cessation	Reason
Parmanand Agarwal	September 12, 2026	Change in designation from Executive Director to Chairman, Non-Executive and Non-Independent Director
Ashish Agarwal	September 12, 2026	Appointment as the Managing Director
Richhi Agarwal	September 12, 2026	Appointment as a Whole-time Director
Bijay Kumar Agarwal	September 12, 2026	Appointment as a Whole-time Director
Mazhar Hussain Arif	September 12, 2026	Appointment as Independent Director
Prem Sagar Mishra	September 12, 2026	Appointment as Independent Director
Deepali Soni	September 12, 2026	Appointment as Independent Director
Pooja Sadhwani	September 15, 2026	Appointment as Independent Director
Ashish Agarwal	February 7, 2024	Change in designation from managing director to Executive Director
Bijay Kumar Agarwal	July 11, 2025	Change in designation from Non-Executive Director to Executive Director

Corporate governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the composition of our Board and constitution of the committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee;

2. Nomination and Remuneration Committee;

3. Stakeholders' Relationship Committee;

4. Corporate Social Responsibility Committee; and

5. Risk Management Committee.

Details of the Committees as on the date of this Draft Red Herring Prospectus are set forth below:

1. Audit Committee

The Audit Committee was constituted pursuant to resolution of our Board dated September 15, 2026. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the committee	Designation
Mazhar Hussain Arif	Chairperson	Independent Director
Ashish Agarwal	Member	Managing Director
Deepali Soni	Member	Independent Director
Pooja Sadhwani	Member	Independent Director

(a) The Audit Committee shall have powers, which shall be as under:

(i) To investigate any activity within its terms of reference;

(ii) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

(iii) To obtain outside legal or other professional advice;

(iv) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;

(v) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company; and

(vi) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(b) The role of the Audit Committee shall be as under:

(i) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

(ii) Recommendation to the Board for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee;

(iii) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134(3)(c) of the Companies Act;

(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 the management of the Company;

(d) Significant adjustments made in the financial statements arising out of audit findings;

(e) Compliance with listing and other legal requirements relating to financial statements;

(f) Disclosure of any related party transactions; and

(g) modified opinion(s) in the draft audit report.

(v) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(vi) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the 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. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;

(vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(viii) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;

(ix) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

(x) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations;

(xi) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(xii) Scrutiny of inter-corporate loans and investments;

(xiii) Valuation of undertakings or assets of the company, wherever it is necessary;

(xiv) Evaluation of internal financial controls and risk management systems;

(xv) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xvi) 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;

(xvii) Discussion with internal auditors of any significant findings and follow up there on;

(xviii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xix) 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;

(xx) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xxi) Reviewing the functioning of the whistle blower mechanism;

(xxii) Approval of the appointment of the Chief Financial Officer of the Company ("**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 and background, etc., of the candidate;

(xxiii) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;

(xxiv) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;

(xxv) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

(xxvi) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(xxvii) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and

(xxviii) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

(c) The Audit Committee shall mandatorily review the following information:

(i) Management discussion and analysis of financial condition and results of operations;

(ii) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(iii) Internal audit reports relating to internal control weaknesses;

(iv) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(v) Statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations."

(c) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company; and

(d) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

2. Nomination and Remuneration Committee ("NRC")

The NRC was constituted pursuant to resolution of our Board dated September 15, 2026. The current constitution of the NRC is as follows:

Name of Director	Position in the committee	Designation
Mazhar Hussain Arif	Chairperson	Independent Director
Prem Sagar Mishra	Member	Independent Director
Deepali Soni	Member	Independent Director
Pooja Sadhwani	Member	Independent Director

The scope and function of the NRC is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates.

(b) Formulation of criteria for evaluation of performance of independent directors and the Board;

(c) Devising a policy on Board diversity;

(d) Identifying persons who are qualified to become directors of the Company and who may be appointed as senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

(e) Analysing, monitoring and reviewing various human resource and compensation matters;

(f) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(g) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(j) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(k) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws:

(i) Determining the eligibility of employees to participate under the ESOP Scheme;

(ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

(iii) Date of grant;

(iv) Determining the exercise price of the option under the ESOP Scheme;

(v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) Formulate the procedure for funding the exercise of options;

(xiii) The procedure for cashless exercise of options;

(xiv) Forfeiture/ cancellation of options granted;

(xv) Formulate the procedure for buy-back of specified securities issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

(xvi) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(l) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(m) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

(iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

by the Company and its employees, as applicable.

(n) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and

(o) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

3. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was re-constituted pursuant to resolution of our Board dated September 15, 2026. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the committee	Designation
Parmanand Agarwal	Chairperson	Chairman, Non-Executive and Non-Independent Director
Richhi Agarwal	Member	Whole-time Director
Pooja Sadhwani	Member	Independent Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, shall be restated as under:

(a) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder, monitor the implementation of the same from time to time and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:

(i) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(ii) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

(iii) the modalities of utilization of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the projects or programmes; and

(v) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(g) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law.

4. Stakeholders Relationship Committee ("SRC")

The SRC was constituted pursuant to resolution of our Board dated September 15, 2026. The current constitution of the SRC is as follows:

Name of Director	Position in the committee	Designation
Prem Sagar Mishra	Chairperson	Independent Director
Richhi Agarwal	Member	Whole-time Director
Bijay Kumar Agarwal	Member	Whole-time Director

The scope and function of the SRC is in accordance with section 178 and other applicable provisions of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, general meetings etc., and assisting with quarterly reporting of such complaints;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Giving effect to all allotments, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated/new share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(g) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

(h) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(i) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s); and

(j) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

5. Risk Management Committee ("RMC")

The RMC was constituted pursuant to resolution of our Board dated September 15, 2026. The current constitution of the RMC is as follows:

Name of Director	Position in the committee	Designation
Parmanand Agarwal	Chairperson	Chairman, Non-Executive and Non-Independent Director
Pooja Sadhwani	Member	Independent Director
Prem Sagar Mishra	Member	Independent Director
Ashish Agarwal	Member	Managing Director

The scope and function of the RMC is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference shall be as follows:

(i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental,

Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;

- Measures for risk mitigation including systems and processes for internal control of identified risks; and
- Business continuity plan.

(ii) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(iii) To consider the effectiveness of decision-making process in crisis and emergency situations;

(iv) To balance risks and opportunities;

(v) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(vi) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(vii) To review and recommend potential risk involved in any new business plans and processes;

(viii) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

(ix) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(x) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(xi) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(xii) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

(xiii) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

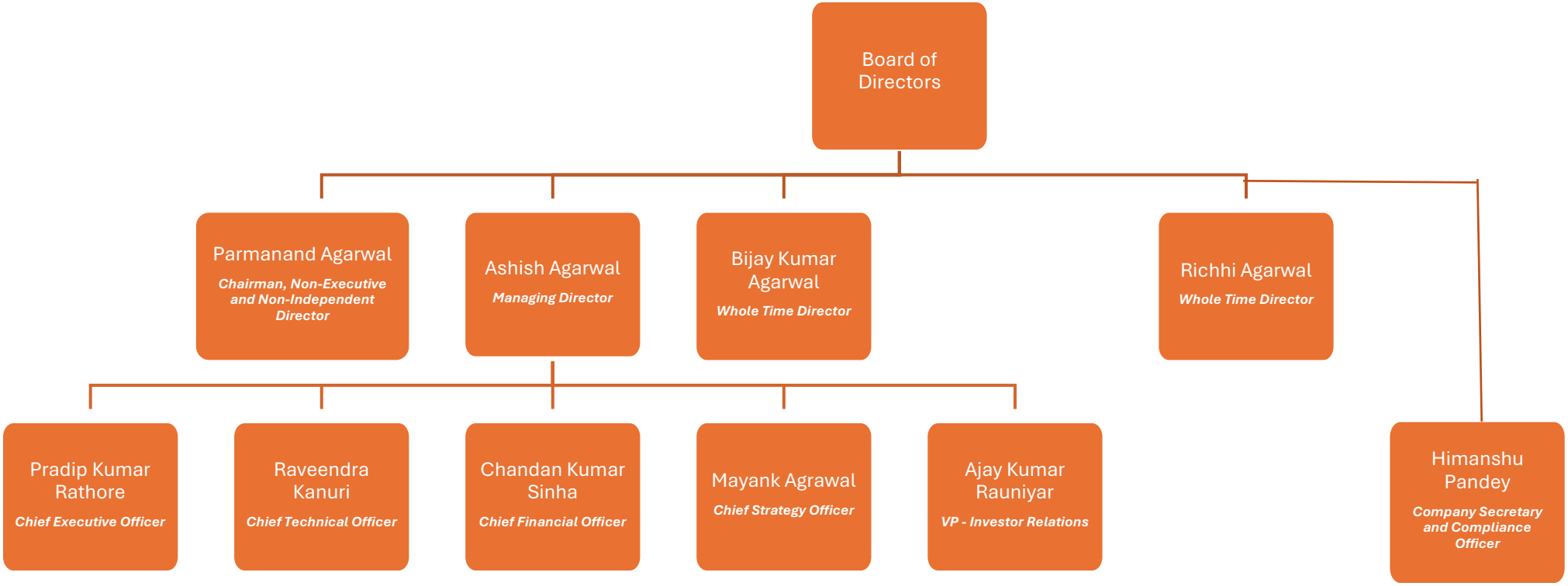
(xiv) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(xv) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(xvi) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

(*The remainder of this page has been intentionally left blank*)

Management organization chart



Key Managerial Personnel and Senior Management Personnel

Brief profiles of our Key Managerial Personnel

In addition to Ashish Agarwal, Bijay Kumar Agarwal and Richhi Agarwal, whose details are disclosed under *"– Brief profiles of our Directors*" on page 272 above, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Pradip Kumar Rathore is the Chief Executive Officer of our Company. He has been associated with our Company since June 1, 2016, and was appointed as the Chief Executive Officer with effect from September 12, 2026. He holds a bachelor's degree of science from Guru Ghasidas Vishwavidyalaya, Bilaspur and a master's degree of science in mathematics from MATS University, Raipur. He has over 23 years of experience. He has played an integral role in supporting our Company's integrated manufacturing processes and is responsible for production, operational efficiency and business growth in our Company. Prior to joining our Company, he was associated with Scania Steels and Powers Limited and Popuri Plant Tech Private Limited. During Fiscal 2026, he received a remuneration of ₹ 5.80 million.

Chandan Kumar Sinha is the Chief Financial Officer of our Company. He has been associated with the Company since November 22, 2022 as a consultant and was appointed as the Chief Financial Officer with effect from September 12, 2026. He is an associate of the Institute of Chartered Accountants of India. He has over three years of experience. He is responsible for financial planning, budgeting, financial reporting, internal controls and statutory compliance in our Company. During the Fiscal 2026, he received a compensation of 1.19 million as a consultant to our Company. Since he has been appointed in Fiscal 2027, no remuneration was paid to him in Fiscal 2026 in his capacity as the Chief Financial Officer of our Company.

Himanshu Pandey is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since December 26, 2023 and was appointed as the Company Secretary and Compliance Officer with effect from September 12, 2026. He holds a master's degree in commerce from Pandit Ravi Shankar Shukla University, Raipur and post-graduation diploma in computer applications (P.G.D.C.A) commerce from Pandit Ravi Shankar Shukla University, Raipur. He is a fellow member of the Institute of Company Secretaries of India. He has over five years of experience. He is responsible for secretarial and compliance matters. Prior to joining our Company, he was associated with Central Registration Centre, Manesar and with Baral Logistics Private Limited. During the Fiscal 2026, he received a remuneration of ₹ 0.47 million.

Brief profiles of our Senior Management Personnel

In addition to Pradip Kumar Rathore, Chandan Kumar Sinha and Himanshu Pandey, whose details are provided in "— *Brief profiles of our Key Managerial Personnel and Senior Management"* on page 287 above, the details of other Senior Management Personnel, is set forth below:

Raveendra Kanuri is the chief technical officer of our Company. He has been associated with our Company since October 2, 2017 as consultant and was appointed as Chief Technical Officer with effect from August 1, 2025. He holds a diploma in mechanical engineering from State Board of Technical Education & Training, Andhra Pradesh. He has over 25 years of experience. He has played an integral role in supporting our Company's integrated manufacturing processes and is responsible for power generation and utility operations. Prior to joining our Company, he was associated with Singhal Steel & Power Private Limited and Aquatherm Engineering Consultants (India) Private Limited. During the Fiscal 2026, he received a remuneration of ₹ 6.02 million.

Mayank Agrawal is the chief strategy officer of our Company. He has been associated with our Company since June 1, 2026. He holds a bachelor's degree in commerce from Pandit Ravi Shankar Shukla University, Raipur. He is an associate member of the Institute of Chartered Accountants of India. He has over eight years of experience. He is responsible for organization's strategy, growth opportunities, alignment of business objectives with long-term goals, and engagement with investors. Prior to joining our Company, he was associated with Sambhv Steel Tubes Limited, OFB Tech Private Limited, API Ispat & Powertech Private Limited, Hindustan Unilever Limited and Vedanta Limited (Oil & Gas Business). Since he has been appointed in Fiscal 2027, no remuneration was paid to him in Fiscal 2026.

Ajay Kumar Rauniyar is the vice president – investor relations of our Company. He has been associated with our Company since May 16, 2026. He holds a bachelor's degree in commerce and major in accountancy and finance from Indira Gandhi National Open University, New Delhi. He is an associate member of the Institute of Chartered Accountants of India. He has over eight years of experience. He is responsible to support senior management by providing insights on investor expectations and facilitating effective communication with investors and other stakeholders. Prior to joining our Company, he was associated with Hi-Tech Flow Solutions Limited, Hi-Tech Pipes Limited, Venture Supply Chain Private Limited, and Craft Route Merchandize Private Limited. Since he has been appointed in Fiscal 2027, no remuneration was paid to him in Fiscal 2026.

Status of the Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company. Further, the attrition rate of the Key Managerial Personnel and Senior Management Personnel of our Company is not high in comparison to the industry in which we operate.

Loans to Key Managerial Personnel and Senior Management

No loans have been availed by our Key Managerial Personnel and Senior Management from our Company as on the date of this Draft Red Herring Prospectus

Retirement and termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel and Senior Management Personnel would receive any benefits on their retirement or on termination of their employment with our Company.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

Except as stated below none of the Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on date of this Draft Red Herring Prospectus.

Name of KMP / SMP	No. of Equity Shares
Ashish Agarwal	75,654,000
Richhi Agarwal	225,000

Payment or benefits to Key Managerial Personnel and Senior Management Personnel

In Fiscal 2026, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Key Managerial Personnel or Senior Management Personnel (including contingent or deferred compensation) other than the remuneration as disclosed above in "*— Terms of appointment of our Chairman, Non-Executive and Non-Independent Director*", "*— Terms of appointment of our Managing Director*", "*— Terms of appointment of our Whole-time Directors*", and "*— Key Managerial Personnel and Senior Management Personnel*" on pages 273, 274 and 288 above.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have any performance linked bonus or a profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of the Executive Directors of our Company, see "*– Interest of Directors*" on page 276.

Other than our Executive Directors, our other Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or any dividend payable to them.

There is no conflict of interest between the lessors of immoveable properties, suppliers of raw materials and third party service providers, which are crucial for the operations of our Company, and our Key Managerial Personnel and Senior Management Personnel.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

In addition to Ashish Agarwal, Bijay Kumar Agarwal and Richhi Agarwal whose details are disclosed under "*— Changes to our Board in the last three years*" on page 277, the details of our changes to our Key Managerial Personnel and Senior Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name of Key Managerial Personnel/ Senior Management	Date of appointment/ cessation	Reason
Himanshu Pandey	September 12, 2026	Appointed as Company Secretary and Compliance Officer
Pradip Kumar Rathore	September 12, 2026	Appointed as Chief Executive Officer
Chandan Kumar Sinha	September 12, 2026	Appointed as Chief Financial Officer
Raveendra Kanuri	August 1, 2025	Appointed as Chief Technical Officer
Mayank Agrawal	June 1, 2026	Appointed as Chief Strategy Officer
Ajay Kumar Rauniyar	May 16, 2026	Appointed as Vice President – Investor Relations

Note: This does not include changes in designations.

Service Contracts with Key Managerial Personnel and Senior Management

Other than any statutory benefits available at the time of termination of employment and any severance packages in accordance with their respective terms of employment, no officer of our Company, including our Directors, Key Managerial Personnel and Senior Management is entitled to any benefits upon termination of employment under any service contract entered into with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel and Senior Management for Fiscal 2026, which does not form part of their remuneration for such period.

Employee stock options

As on the filing of this Draft Red Herring Prospectus, our Company does not have any ESOP schemes.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Parmanand Agarwal, Ashish Agarwal, Nachiketa Gift-Ads Private Limited, Bijay Kumar Agarwal and Richhi Agarwal are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Promoter	Number of Equity Shares of face value of ₹ 10 each held	Percentage of the pre-Offer Equity Share capital (%)
1.	Parmanand Agarwal	48,573,000	22.99
2.	Ashish Agarwal	75,654,000	35.81
3.	Nachiketa Gift-Ads Private Limited	62,397,450	29.54
4.	Richhi Agarwal	225,000	0.11
5.	Bijay Kumar Agarwal	Nil	Nil
Total		**186,849,450**	**88.45**

For details of the build-up of our Promoters' shareholding in our Company, see "*Capital Structure – History of the share capital held by our Promoters*" on page 94.

Details of our Individual Promoters are as follows:

Parmanand Agarwal



Parmanand Agarwal, aged 80 years, is one of the Promoters of our Company and is also the Chairman, Non-Executive and Non-Independent Director of our Company.

Permanent Account Number: ABUPA4065G

For the complete profile of Parmanand Agarwal, along with details of his date of birth, personal address, educational qualifications, experience in business/ employment and positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Board of Directors – Brief profiles of our Directors*" on page 272.

Ashish Agarwal



Ashish Agarwal, aged 44 years, is one of the Promoters of our Company, and is also the Managing Director of our Company.

Permanent Account Number: AEEPA0008G

For the complete profile of Ashish Agarwal, along with details of his date of birth, personal address, educational qualifications, experience in business/ employment and positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Board of Directors – Brief profiles of our Directors*" on page 272.

Richhi Agarwal

	**Richhi Agarwal**, aged 40 years, is one of the Promoters of our Company and is also a Whole-time Director of our Company. ***Permanent Account Number***: AGHPK1360Q For the complete profile of Richhi Agarwal, along with details of her date of birth, personal address, educational qualifications, experience in business/ employment and positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Board of Directors – Brief profiles of our Directors*" on page 272.

Bijay Kumar Agarwal

	**Bijay Kumar Agarwal**, aged 60 years, is one of the Promoters of our Company and is also a Whole-time Director of our Company. ***Permanent Account Number***: ACCPA5863H For the complete profile of Bijay Kumar Agarwal, along with details of his date of birth, personal address, educational qualifications, experience in business/ employment and positions/ posts held in the past, directorships held, special achievements, business and other financial activities, see "*Our Management – Board of Directors – Brief profiles of our Directors*" on page 272.

Our Company confirms that the PAN, bank account number(s), Aadhaar card number, driving license number and passport number of our Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Details of our Corporate Promoter are as follows:

Nachiketa Gift-Ads Private Limited ("Nachiketa")

Corporate Information

Nachiketa was incorporated as a private limited company incorporated under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 31, 1995, issued by the Registrar of Companies, West Bengal. The CIN is U67100WB1995PTC073948, and its registered office is located at 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata – 700013, West Bengal, India.

Nature of business

As on the date of this Draft Red Herring Prospectus, Nachiketa has been incorporated to carry on the business of investment and financing activities and to engage in the trading of various commodities, metals and energy-related products.

Nachiketa has not changed its principal activities from the date of its incorporation.

Details of promoters

Parmanand Agarwal and Ashish Agarwal are the promoters of Nachiketa.

Board of directors

The board of directors of Nachiketa as on the date of this Draft Red Herring Prospectus are as follows:

S. No.	Name of director	Designation
1.	Parmanand Agarwal	Director
2.	Ashish Agarwal	Director

Shareholding pattern

The shareholding pattern of Nachiketa as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of shareholder	Number of equity shares held	Percentage of shareholding
1.	Parmanand Agarwal	785,494	33.50%
2.	Ashish Agarwal	1,188,143	50.67%
3.	Sulochana Agarwal	371,440	15.84%

Change in control of Nachiketa

There has been no change in the control of Nachiketa in the last three Fiscals.

Our Company confirms that the PAN, bank account number(s) and company registration number of our Corporate Promoter, and address of the registrar of companies where the Corporate Promoter is registered, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Change in control of our Company

There has not been any change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in "*Our Management – Board of Directors*", "*– Promoter Group – Entities forming part of our Promoter Group*" and "*Group Companies*" on pages 270, 294 and 413, respectively, our Promoters are not involved in any other ventures.

Interests of Promoters

Our Promoters are interested in our Company to the extent: (i) that they have promoted our Company; (ii) of their directorships on the Board of the Company; (iii) of their direct or indirect shareholding in our Company and the shareholding of their relatives in our Company; (iv) of dividend payable, and any other distributions in respect of their shareholding in our Company or the shareholding, if any, of their relatives; and (v) certain acquisitions of land by our Company in the past. For further details, see "*Capital Structure – History of the share capital held by our Promoters*" and "*Our Management – Interest of Directors*" on pages 94 and 276, respectively.

Our Promoters, except Nachiketa, are also the Directors of our Company and may be deemed to be interested to the extent of their remuneration and the reimbursement of expenses incurred by them in their capacity as Directors of our Company. For further details, see "*Our Management – Interest of Directors*" on page 276.

No sum has been paid, or agreed to be paid, to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a Director or Promoter or otherwise for services rendered by our Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

There are no conflicts of interest between our Promoters and any lessors of immovable properties of our Company (who are crucial for operations of our Company).

There is no conflict of interest between our Promoters and any suppliers of raw materials and third party service providers of our Company (who are crucial for operations of our Company).

There is no conflict of interest between members of our Promoter Group and the suppliers of raw materials and third-party service providers of our Company, which are crucial for the operations of our Company. Further, there is also no conflicts of interest between members of our Promoter Group and any lessors/ owners of immovable properties of our Company (who are crucial for operations of our Company).

Interest in property, land, construction of building and supply of machinery

Except for our Promoters, Parmanand Agarwal and Ashish Agarwal, who were promoter and director(s), as applicable, at the time of acquisition by our Company on November 18, 2025, of, on a freehold basis, two land parcels aggregating to 34.72 hectares situated at Charmar (12.73 hectares) and Nawapara (21.99 hectares), P.No. 18, Gharghoda, Raigarh, Chhattisgarh,

India, for the proposed greenfield expansion of our Company, from Nachiketa Gift-Ads Private Limited, and our Promoters, Richhi Agarwal and Bijay Kumar Agarwal, by virtue of being relative of Parmanand Agarwal and Ashish Agarwal, none of our Promoters have any interest, whether direct or indirect, in any other property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by it or in any transaction by our Company with respect to any property, land, construction of building or supply of machinery, as on the date of this Draft Red Herring Prospectus.

Further, except for our Promoters, Parmanand Agarwal and Ashish Agarwal who are designated partner(s) of Florance Engineering Enterprises LLP, as applicable, at the time of the proposed acquisition by our Company of the property located at Sheet No. 18, Online Plot No. 3/1/Kh/9, Bhagwati Charan Shukla Ward No. 57, Civil Line, Raipur, Chhattisgarh, pursuant to a letter of intent dated June 1, 2025, for the proposed corporate office of our Company, from Florance Engineering Enterprises LLP, and our Promoter, Richhi Agarwal and Bijay Kumar Agarwal, by virtue of being relative of Parmanand Agarwal and Ashish Agarwal, none of our Promoters have any interest, whether direct or indirect, in any other property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by it or in any transaction by our Company with respect to any property, land, construction of building or supply of machinery, as on the date of this Draft Red Herring Prospectus.

For further details, see "*Risk Factors – Our Promoters, Directors, Senior Management and Key Managerial Personnel are interested in our Company, in addition to their remuneration and reimbursement of expenses. Further, certain of our Promoter Group members are interested in our Company to the extent of our shared Registered Office space.*" on page 50.

Payment or benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Financial Information – Note 40: Related Party Disclosure*" and "*Our Management – Payment or benefits to Directors*", on pages 351 and 274, respectively, there has been no payment or benefits by our Company to our Promoters or any of the members of our Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any members of our Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters to third parties with respect to Equity Shares of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of our Promoter Group

The individuals who are part of our Promoter Group are as follows:

Name of our Promoter	Name of member of our Promoter Group	Relationship with our Individual Promoter
Parmanand Agarwal	Sulochana Agarwal	Spouse
	Ashish Agarwal	Son
	Meeki Agarwal	Daughter
	Nisha Agarwal	Daughter
	Priti Agarwal	Daughter
	Rashmi Agarwal	Daughter
	Bijay Kumar Agarwal	Spouse's Brother
	Ram Kripal Agarwal	Spouse's Brother
	Usha Agarwal	Spouse's Sister
	Sarla Devi	Spouse's Sister
	Shanti Agrawal	Spouse's Sister
	Veena Agarwal	Spouse's Sister
Ashish Agarwal	Richhi Agarwal	Spouse
	Parmanand Agarwal	Father
	Sulochana Agarwal	Mother
	Meeki Agarwal	Sister

Name of our Promoter	Name of member of our Promoter Group	Relationship with our Individual Promoter
	Nisha Agarwal	Sister
	Priti Agarwal	Sister
	Rashmi Agarwal	Sister
	Avyakt Agarwal	Son
	Kaivalya Agarwal	Son
	Umesh Kyal	Spouse's Father
	Uma Kyal	Spouse's Mother
	Anurag Kyal	Spouse's Brother
Richhi Agarwal	Ashish Agarwal	Spouse
	Umesh Kyal	Father
	Uma Kyal	Mother
	Anurag Kyal	Brother
	Avyakt Agarwal	Son
	Kaivalya Agarwal	Son
	Parmanand Agarwal	Spouse's Father
	Sulochana Agarwal	Spouse's Mother
	Meeki Agarwal	Spouse's Sister
	Nisha Agarwal	Spouse's Sister
	Rashmi Agarwal	Spouse's Sister
	Priti Agarwal	Spouse's Sister
Bijay Kumar Agarwal	Sarita Agarwal	Spouse
	Ram Kripal Agarwal	Brother
	Usha Agarwal	Sister
	Sarla Devi	Sister
	Shanti Agrawal	Sister
	Veena Agarwal	Sister
	Sulochana Agarwal	Sister
	Yash Agarwal	Son
	Harsh Agarwal	Son
	Pramod Kumar Agarwal	Spouse's Brother
	Bharat Kumar Agarwal	Spouse's Brother
	Raj Kumar Agarwal	Spouse's Brother
	Rakesh Kumar Agarwal	Spouse's Brother
	Sumitra Devi	Spouse's Sister

Entities forming part of our Promoter Group

The companies, bodies corporate, HUFs, trusts and firms forming part of our Promoter Group, are as follows:

1. Florance Engineering Enterprises LLP
2. Zortea Logistics LLP
3. Agrim Merchants Private Limited
4. B S Foundation
5. P.S. Mokshl Trust
6. Panache Solutions
7. Umabala Constructions Private Limited
8. Hallmark Tradecom Private Limited
9. Ameyaa Real Estate Private Limited
10. Lotus Space Build-Tech Limited
11. Gajmukh Impex Private Limited
12. Zodiac Projects & Services Private Limited
13. Everlink Commodeal Private Limited
14. Lake Residency LLP
15. Ekaraj Builder LLP
16. Ayanna Projects LLP
17. Wriddhi Real Estate LLP
18. Esther Properties LLP
19. Wriddhi Tower LLP
20. Wamika Builders LLP
21. Wamika Enclave LLP
22. Imperial Villas LLP

23. Wamika Complex LLP
24. Alina Homes LLP
25. Apprise Realestate LLP
26. Sishirkanya Buildcon LLP
27. Nistha Realcon LLP
28. Iconic Villas LLP
29. Angelic Hirise LLP
30. Ikka Infra LLP
31. Verminey Promoters LLP
32. Sundhuja Builders LLP
33. Subhlife Township LLP
34. Idika Infra LLP
35. Wall Street Trading & Consultancy LLP
36. Openhome Enclave LLP
37. Kyal Developers Private Limited.
38. Ekaraj Properties LLP
39. Alina Towers LLP
40. Alina Niwas LLP
41. Abode Enclave LLP
42. Alight Promoters LLP
43. Sukhada Enclave LLP
44. Evaraj Complex LLP
45. Roofnest Estates LLP
46. Roofnest Hirise LLP
47. Openhome Properties LLP
48. Idyllic Villas Private Limited
49. Idyllic Promoters Private Limited
50. Om Binayak Textiles Private Limited
51. Ikka Infra Projects Private Limited
52. Edam Infratech LLP
53. Eternal Promoters LLP
54. Ayanna Homes LLP
55. Kaushal Commodities LLP
56. Eternal Villas LLP
57. Apprise Villas LLP
58. Edam Infraestate LLP
59. Alina Hirise LLP
60. Imperial Towers LLP
61. Integral Properties LLP
62. Illusion Developers LLP
63. Trackman Merchants LLP
64. Wamika Tower LLP
65. Openhome Realty LLP
66. Sukhada Towers LLP
67. Sukhada Hirise LLP
68. Openhome Hirise LLP
69. Anchorkey Realty LLP
70. Anchorkey Villas LLP
71. Anchorkey Developers LLP
72. Anchorkey Buildcon LLP
73. Cloudsgate Enclave LLP
74. Cloudsgate Niwas LLP
75. Cloudsgate Towers LLP
76. Horizonnext Enclave LLP

77. Horizonnext Villas LLP
78. Uttam Finalease Private Limited.
79. Balachandra Villas LLP
80. Divyajyoti Complex LLP
81. Manushree Developers LLP
82. PS Vinayak Complex LLP
83. Zenith Conclave LLP
84. Allure Hirise LLP
85. Bengal Kyal Housing Development Limited
86. Ashish Agarwal (HUF)
87. Sri Jagdish Realty Ventures LLP
88. Shri Krishan Estate Developers LLP
89. Topwell Realtors LLP
90. Starsign Grih Estate LLP
91. PS Vinayak Ventures

DIVIDEND POLICY

Our Company has adopted a dividend distribution policy ("**Dividend Policy**") pursuant to a resolution of the Board dated September 26, 2026. In accordance with our Dividend Policy, Articles of Association and the Companies Act, the Board shall determine the dividend for a particular period based on available financial resources, investment requirements and taking into account optimal shareholder return, and other parameters set out in the Dividend Policy.

In terms of our Dividend Policy, the quantum of dividend, if any, and our ability to pay dividends will depend on several factors, including, but not limited to, financial performance of our Company including, profits, cash flows and reserves; present and future capital requirements, including investment and expansion plans; liquidity position and debt obligations; applicable laws and regulatory requirements. In addition, our ability to pay dividends may be impacted by a number of factors, including, but not limited to, inadequacy of profits or cash flows; requirements of funds for growth opportunities, expansion, acquisition, or other strategic initiatives; and any regulatory restrictions and covenants.

Our Company has not declared and paid any dividends on the Equity Shares from April 1, 2026 until the date of this Draft Red Herring Prospectus, and during Fiscals 2026, 2025 and 2024.

The dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, read with the rules notified thereunder and SEBI Listing Regulations. We may retain all our future earnings, if any, for purposes to be decided by our Company, subject to compliance with the provisions of the Companies Act.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or Dividend Policy in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.*" on page 51.

SECTION VI - FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

(*The remainder of this page has intentionally been left blank*)

Independent Auditor's Examination Report on the Restated Financial Information in connection with the Proposed Initial Public Offering of B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited)

To
The Board of Directors
B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited)
34A, Metcalfe Street,
2nd Floor, Room No. 2C/3,
Kolkata – 700013

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated 29th May, 2026.

2. We have examined the attached Restated Financial Information of B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited) (hereinafter referred to as the "**Company**" or the "**Issuer**") comprising:

   a) the "restated statement of assets and liabilities" as at March 31, 2026, March 31, 2025 and March 31, 2024;

   b) the "restated statement of profit and loss (including Other Comprehensive Income) for the years ended March 31, 2026, March 31, 2025 and March 31, 2024;

   c) the "restated statement of changes in equity" for the years ended March 31, 2026, March 31, 2025 and March 31, 2024;

   d) the "restated statement of cash flows" for the years ended March 31, 2026, March 31, 2025 and March 31, 2024; and

   e) the "notes forming part of restated financial information" as at and for the years ended March 31, 2026, March 31, 2025 and March 31, 2024.

   (hereinafter together referred to as the "**Restated Financial Information**"), annexed to this report prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") in connection with the proposed initial public offering of equity shares of the Company (the "**Proposed IPO**" or "**Offer**").

   These Restated Financial Information, which have been approved by the Board of Directors of the Company at their meeting held on September 26, 2026, have been prepared in accordance with the requirements of:

   i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended from time to time (the "**Act**");

   ii. Paragraph (A) Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to the date (the "**SEBI ICDR Regulations**") issued by Securities and Exchange Board of India (the "**SEBI**"); and

iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").

Management's Responsibility for the Restated Financial Information

3. The preparation of the Restated Financial Information, for the purpose of inclusion in the DRHP to be filed with the SEBI, BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"), in connection with the Proposed IPO, is the responsibility of the Board of Directors of the Company. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note No. 1 (B)(a) to the Restated Financial Information. The Board of Director's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Director's is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI ICDR Regulations and the Guidance Note.

Restated Financial Information

4. The Restated Financial Information have been compiled by the management of the Company from:

   (a) The financial statements of the Company as at and for the years ended March 31, 2026 and March 31, 2025, audited by us and prepared by the management in accordance with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 16, 2026 and September 18, 2025, respectively; and

   (b) The special purpose financial statements of the Company, as at and for the year ended March 31, 2024, audited by us and prepared by the management in accordance with the Ind AS as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India (the "**Special Purpose Financial Statements**"), which were approved by the Board of Directors at their meetings held on September 26, 2026.

   The Special Purpose Financial Statements as at and for the year ended March 31, 2024 as referred to in para 4(b) above, have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values, following the accounting policies and the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101), consistent with that used at the date of transition to Ind AS i.e. April 1, 2023 and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III Disclosures followed as at and for the year ended March 31, 2026, in accordance with Ind AS.

Auditor's Responsibilities

5. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information in accordance with the Guidance Note and other applicable authoritative pronouncements issued by the ICAI and pursuant to the requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue.

6. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. For the purpose of our examination, we have relied on:

   a. Auditor's reports issued by us dated September 16, 2026 and September 18, 2025 on the financial statements of the Company as at and for the years ended March 31, 2026 and March 31, 2025 respectively, as referred to in paragraph 4(a) above; and

   b. Auditor's report issued by us dated September 26, 2026 on the Special Purpose Financial Statements of the Company as at and for the year ended March 31, 2024 as referred to in Paragraph 4(b) above.

   Our report on the Special Purpose Financial Statements of the Company as on March 31, 2024 expresses an unmodified opinion and includes an Emphasis of Matter as reproduced below:

   "We draw attention to Note 1 B to the Special Purpose Financial Statements, which describes the basis of preparation and purpose of these Special Purpose Financial Statements. The Special Purpose Financial Statements have been prepared and presented solely for the purpose of preparing the Restated Financial Information of the Company for the year ended March 31, 2024. The Restated Financial Information of the Company is intended to be included in filings to be made by the Company with regulatory or statutory authorities in connection with its proposed initial public offer of its equity shares, for which financial statements for all periods are required to be restated and presented under Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. As a result, these Special Purpose Financial Statements may not be suitable for any other purpose. Our opinion is not modified in respect of this matter."

8. There are no qualifications in the auditors' reports on the financial statements of the Company as at and for the year ended March 31, 2026 and March 31, 2025 and Special Purpose Financial Statements of the Company as at and for the year ended March 31, 2024 which require any adjustments to the Restated Financial Information. However, those qualifications in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 49 (b), Note 49(c) and Note 50(n) to the Restated Financial Information.

9. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2026. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2026.

Opinion

10. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

    a) has been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;

    b) has been prepared after incorporating adjustments in respect of material error/ regrouping/reclassifications, if any, retrospectively to reflect the same accounting treatment as per the accounting policies as at and for the year ended March 31, 2026 for all the reporting periods; and

    c) there are no qualifications in the auditor's reports which require any adjustments.

11. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Financial Statements as mentioned in paragraph 4 above.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the prior years' audit reports issued by us on the Financial Statements of the Company.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

14. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Proposed IPO of equity shares of the Company, to be filed by the Company with the SEBI, BSE and NSE, in connection with the Proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **ARSK & Associates**
Chartered Accountants
Firm's Reg. No.: 318052E

CA. S.K. Kabra
Partner
Membership No.: 052205

Place : Kolkata
Date : September 26, 2026
UDIN : 26052205LKQOYO3177

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
CIN : U27102WB2000PLC091975 (Formerly : U27102WB2000PTC091975)
RESTATED STATEMENT OF ASSETS & LIABILITIES
(All amounts are in Rs. Millions, unless otherwise stated)

PARTICULARS	NOTE NO.	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	2	9,597.83	8,223.37	6,138.53
Capital work-in-progress	3	1,513.10	1,294.28	1,003.84
Intangible assets	4	8.01	5.19	1.35
Financial assets				
Investments	5	-	0.06	0.06
Other financial assets	6	155.77	328.44	54.17
Investments	7	-	-	4.01
Other non-current assets	8	121.12	171.16	236.11
TOTAL NON-CURRENT ASSETS (A)		**11,395.83**	**10,022.50**	**7,438.07**
CURRENT ASSETS				
Inventories	9	3,539.07	2,313.73	2,084.32
Financial Assets				
Investments	5	0.84	-	-
Trade Receivables	10	643.87	458.42	270.26
Cash and cash equivalents	11	2.69	18.96	112.44
Bank balances other than cash and cash equivalents	12	30.65	24.92	-
Loans	13	-	-	20.41
Other financial assets	6	888.99	567.18	103.95
Current tax assets (net)	14	1.12	0.91	-
Other current assets	15	1,354.39	1,243.21	758.32
TOTAL CURRENT ASSETS (B)		**6,461.62**	**4,627.33**	**3,349.70**
TOTAL ASSETS (A+B)		**17,857.45**	**14,649.83**	**10,787.77**
EQUITY & LIABILITIES				
EQUITY				
Equity share capital	16	46.94	46.94	46.94
Other equity	17	7,927.81	6,132.66	4,475.16
TOTAL EQUITY (A)		**7,974.75**	**6,179.60**	**4,522.10**
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	18	4,835.20	4,258.96	3,062.68
Lease liabilities	19	21.03	18.73	15.66
Provisions	20	42.48	32.34	19.24
Deferred tax liabilities (net)	21	436.67	356.95	407.39
TOTAL NON-CURRENT LIABILITIES (B)		**5,335.38**	**4,666.98**	**3,504.97**
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	18	2,874.66	1,985.84	2,074.41
Lease liabilities	19	1.33	0.85	0.23
Trade Payables	22			
Total outstanding dues of micro and small enterprises		168.26	86.08	55.67
Total outstanding dues of creditors other than micro and small enterprises		616.68	890.23	238.84
Other financial liabilities	23	573.58	566.38	288.21
Other current liabilities	24	129.94	198.54	50.58
Provisions	20	106.42	75.33	24.74
Current tax liabilities (net)	25	76.45	-	28.02
TOTAL CURRENT LIABILITIES (C)		**4,547.32**	**3,803.25**	**2,760.70**
TOTAL EQUITY & LIABILITIES (A+B+C)		**17,857.45**	**14,649.83**	**10,787.77**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For ARSK & Associates
Chartered Accountants
Firm Registration No. 315082E

For and on behalf of the board of directors

CA. S.K. Kabra
Partner
Membership No. 052205
Place: Kolkata
Date:
UDIN: 26052205LKQOYO3177

Parmanand Agarwal
Chairman
DIN - 00585415
Place: Raigarh
Date: September 26, 2026

Ashish Agarwal
Managing Director
DIN - 01218609
Place: Raigarh
Date: September 26, 2026

Pradeep Kumar Rathore
Chief Executive Officer
PAN: AOZPR8793L
Place: Raigarh
Date: September 26, 2026

Chandan Kumar Sinha
Chief Financial Officer
PAN: EQXPS1363F
Place: Raigarh
Date: September 26, 2026

Himanshu Pandey
Company Secretary
Membership Number: F14015
Place: Raigarh
Date: September 26, 2026

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
CIN : U27102WB2000PLC091975 (Formerly : U27102WB2000PTC091975)
RESTATED STATEMENT OF PROFIT & LOSS
(All amounts are in Rs. Millions, unless otherwise stated)

PARTICULARS	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Revenue from operations	26	25,925.24	21,878.19	14,943.90
Other income	27	135.36	46.99	18.56
TOTAL INCOME		**26,060.60**	**21,925.18**	**14,962.46**
EXPENSES				
Cost of materials consumed	28	19,097.84	16,196.79	10,223.16
Purchase of stock-in-trade		-	0.24	4.45
Changes in inventories of finished goods and work-in-progress	29	44.96	(286.66)	(90.19)
Employee benefits expense	30	813.68	753.71	465.85
Finance costs	31	618.62	525.54	430.66
Depreciation and amortisation expense	32	927.63	745.60	613.91
Other expenses	33	2,238.66	1,848.21	1,489.86
TOTAL EXPENSES		**23,741.38**	**19,783.44**	**13,137.68**
PROFIT BEFORE TAX		**2,319.22**	**2,141.74**	**1,824.78**
TAX EXPENSE				
Current tax		546.88	523.61	473.16
Deferred tax		65.32	23.67	(95.81)
Income tax adjustment for earlier years		(4.04)	10.13	7.97
PROFIT FOR THE YEAR (A)		**1,711.06**	**1,584.33**	**1,439.47**
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Remeasurement gains on defined benefit obligations		3.02	(0.95)	1.33
Fair valuation of an item of property, plant & equipment		95.48	-	-
Income tax relating to items that will not be reclassified to profit or loss				
Remeasurement gains on defined benefit obligations		(0.76)	0.24	(0.28)
Fair valuation of an item of property, plant & equipment		(13.65)	73.88	3.58
OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)		**84.09**	**73.16**	**4.63**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)		**1,795.15**	**1,657.50**	**1,444.09**
Earnings per equity share (in Rs.) (FV : Rs. 10)	34			
Basic		8.10	7.50	6.81
Diluted		8.10	7.50	6.81

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For ARSK & Associates
Chartered Accountants
Firm Registration No. 315082E

For and on behalf of the board of directors

CA. S.K. Kabra
Partner
Membership No. 052205
Place: Kolkata
Date:
UDIN: 26052205LKQOYO3177

Parmanand Agarwal
Chairman
DIN - 00585415
Place: Raigarh
Date: September 26, 2026

Ashish Agarwal
Managing Director
DIN - 01218609
Place: Raigarh
Date: September 26, 2026

Pradeep Kumar Rathore
Chief Executive Officer
PAN: AOZPR8793L
Place: Raigarh
Date: September 26, 2026

Chandan Kumar Sinha
Chief Financial Officer
PAN: EQXPS1363F
Place: Raigarh
Date: September 26, 2026

Himanshu Pandey
Company Secretary
Membership Number: F14015
Place: Raigarh
Date: September 26, 2026

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
CIN : U27102WB2000PLC091975 (Formerly : U27102WB2000PTC091975)
RESTATED STATEMENT OF CHANGES IN EQUITY
(All amounts are in Rs. Millions, unless otherwise stated)

A. EQUITY SHARE CAPITAL (REFER NOTE NO. 16)

Equity shares of FV : Rs. 10 each	No. of shares	Amount
As at 1st April, 2023	**46,94,210**	**46.94**
Changes during the year	-	-
As at 31st March, 2024	**46,94,210**	**46.94**
Changes during the year	-	-
As at 31st March, 2025	**46,94,210**	**46.94**
Changes during the year	-	-
As at 31st March, 2026	**46,94,210**	**46.94**

B. OTHER EQUITY (REFER NOTE NO. 17)

	Reserves and Surplus				Items of Other Comprehensive Income (OCI)		
PARTICULARS	**Securities Premium**	**General Reserve**	**Capital Redemption Reserve**	**Retained Earnings**	**Revaluation Surplus**	**Remeasurement of Defined Benefit Obligation**	**Total**
Balance as at 1st April, 2023	**359.06**	**13.01**	**-**	**1,998.19**	**660.46**	**0.35**	**3,031.07**
Profit during the year	-	-	-	1,439.47	-	-	1,439.47
Other comprehensive income during the year	-	-	-	-	3.58	1.05	4.63
Balance as at 31st March, 2024	**359.06**	**13.01**	**-**	**3,437.65**	**664.04**	**1.40**	**4,475.16**
Profit during the year	-	-	-	1,584.33	-	-	1,584.33
Other comprehensive income during the year	-	-	-	-	73.88	(0.71)	73.17
Balance as at 31st March, 2025	**359.06**	**13.01**	**-**	**5,021.99**	**737.92**	**0.69**	**6,132.66**
Profit during the year	-	-	-	1,711.06	-	-	1,711.06
Other comprehensive income during the year	-	-	-	-	81.83	2.26	84.09
Transfer to capital redemption reserve^	-	-	6.77	(6.77)	-	-	-
Balance as at 31 March, 2026	**359.06**	**13.01**	**6.77**	**6,726.28**	**819.74**	**2.95**	**7,927.81**

^ Pursuant to redemption of preference shares

As per our report of even date attached

For ARSK & Associates
Chartered Accountants
Firm Registration No. 315082E

For and on behalf of the board of directors

CA. S.K. Kabra
Partner
Membership No. 052205
Place: Kolkata
Date:
UDIN: 26052205LKQOYO3177

Parmanand Agarwal
Chairman
DIN - 00585415
Place: Raigarh
Date: September 26, 2026

Ashish Agarwal
Managing Director
DIN - 01218609
Place: Raigarh
Date: September 26, 2026

Pradeep Kumar Rathore
Chief Executive Officer
PAN: AOZPR8793L
Place: Raigarh
Date: September 26, 2026

Chandan Kumar Sinha
Chief Financial Officer
PAN: EQXPS1363F
Place: Raigarh
Date: September 26, 2026

Himanshu Pandey
Company Secretary
Membership Number: F14015
Place: Raigarh
Date: September 26, 2026

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
CIN : U27102WB2000PLC091975 (Formerly : U27102WB2000PTC091975)
RESTATED STATEMENT OF CASH FLOW
(All amounts are in Rs. Millions, unless otherwise stated)

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(A). Cash flow from operating activities			
Profit before tax	2,319.22	2,141.74	1,824.78
Adjustments for :			
Depreciation and amortization expense	927.64	745.61	613.91
Interest income	(81.53)	(35.26)	(12.64)
Rent income	(2.13)	(0.19)	(0.18)
Reversal for expected credit loss	-	-	(1.25)
Interest expense	572.33	461.17	384.07
Provision for gratuity	13.58	11.56	7.45
Provision for doubtful advances	2.50	5.01	-
Allowance for expected credit loss	5.18	1.76	-
(Profit) on disposal of property, plant & equipments	(1.01)	(2.61)	-
Realised (gain)/loss on financial instruments	(28.41)	-	-
Unrealised (gain)/loss on financial instruments	(15.22)	6.62	4.78
Sundry balances written off/others (net)	8.69	9.73	21.96
Cash generated from operation before working capital changes	**3,720.85**	**3,345.12**	**2,842.88**
Adjusted for :			
(Increase) / Decrease in Inventories	(1,225.33)	(229.41)	(643.94)
(Increase) / Decrease in Trade receivables	(190.63)	(200.99)	(86.65)
(Increase) / Decrease in other current assets	(163.24)	(491.02)	89.70
(Increase) / Decrease in other assets	0.24	0.94	-
Increase / (Decrease) in Trade payables	(185.53)	687.33	109.40
Increase / (Decrease) in other financial liabilities	(10.70)	260.62	53.75
Increase / (Decrease) in provision	30.67	51.19	(47.94)
Increase / (Decrease) in other current liabilities	(68.59)	147.96	(10.82)
Cash generated from operations	**1,907.74**	**3,571.74**	**2,306.38**
Direct Taxes paid	(467.07)	(562.66)	(481.12)
Net cash flow from / (used in) operating activities (A)	**1,440.67**	**3,009.08**	**1,825.26**
(B). Cash flow from investing activities			
Expenditure for Property, Plant & Equipment (including capital advances & Capital work-in-progress)	(2,367.37)	(3,049.54)	(2,701.14)
(Addition) in Intangible assets	(3.34)	(4.09)	(0.71)
Investment in fixed deposit (net)	(104.45)	(761.48)	(50.82)
(Increase) / Decrease in loan given	-	20.41	(1.47)
Disposal of investments	0.13	-	-
Purchase of investments	(1.00)	-	(0.74)
Interest income	81.53	35.26	12.64
Rent income	2.13	0.19	0.18
Net cash flow from / (used in) investing activities (B)	**(2,392.37)**	**(3,759.27)**	**(2,742.06)**
(C). Cash flow from financing activities			
Proceeds from non-current borrowings (net)	1,002.21	1,297.31	607.29
Proceeds / (repayment) of current borrowings (net)	454.32	(208.75)	752.83
Finance cost	(521.10)	(431.84)	(338.73)
Net cash flow from / (used in) financing activities (C)	**935.43**	**656.72**	**1,021.40**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(16.27)**	**(93.48)**	**104.60**
Cash and cash equivalents at the beginning of the year	18.96	112.44	7.84
Cash and cash equivalents at the end of the year	**2.69**	**18.96**	**112.44**

Note : The above Cash flow statement has been prepared under the indirect method as set out in the IND AS 7 - "Statement of Cash Flows".

As per our report of even date attached

For ARSK & Associates
Chartered Accountants
Firm Registration No. 315082E

For and on behalf of the board of directors

CA. S.K. Kabra
Partner
Membership No. 052205
Place: Kolkata
Date:
UDIN: 26052205LKQOYO3177

Parmanand Agarwal
Chairman
DIN - 00585415
Place: Raigarh
Date: September 26, 2026

Ashish Agarwal
Managing Director
DIN - 01218609
Place: Raigarh
Date: September 26, 2026

Pradeep Kumar Rathore
Chief Executive Officer
PAN: AOZPR8793L
Place: Raigarh
Date: September 26, 2026

Chandan Kumar Sinha
Chief Financial Officer
PAN: EQXPS1363F
Place: Raigarh
Date: September 26, 2026

Himanshu Pandey
Company Secretary
Membership Number: F14015
Place: Raigarh
Date: September 26, 2026

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information

1A. Corporate Information

B.S. Sponge Limited (formerly known as B.S. Sponge Private Limited) (the "Company" or the "Issuer") is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the manufacturing of iron and steel products having its registered office at 34A, Metcalfe Street, 2nd Floor, Room No. 2C/3, Kolkata- 700013, West Bengal, India.

1B. Statement of compliance and basis of preparation

a. Basis of preparation and presentation of restated financial information

The Restated Financial Information of the Company has been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended and relevant provisions of the Companies Act, 2013.

These Restated Financial Information have been prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP"), to be prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").

The Restated Financial Information have been prepared by the Company in terms of the requirements 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, as amended (the "ICDR Regulations"); and

iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note")

The Restated Financial Information comprises of the Restated Statement of Assets and Liabilities as at 31st March, 2026, as at 31st March, 2025, and as at 31st March, 2024, the Restated Statement of Profit and Loss (including Other Comprehensive Income) for the years ended 31st March, 2026, 31st March, 2025 and 31st March, 2024, the Restated Statement of Changes in Equity as at 31st March, 2026, as at 31st March, 2025, and as at 31st March, 2024, the Restated Statement of Cash Flow for the years ended 31st March, 2026, 31st March, 2025, and 31st March 2024 and the Summary Statement of Material Accounting Policies and other explanatory information (collectively, the 'Restated Financial Information').

The Restated Financial Information has been prepared by the management of the Company from:

i. The audited financial statements of the Company as at and for the years ended March 31, 2026 and March 31, 2025, prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 16th, 2026 and September 18th, 2025, respectively; and

ii. The audited Special Purpose Financial Statements of the Company, as at and for the year ended March 31, 2024, prepared by the management in accordance with the Ind AS as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India (the "Special Purpose Financial Statements"), which were approved by the Board of Directors at their meetings held on September 26th, 2026.

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information

The Special Purpose Financial Statements as at and for the year ended March 31, 2024 as referred above, have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values, following the accounting policies and the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101), consistent with that used at the date of transition to Ind AS i.e. April 1, 2023 and as per the presentation, accounting policies and grouping/classifications including Revised Schedule III Disclosures followed as at and for the year ended March 31, 2026, in accordance with Ind AS.

The Restated Financial Information:

i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31st March, 2025, and 31st March, 2024, to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the year ended 31st March, 2026, as applicable;

ii. do not require any adjustment for modification as there is no modification in the underlying audit reports on the financial statements.

iii. does not reflect the effects of events that occurred subsequent to the respective dates of the board meetings for adoption of financial statements.

The Restated Financial Information have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets/liabilities and freehold land which are measured at fair value as explained in the accounting policies below.

The Restated Financial Information are presented in Indian Rupees (Rs.) and all values are rounded to the nearest millions (Mn.), except when otherwise indicated.

These Restated Financial Information have been approved by the Board of Directors of the Company on September 26th, 2026.

b. Current vs Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

(i) An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) A liability is treated as current when it is:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other assets and liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Use of estimates

The preparation of the restated financial information is in conformity with Ind AS requires management to make judgment, estimates and assumptions that affect the reported amounts of revenue, expense, assets & liabilities and the disclosures relating to contingent liabilities. Examples of such estimates include impairment of financial assets, income taxes, recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used and the useful lives of property, plant and equipment, etc.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial information in the period in which changes are made and, if material, their effects are disclosed in the notes to the restated financial information.

1C. Summary of material accounting policy information

a. Property, Plant and equipment

Property, plant and equipment are tangible items that:

(i) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(ii) are expected to be used during more than one period.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS

when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

Property, plant and equipment are stated at their cost of acquisition/installation/construction net of accumulated depreciation and impairment losses, if any except for freehold land which has been measured on revaluation model with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Moreover, the initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditures incurred after the property, plant and equipment have been put to use, such as repairs and maintenance are normally charged to the Restated Statement of Profit and Loss in the period in which they are incurred. Whereas, major inspection and overhaul expenditure is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can me measured reliably.

Depreciation on property, plant and equipment is provided using the written down value method over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net proceeds and the carrying value of the asset) is recognized in the Restated Statement of Profit and Loss when the asset is derecognised.

b. Intangible asset

An intangible asset is recognised if, and only if:

(i) it is probable that the future economic benefits that are attributable to the asset will flow to the Company; and

(ii) the cost of the asset can be measured reliably.

An intangible asset is measured initially at cost. The cost of an intangible asset comprises its purchase price and other taxes (other than those subsequently recoverable by the Company from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Any trade discounts and rebates are deducted in arriving at the cost.

Subsequent expenditure on an intangible asset after its purchase or its completion should be recognised as an expense when it is incurred unless:

(i) it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance; and

(ii) the expenditure can be measured and attributed to the asset reliably.

c. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Restated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Restated Statement of Profit and Loss.

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

d. Inventories

Inventories are valued at lower of cost or net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials, stores & spares, fuel and packing material :

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and includes non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

(ii) Work-in-progress and finished goods :

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

e. Fair value measurement

The Company measures its financial instruments at fair value at each reporting date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the restated financial information are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognised in the restated financial information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

All assets and liabilities for which fair value is measured as disclosed in the restated financial information are categorised within the fair value hierarchy described in Note no. 46.

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Restated Statement of Profit and Loss.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Where assets are measured at fair value, gains and losses are either recognised in the restated statement of profit and loss (i.e. fair value through profit or loss) or in other comprehensive income (i.e. fair value through other comprehensive). A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option. Investments made in the equity shares are measured at cost.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial asset is measured at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when :

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e. trade receivables at each reporting date from its initial recognition.

The Company measures the loss allowance for trade receivables by following 'simplified approach' using the provision matrix which takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, lease liabilities along with trade and other payables.

Subsequent measurement

All recognised financial liabilities are subsequently measured at either at amortised cost, or at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost (net of transaction costs). Such costs, if are not very material, are amortized on straight-line basis, which gives results similar to EIR amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(iii) Off setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(iv) Derivative Financial Instruments

The Company enters into derivative financial instruments, specifically foreign exchange forward contracts, to manage its exposure to foreign exchange rate risks associated with its foreign currency borrowings.

Derivatives are carried as financial assets in the Balance Sheet when the transaction is potentially favourable to the entity and as financial liabilities when the transaction is potentially unfavourable to the entity.

The company designates the forward contracts at Fair Value through Profit and Loss as per Ind AS 109. Consequently, any resulting gain or loss arising from changes in the mark-to-market (MTM) fair value of these derivatives is recognized immediately in the Statement of Profit and Loss.

The Company has elected not to apply the optional hedge accounting framework prescribed by Ind AS 109, as it does not undertake the formal designation and continuous effectiveness documentation required for such treatment. Because these forward contracts are not designated as cash flow hedges, their mark-to-market (MTM) fair value changes cannot be routed through Other Comprehensive Income (OCI).

g. Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies (including foreign currency borrowings) are initially recorded by the Company at their respective functional currency spot rates prevailing on the date the transaction first qualifies for recognition.

Subsequent Measurement at Reporting Date

Monetary assets and liabilities denominated in foreign currencies, including outstanding foreign currency loans, are translated into the functional currency at the closing exchange rate prevailing as at the end of the reporting period.

Recognition of Exchange Differences

Exchange differences arising on the settlement or translation of monetary items are generally recognized in the Statement of Profit and Loss in the period in which they arise.

Exception for Borrowing Costs (Capitalization)

Notwithstanding the general rule above, exchange losses arising from foreign currency borrowings used for the acquisition, construction, or production of a qualifying asset are capitalized to the cost of that asset in accordance with Ind AS 23 “Borrowing Costs”.

Capitalization of such exchange differences is restricted to the extent they are regarded as an adjustment to interest costs. This eligible amount is limited to the difference between the interest that would have been incurred on an equivalent domestic borrowing and the actual interest incurred on the foreign currency borrowing. Any exchange loss exceeding this threshold, along with any exchange gain, is recognized immediately in the Restated Statement of Profit and Loss.

h. Provisions and Contingencies

Provisions

Provisions are recognised when the Company has a present obligation (either legal or constructive) as a result of a past event 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.

Contingencies

- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the restated financial information.

- Contingent assets are not recognised in the books of the accounts but are disclosed in the notes, if any. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset and the corresponding income is booked in the Statement of Profit and Loss.

i. Revenue recognition

Sale of goods

Revenue recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements and is also exposed to inventory and credit risks.

However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on

value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rental income

Rental income from property leased out under operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the lease as per Ind AS 116.

Interest & other incomes

Interest income is recognised on time proportionate basis taking into account the amount outstanding and the rate applicable. 'Other items of income are recognised on accrual basis.

j. Retirement and other employee benefits

Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, short term compensated absences and bonus that are recognised as expenses in the period in which the employee renders the related service.

Post- Employment Benefits

(i) Defined Contribution Plans

The Company has a Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees which is administered by the Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

(ii) Defined Benefit Plans

- Gratuity : The Company has a Defined Benefit Plan for Post employment benefits in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the reporting date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.
- Termination benefits are recognized as an expense as and when incurred.

k. Taxation

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

l. Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee :

Right-of-use assets

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made. ROU asset and lease liabilities have been separately presented in the Balance Sheet.

Short-term leases and leases of low-value

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (range differs for different class of assets). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight line basis over the lease term.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at banks and on hand, short term deposits with an original maturity of three months or less and subject to an insignificant risk of changes in value.

n) Borrowing Cost

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

o) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the shareholders by weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders, and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Basic and diluted earnings per share for all periods presented are adjusted retrospectively for the effects of capitalisation, bonus issue, share split or reverse share split occuring during the period or after the reporting period but before the financial statements are approved for issue, in accordace with Ind AS 33, "Earnings per Share".

1D. Significant accounting judgements, estimates and assumptions

The preparation of the Company's restated financial information in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the restated financial information was prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

a. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the restated financial information was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b. Property, plant and equipment

Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

c. Taxes

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

d. Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

1E. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approval for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its restated financial information. The Company will adjust the amounts recognised in its restated financial information to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its restated financial information, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information
(All amounts are in Rs. Millions, unless otherwise stated)

NOTE 2 PROPERTY, PLANT & EQUIPMENT

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Owned assets (Refer Note No. 2A)	9,567.56	8,195.95	6,114.97
Leased assets (Refer Note No. 2B)	30.27	27.42	23.56
Property, Plant and Equipment	**9,597.83**	**8,223.37**	**6,138.53**

NOTE 2A PROPERTY, PLANT & EQUIPMENT (OWNED ASSETS)

PARTICULARS	Land	Building	Road	Plant & Equipment	Office equipments	Motor Vehicles	Furniture & Fixtures	Computers	Total
Gross carrying value									
Balance as at 1st April, 2023	**874.90**	**25.16**	**-**	**3,500.54**	**4.75**	**18.41**	**0.46**	**1.09**	**4,425.31**
Additions / Adjustments	-	70.28	-	2,170.87	5.15	52.68	1.06	2.92	**2,302.96**
Deductions / Adjustments	-	-	-	-	-	-	-	-	**-**
Balance as at 31st March, 2024	**874.90**	**95.43**	**-**	**5,671.41**	**9.90**	**71.09**	**1.52**	**4.01**	**6,728.27**
Additions / Adjustments	238.24	9.51	-	2,506.76	8.50	53.76	1.89	7.39	**2,826.05**
Deductions / Adjustments	-	-	-	-	-	0.10	-	0.24	**0.34**
Balance as at 31st March, 2025	**1,113.14**	**104.94**	**-**	**8,178.17**	**18.40**	**124.75**	**3.42**	**11.16**	**9,553.97**
Additions / Adjustments	223.52	145.56	32.87	1,762.87	7.61	23.81	1.91	6.79	**2,204.94**
Revaluation adjustment*	95.48	-	-	-	-	-	-	-	**95.48**
Deductions / Adjustments	1.90	-	-	0.26	-	0.44	-	-	**2.60**
Balance as at 31st March, 2026	**1,430.24**	**250.50**	**32.87**	**9,940.78**	**26.01**	**148.12**	**5.32**	**17.96**	**11,851.79**
Accumulated depreciation									
Balance as at 1st April, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the year	-	2.72	-	593.29	3.23	12.18	0.25	2.08	**613.75**
Deductions / Adjustments	-	-	-	-	-	-	-	0.46	**0.46**
Balance as at 31st March, 2024	**-**	**2.72**	**-**	**593.29**	**3.23**	**12.18**	**0.25**	**1.62**	**613.29**
For the year	-	9.12	-	699.42	5.15	25.89	0.60	4.56	**744.74**
Deductions / Adjustments	-	-	-	-	-	-	-	-	**-**
Balance as at 31st March, 2025	**-**	**11.84**	**-**	**1,292.71**	**8.38**	**38.07**	**0.85**	**6.18**	**1,358.03**
For the year	-	9.20	3.13	869.69	6.62	30.75	0.96	6.01	**926.36**
Deductions / Adjustments	-	-	-	-	-	0.15	-	-	**0.15**
Balance as at 31st March, 2026	**-**	**21.04**	**3.13**	**2,162.40**	**15.00**	**68.67**	**1.81**	**12.19**	**2,284.24**
Net carrying value									
Balance as at 31st March, 2024	874.90	92.71	-	5,078.12	6.67	58.91	1.27	2.39	**6,114.97**
Balance as at 31st March, 2025	1,113.14	93.10	-	6,885.46	10.02	86.68	2.57	4.98	**8,195.95**
Balance as at 31st March, 2026	1,430.24	229.46	29.74	7,778.38	11.01	79.45	3.51	5.77	**9,567.56**

* The effective date of revaluation of freehold land is 31.03.26 and revaluation was carried out by an independent registered valuer. The net carrying value of Land prior to this revaluation was Rs. 1,334.76 Mn. The revalued amount stands at Rs. 1,430.24 Mn., resulting in upward revaluation surplus of Rs. 95.48 Mn. i.e, 7.15% which has been credited to Other comprehensive income and accumulated in the Revaluation reserve. Had freehold land been carried under the cost model, its carrying amount as at 31st March, 2026 would have been Rs. 473.71 Mn. (as at 31.03.2025 : Rs. 252.09 Mn. and as at 31.03.2024 : Rs. 13.85 Mn.).

Note :

(i) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying value i.e. 31st March, 2023 as its gross carrying value on the date of transition to IND AS i.e. 1st April 2023, except for land which has been measured at revaluation model as its deemed cost at that date, determined by obtaining an external third party registered valuer's report using level 3 valuation technique.

(ii) As at 1st April, 2025, the Company reassessed the estimated useful lives of certain items of Property, Plant and Equipments, based on a review of their expected pattern of consumption of future economic benefits. Consequently, the estimated useful lives of these assets have been revised from 9 and 20 years to 15 and 25 years for Material handling equipments and Induction furnace respectively.
The revision represents a change in accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors and has been accounted for prospectively from the date of the revision.

(iii) Property, Plant & Equipment have been hypothecated as security for borrowings. Refer Note No. 18 for details.

NOTE 2B RIGHT-OF-USE ASSETS (LEASED ASSETS)

PARTICULARS	Leasehold Land	Plant & Equipment	Total
Gross carrying value			
Balance as at 1st April, 2023	**-**	**-**	**-**
Additions / Adjustments	23.72	-	**23.72**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2024	**23.72**	**-**	**23.72**
Additions / Adjustments	-	4.47	**4.47**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2025	**23.72**	**4.47**	**28.19**
Additions / Adjustments	-	3.60	**3.60**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2026	**23.72**	**8.07**	**31.79**
Accumulated depreciation			
Balance as at 1st April, 2023	**-**	**-**	**-**
For the year	0.16	-	**0.16**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2024	**0.16**	**-**	**0.16**
For the year	0.24	0.37	**0.61**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2025	**0.40**	**0.37**	**0.77**
For the year	0.24	0.51	**0.75**
Deductions / Adjustments	-	-	**-**
Balance as at 31st March, 2026	**0.64**	**0.88**	**1.52**
Net carrying value			
Balance as at 31st March, 2024	23.56	-	**23.56**
Balance as at 31st March, 2025	23.32	4.10	**27.42**
Balance as at 31st March, 2026	23.08	7.19	**30.27**

NOTE 3 CAPITAL WORK-IN-PROGRESS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Balance at the beginning of the year	1,294.28	1,003.84	840.19
Add: Addition during the year	1,913.25	2,674.79	2,310.04
Less: Capitalised during the year	1,694.43	2,384.35	2,146.39
Balance at the end of the year	**1,513.10**	**1,294.28**	**1,003.84**

Ageing of capital-work-in progress as at 31st March, 2026 :

	Amount in CWIP for a period of				
PARTICULARS	**Less than 1 year**	**1- 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Project in progress	1,236.76	262.60	9.65	4.09	1,513.10
Project temporarily suspended	-	-	-	-	-
TOTAL	**1,236.76**	**262.60**	**9.65**	**4.09**	**1,513.10**

Expected future timelines for capital work-in-progress that has been overdue as at 31st March, 2026 :

	To be completed in				
PARTICULARS	**Less than 1 year**	**1- 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Project in progress					
Power plant project*	-	13.75	-	-	13.75
TOTAL	**-**	**13.75**	**-**	**-**	**13.75**

Ageing of capital-work-in progress as at 31st March, 2025 :

	Amount in CWIP for a period of				
PARTICULARS	**Less than 1 year**	**1- 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Project in progress	1,266.84	23.34	4.09	-	1,294.28
Project temporarily suspended	-	-	-	-	-
TOTAL	**1,266.84**	**23.34**	**4.09**	**-**	**1,294.28**

Expected future timelines for capital work-in-progress that has been overdue as at 31st March, 2025 :

	To be completed in				
PARTICULARS	**Less than 1 year**	**1- 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Project in progress					
Power plant project*	-	-	13.75	-	13.75
TOTAL	**-**	**-**	**13.75**	**-**	**13.75**

Ageing of capital-work-in progress as at 31st March, 2024 :

	Amount in CWIP for a period of				
PARTICULARS	**Less than 1 year**	**1- 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
Project in progress	999.74	4.09	-	-	1,003.84
Project temporarily suspended	-	-	-	-	-
TOTAL	**999.74**	**4.09**	**-**	**-**	**1,003.84**

* The project is actively being worked upon and has not been suspended; however, progress could not be advanced further as certain government and regulatory approvals necessary for the initiation and continuation of project work activities are currently pending. Except as stated above, the Company does not have any project temporarily suspended or any capital-work-in progress which is overdue or has exceeded its cost compared to its original plan.

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information
(All amounts are in Rs. Millions, unless otherwise stated)

NOTE 4 INTANGIBLE ASSETS

PARTICULARS	Computer Softwares	Total
Gross carrying value		
Balance as at 1st April, 2023	0.65	**0.65**
Additions / Adjustments	1.16	**1.16**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2024	**1.81**	**1.81**
Additions / Adjustments	4.09	**4.09**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2025	**5.90**	**5.90**
Additions / Adjustments	3.34	**3.34**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2026	**9.24**	**9.24**
Accumulated amortisation		
Balance as at 1st April, 2023	-	**-**
For the year	0.46	**0.46**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2024	**0.46**	**0.46**
For the year	0.25	**0.25**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2025	**0.71**	**0.71**
For the year	0.52	**0.52**
Deductions / Adjustments	-	**-**
Balance as at 31st March, 2026	**1.23**	**1.23**
Net carrying value		
Balance as at 31st March, 2024	1.35	**1.35**
Balance as at 31st March, 2025	5.19	**5.19**
Balance as at 31st March, 2026	8.01	**8.01**

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information
(All amounts are in Rs. Millions, unless otherwise stated)

NOTE 5 INVESTMENTS

PARTICULARS	As at 31st March, 2026		As at 31st March, 2025		As at 31st March, 2024	
	No. of shares/units	Amount	No. of shares/units	Amount	No. of shares/units	Amount
Non-Current						
Investments in Equity instruments, fully paid-up						
Measured at fair value through profit and loss						
Unquoted equity share						
Vimla Infrastructure (India) Private Limited (FV : Rs. 10) *	-	-	500	0.06	500	0.06
TOTAL (A)		**-**		**0.06**		**0.06**
Current						
Investments in Equity instruments, fully paid-up						
Measured at fair value through profit and loss						
Quoted equity share						
Coal India Limited (FV : Rs. 10)	1	0.00		-	-	-
Quoted exchange traded fund						
ICICI Prudential Nifty FMCG ETF (FV: Rs. 1)	17,170	0.84		-	-	-
TOTAL (B)		**0.84**		**-**		**-**
TOTAL [(A+B)]		**0.84**		**0.06**		**0.06**
Aggregate amount of quoted investment		**0.84**		**-**		**-**
Aggregate market value of quoted investment		**0.84**		**-**		**-**
Aggregate amount of unquoted investment		**-**		**0.06**		**0.06**

* Cost of the unquoted equity instrument has been considered as an appropriate estimate of fair value because of wide range of possible fair value measurement and cost represents the best estimate of fair value within that range.

NOTE 6 OTHER FINANCIAL ASSETS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Non-Current			
Measured at amortised cost			
Security deposits	41.12	15.99	15.26
Fixed deposits*	114.65	312.45	38.91
TOTAL (A)	**155.77**	**328.44**	**54.17**
Current			
Measured at amortised cost			
Security deposits	1.69	0.90	0.69
Fixed deposits*	862.81	566.28	103.26
Interest receivable from a related party	9.10	-	-
Measured at fair value through profit and loss			
Derivative financial asset	15.39	-	-
TOTAL (B)	**888.99**	**567.18**	**103.95**
TOTAL [(A+B)]	**1,044.76**	**895.62**	**158.12**

*Fixed deposits of Rs. 720.43 Mn. (as at 31.03.2025 : Rs. 391.76 Mn. and as at 31.03.2024 : Rs. 20.11 Mn.) has been under lien against credit facilities availed by the Company.

NOTE 7 INVESTMENTS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Gold coins	-	-	4.01
TOTAL	**-**	**-**	**4.01**

NOTE 8 OTHER-NON CURRENT ASSETS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Capital advances	120.53	100.29	234.80
Advance against pre-emptive rights for immovable property	-	70.50	-
Prepaid expenses	0.59	0.37	1.31
TOTAL	**121.12**	**171.16**	**236.11**
Advances to LLP or private company in which director is a partner or a director	22.42	70.50	-

NOTE 9 INVENTORIES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
(At lower of cost or net realisable value)			
Raw materials (including goods in transit)	2,823.74	1,537.25	1,640.82
Work-in-progress	55.09	62.12	30.27
Finished goods	325.13	533.36	273.39
Stores and Spares (including goods in transit)	110.33	126.52	80.21
By products	224.78	54.48	59.64
TOTAL	**3,539.07**	**2,313.73**	**2,084.32**

NOTE 10 TRADE RECEIVABLES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Trade receivables considered good - Unsecured	643.87	458.42	270.26
Trade receivables - credit impaired	6.96	1.77	0.02
Less : Allowance for expected credit loss	(6.96)	(1.77)	(0.02)
TOTAL	**643.87**	**458.42**	**270.26**

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2026 is as follows:

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Undisputed, considered good	641.42	1.58	0.85	0.02	-	643.87
Undisputed, which have significant increase in credit risk	-	-	-	-	-	-
Undisputed, credit impaired	-	-	-	6.96	-	6.96
Disputed, considered good	-	-	-	-	-	-
Disputed, which have significant increase in credit risk	-	-	-	-	-	-
Disputed, credit impaired	-	-	-	-	-	-
TOTAL (A)	**641.42**	**1.58**	**0.85**	**6.98**	**-**	**650.83**
Allowance for expected credit loss	-	-	-	(6.96)	-	(6.96)
TOTAL (B)	**-**	**-**	**-**	**(6.96)**	**-**	**(6.96)**
TOTAL (A)+(B)	**641.42**	**1.58**	**0.85**	**0.02**	**-**	**643.87**

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Undisputed, considered good	452.49	0.61	5.32	-	-	458.42
Undisputed, which have significant increase in credit risk	-	-	-	-	-	-
Undisputed, credit impaired	-	-	1.77	-	-	1.77
Disputed, considered good	-	-	-	-	-	-
Disputed, which have significant increase in credit risk	-	-	-	-	-	-
Disputed, credit impaired	-	-	-	-	-	-
TOTAL (A)	**452.49**	**0.61**	**7.09**	**-**	**-**	**460.19**
Allowance for expected credit loss	-	-	(1.77)	-	-	(1.77)
TOTAL (B)	**-**	**-**	**(1.77)**	**-**	**-**	**(1.77)**
TOTAL (A)+(B)	**452.49**	**0.61**	**5.32**	**-**	**-**	**458.42**

Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2024 is as follows:

PARTICULARS	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
Undisputed, considered good	260.25	9.97	0.05	-	-	270.26
Undisputed, which have significant increase in credit risk	-	-	-	-	-	-
Undisputed, credit impaired	-	-	0.02	-	-	0.02
Disputed, considered good	-	-	-	-	-	-
Disputed, which have significant increase in credit risk	-	-	-	-	-	-
Disputed, credit impaired	-	-	-	-	-	-
TOTAL (A)	**260.25**	**9.97**	**0.07**	**-**	**-**	**270.28**
Allowance for expected credit loss	-	-	(0.02)	-	-	(0.02)
TOTAL (B)	**-**	**-**	**(0.02)**	**-**	**-**	**(0.02)**
TOTAL (A)+(B)	**260.25**	**9.97**	**0.05**	**-**	**-**	**270.26**

NOTE: (i) There are no unbilled trade receivables, hence the same is not disclosed in the ageing schedules.

(ii) No trade receivables are due from directors or other officers of the Company, either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies respectively in which any director is a partner or a director or a member other than as disclosed in Note No. 40.

NOTE 11 CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Cash on hand	2.69	2.36	2.34
Bank balances maintained with scheduled banks			
Current account	0.00	1.23	4.40
Cash credit (Refer Note No. 18.6)	-	15.37	5.90
Fixed deposits with original maturity of less than three months	-	-	99.80
TOTAL	**2.69**	**18.96**	**112.44**

NOTE 12 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Fixed deposits with original maturity of more than three months but less than twelve months*	30.65	24.92	-
TOTAL	**30.65**	**24.92**	**-**

*Fixed deposits of Rs. 24.56 Mn. (as at 31.03.2025 : Rs. 24.92 Mn. and as at 31.03.2024 : Rs. NIL) has been under lien against credit facilities availed by the Company.

NOTE 13 LOANS (CURRENT)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
(Unsecured, considered good)			
Loan given to a related party*	-	-	20.41
TOTAL	**-**	**-**	**20.41**

*The above unsecured loan have been given for general corporate purposes.

Loan to a private company in which director is a director	-	-	20.41

NOTE 14 CURRENT TAX ASSETS (NET)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Advance income tax (net of provisions)	1.12	0.91	-
TOTAL	**1.12**	**0.91**	**-**

NOTE 15 OTHER CURRENT ASSETS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
(Unsecured, considered good)			
Advance			
given to suppliers	1,283.40	1,183.48	627.71
given to staffs	7.46	5.26	4.83
given to others	-	-	75.00
against expenses	10.40	33.77	19.07
Balance with revenue authorities	43.45	11.36	18.84
Prepaid expenses	6.44	4.34	2.86
Other recoverables	0.74	-	-
(Unsecured, considered doubtful)			
Advance to suppliers	10.01	10.01	10.01
Less: Provision for doubtful advance	(7.51)	(5.01)	-
TOTAL	**1,354.39**	**1,243.21**	**758.32**

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information
(All amounts are in Rs. Millions, unless otherwise stated)

NOTE 16 EQUITY SHARE CAPITAL

PARTICULARS	As at 31st March, 2026		As at 31st March, 2025		As at 31st March, 2024	
Authorised share capital	**No. of shares**	**Amount**	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity Shares of Rs. 10/- each	47,50,000	47.50	47,50,000	47.50	47,50,000	47.50
4% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each	17,50,000	17.50	17,50,000	17.50	17,50,000	17.50
TOTAL	**65,00,000**	**65.00**	**65,00,000**	**65.00**	**65,00,000**	**65.00**
Issued, subscribed and fully paid up						
Equity Shares of Rs. 10/- each	46,94,210	46.94	46,94,210	46.94	46,94,210	46.94
4% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Rs. 10/- each	-	-	6,76,875	-	6,76,875	-
TOTAL	**46,94,210**	**46.94**	**53,71,085**	**46.94**	**53,71,085**	**46.94**

a. Reconciliation of number of equity shares of Rs. 10 each and outstanding share capital :

PARTICULARS	As at 31st March, 2026		As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	**Amount**	**No. of shares**	**Amount**	**No. of shares**	**Amount**
At the beginning of the year	46,94,210	46.94	46,94,210	46.94	46,94,210	46.94
Change during the year	-	-	-	-	-	-
At the end of the year	**46,94,210**	**46.94**	**46,94,210**	**46.94**	**46,94,210**	**46.94**

b. Terms/Rights attached to shares :

The Company has only one class of equity share having a face value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

4% Non-Cumulative Optionally Convertible Redeemable Preference Shares (OCPS) of Rs. 10/- each carried an option of redemption at pre-determined prices or conversion into Equity shares and were treated as Borrowings since the number of Equity shares were not fixed (Refer Note No. 18.4). The OCPS carried a dividend of 4% p.a, payable in terms of the applicable provisions of the Companies Act, 2013. The dividend rights were non-cumulative. In case the OCPS were not redeemed/converted prior to 20th anniversary from the date of allotment, these shall automatically and mandatorily convert into Equity shares at the end of said 20 years. In case of winding up, if surplus exists, the outstanding OCPS (if any) will be redeemed at par. The OCPS's were redeemed during the FY. 2025-26.

c. Details of equity shares held by shareholders holding more than 5% shares in the Company :

Name of the shareholder	As at 31st March, 2026		As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	**% of shareholding**	**No. of shares**	**% of shareholding**	**No. of shares**	**% of shareholding**
Parmanand Agarwal	10,88,400	23.19%	10,88,400	23.19%	10,88,400	23.19%
Ashish Agarwal	16,81,200	35.81%	16,81,200	35.81%	16,81,200	35.81%
Sulochana Agarwal	4,58,000	9.76%	4,58,000	9.76%	4,58,000	9.76%
Nachiketa Gift-Ads Pvt. Ltd.	13,86,610	29.54%	13,86,610	29.54%	13,86,610	29.54%
Total	**46,14,210**	**98.30%**	**46,14,210**	**98.30%**	**46,14,210**	**98.30%**

d. Details of equity shares held by Promoters of the Company :

Name of the promoter	As at 31st March, 2026		As at 31st March, 2025		% change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Parmanand Agarwal	10,88,400	23.19%	10,88,400	23.19%	-
Ashish Agarwal	16,81,200	35.81%	16,81,200	35.81%	-
Sulochana Agarwal	4,58,000	9.76%	4,58,000	9.76%	-
Nachiketa Gift-Ads Pvt. Ltd.	13,86,610	29.54%	13,86,610	29.54%	-
Total	**46,14,210**	**98.30%**	**46,14,210**	**98.30%**	**-**

Name of the promoter	As at 31st March, 2025		As at 31st March, 2024		% change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Parmanand Agarwal	10,88,400	23.19%	10,88,400	23.19%	-
Ashish Agarwal	16,81,200	35.81%	16,81,200	35.81%	-
Sulochana Agarwal	4,58,000	9.76%	4,58,000	9.76%	-
Nachiketa Gift-Ads Pvt. Ltd.	13,86,610	29.54%	13,86,610	29.54%	-
Total	**46,14,210**	**98.30%**	**46,14,210**	**98.30%**	**-**

Name of the promoter	As at 31st March, 2024		As at 31st March, 2023		% change during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
Parmanand Agarwal	10,88,400	23.19%	10,88,400	23.19%	-
Ashish Agarwal	16,81,200	35.81%	16,81,200	35.81%	-
Sulochana Agarwal	4,58,000	9.76%	4,58,000	9.76%	-
Nachiketa Gift-Ads Pvt. Ltd.	13,86,610	29.54%	11,93,800	25.43%	16.15%
Total	**46,14,210**	**98.30%**	**44,21,400**	**94.19%**	**16.15%**

Note: The promoters have been defined as persons having control over the affairs of the Company directly/indirectly.

e. The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares / disinvestment.

f. The Company during the preceding five years :

i. has not allotted equity shares pursuant to contracts without payment received in cash ;

ii. has not allotted shares as fully paid up by way of bonus shares, however bonus equity shares were issued after the reporting date ;

iii. has not bought back any shares.

g. There are no calls unpaid by directors or officers of the Company.

h. The Company had issued 4% Non-Cumulative Optionally Convertible Redeemable Preference Shares during the preceding financial years (Refer Note No. 18.4) which has been fully redeemed during the FY. 2025-26. There is no other security convertible into equity/preference shares as at the reporting date.

i. The Company has not forfeited any shares during the above financial years.

j. Par value per share is Rs. 10 each.

NOTE 17 OTHER EQUITY

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Securities premium	359.06	359.06	359.06
General reserve	13.01	13.01	13.01
Capital redemption reserve	6.77	-	-
Retained earnings	6,726.28	5,021.99	3,437.65
Other comprehensive income	822.70	738.61	665.44
TOTAL	**7,927.81**	**6,132.66**	**4,475.16**

Securities Premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares, etc in accordance with the provisions of the Companies Act, 2013.

General Reserve
General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve
Capital Redemption Reserve has been created in accordance with Section 55 of the Companies Act, 2013, pursuant to the redemption of Preference Shares. An amount equivalent to the nominal value of the redeemed Preference Shares has been transferred from Retained Earnings to the Capital Redemption Reserve.

Retained Earnings
Retained earnings includes surplus in the Restated Statement of Profit and Loss, Ind-AS related adjustments as on the date of transition, less any transfer to general reserve, dividends or other distributions made to shareholders.

Other Comprehensive Income

(i) Re-measurement of Defined Benefit Plans through OCI

Re-measurement of defined benefit obligation represents re-measurement loss/(gain) on the defined benefit obligation, net of taxes, that will not be reclassified to the Statement of Profit and Loss.

(ii) Revaluation Surplus on Property, Plant and Equipment
Revaluation surplus represents the increase in the carrying amount of property, plant and equipment arising from revaluation, recognised in Other Comprehensive Income, net of taxes, and accumulated in revaluation surplus.

NOTE 18 BORROWINGS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Non - Current			
Secured, measured at amortised cost			
Term loans from banks (Refer Note No. 18.1)	4,570.31	3,873.34	2,712.45
Vehicle loans from banks (Refer Note No. 18.2)	31.03	57.01	55.76
Unsecured, measured at amortised cost			
Loan from related parties (Refer Note No. 18.3)	233.86	215.83	188.31
Unsecured, measured through FVTPL			
4% Non-cumulative optionally convertible redeemable preference shares (OCPS) (Refer Note No. 18.4)	-	112.78	106.16
TOTAL (A)	**4,835.20**	**4,258.96**	**3,062.68**
Current			
Secured, measured at amortised cost			
Current maturities of long term borrowings			
Term loans from banks ^	871.57	446.75	330.64
Vehicle loans from banks	43.23	34.67	31.20
Working capital facility from banks			
Overdraft (Refer Note No. 18.5)	377.24	-	4.24
Cash credit (Refer Note No. 18.6)	519.16	440.48	644.45
Working capital demand loan (Refer Note No. 18.7)	1,063.46	1,063.94	1,063.88
TOTAL (B)	**2,874.66**	**1,985.84**	**2,074.41**
TOTAL [(A)+(B)]	**7,709.86**	**6,244.80**	**5,137.09**

^ Includes Rs. 335.90 Mn. (as at 31st March, 2025 : NIL and as at 31st March, 2024 : NIL) pertaining to a Foreign currency term loan taken from Indian Bank.

NOTE 18.1 Details of Term loans :

a. Borrowed from Indian Bank (Sanctioned amount : Rs. 130.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 21.60 Mn., 31st March, 2025 : Rs. 43.27 Mn. , 31st March, 2024 : Rs. 70.34 Mn.

Repayable in 24 quarterly principal repayments of Rs. 5.4 Mn. and one repayment of Rs. 0.4 Mn. ending in June'2027.

Primary Security: First pari pasu on entire fixed assets of Company both existing and proposed with other consortium lenders.

Collateral Security: Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 9.00% p.a.

b. Borrowed from Indian Bank (Sanctioned amount : Rs. 60.00 Mn.), Carrying value as at 31st March, 2026 : Rs. NIL, 31st March, 2025 : Rs. 5.88 Mn., 31st March, 2024 : Rs. 16.18 Mn.

Repayable in 25 quarterly principal repayments of Rs. 2.1 Mn. and 3 repayment of Rs. 2.5 Mn. ended in December'2025.

Primary Security: First pari pasu on entire fixed assets of Company both existing and proposed with other consortium lenders.

Collateral Security: Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 9.00% p.a.

c. Borrowed from HDFC Bank (Sanctioned amount : Rs. 250.00 Mn.), Carrying value as at 31st March, 2026 : Rs. NIL, 31st March, 2025 : Rs. NIL, 31st March, 2024 : Rs. 37.39 Mn.

Repayable in 20 quarterly principal repayments of Rs. 12.50 Mn. ended in December'2024.

Primary Security: First pari pasu on entire movable & immovable fixed assets of the Company.

Collateral Security: Second pari pasu charge on entire current assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 9.25% p.a.

d. Borrowed from HDFC Bank (Sanctioned amount : Rs. 210.00 Mn.), Carrying value as at 31st March, 2026 : Rs. NIL, 31st March, 2025 : Rs. 29.91 Mn., 31st March, 2024 : Rs. 69.80 Mn.

Repayable in 21 quarterly principal repayments of Rs. 10.00 Mn. ended in December'2025.

Primary Security: First pari pasu on entire movable & immovable fixed assets of the Company.

Collateral Security: Second pari pasu charge on entire current assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.50% p.a.

e. Borrowed from Indian Bank (Sanctioned amount : Rs. 84.70 Mn.), Carrying value as at 31st March, 2026 : Rs. NIL, 31st March, 2025 : Rs. 16.16 Mn., 31st March, 2024 : Rs. 38.67 Mn.

Repayable in 60 installments (consisting 47 EMI's of Rs. 2.08 Mn. each) ended in January'2026.

Primary Security: Proposed security of the Fresh WCTL facility will rank second charge with the existing credit facilities in terms of cash flows (including repayments) and security with charge on the assets financed under the scheme to be created within three months from the date of approval. No additional security has been proposed for the fresh WCTL.

Present interest rate: 9.25% p.a.

f. Borrowed from HDFC Bank (Sanctioned amount : Rs. 100.00 Mn.), Carrying value as at 31st March, 2026 : Rs. NIL, 31st March, 2025 : Rs. 25.00 Mn., 31st March, 2024 : Rs. 50.00 Mn.

Repayable in 48 monthly principal repayments of Rs. 2.08 Mn. ended in March'2026.

Primary Security: 100% guarantee from National Credit Guarantee Trustee Company (NCGTC). Extension of second ranking charge over existing primary and collateral securities including mortgage created in favour of the Bank.

Present interest rate: 7.50% p.a.

g. Borrowed from HDFC Bank (Sanctioned amount : Rs. 300.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 181.27 Mn., 31st March, 2025 : Rs. 218.20 Mn., 31st March, 2024 : Rs. 251.14 Mn.

Repayable in 30 quarterly principal repayments ranging between Rs. 6.50 Mn. to Rs. 14.00 Mn. ending in December'2029.

Primary Security: First pari passu charge on entire movable and immovable fixed assets of the Company. Second pari passu on entire current assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.50% p.a.

h. Borrowed from Axis Bank (Sanctioned amount : Rs. 220.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 124.11 Mn., 31st March, 2025 : Rs. 150.55 Mn., 31st March, 2024 : Rs. 177.92 Mn.

Repayable in 32 Equal quarterly installments of Rs. 6.88 Mn. each from the date of first disbursement.

Primary Security: 1st Pari Passu by way of hypothecation on Movable Assets i.e. Plant & Machinery and Equitable Mortgage on Fixed Assets i.e. Land & Building of the company with other Term Loan lenders.

Collateral Security: Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 8.80% p.a.

i. Borrowed from HDFC Bank (Sanctioned amount : Rs. 50.60 Mn.), Carrying value as at 31st March, 2026 : Rs. 25.30 Mn., 31st March, 2025 : Rs. 37.95 Mn., 31st March, 2024 : Rs. 50.60 Mn.

Repayable in 48 monthly principal repayments of Rs. 1.05 Mn. ending in March'2028.

Primary Security: 100% guarantee from National Credit Guarantee Trustee Company (NCGTC). Extension of second ranking charge over existing primary and collateral securities including mortgage created in favour of the Bank.

Present interest rate: 7.50% p.a.

j. Borrowed from HDFC Bank (Sanctioned amount : Rs. 600.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 531.94 Mn., 31st March, 2025 : Rs. 584.08 Mn., 31st March, 2024 : Rs. 596.84 Mn.

Repayable in 31 quarterly principal repayments ranging between Rs. 13.13 Mn. to Rs. 27.19 Mn. ending in September'2032.

Primary Security: First pari passu charge on entire movable and immovable fixed assets of the Company (excluding immovable fixed assets exclusively charged to other banks). Second pari passu on entire current assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.50% p.a.

k. Borrowed from HDFC Bank (Sanctioned amount : Rs. 100.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 89.06 Mn., 31st March, 2025 : Rs. 97.81 Mn., 31st March, 2024 : Rs. 100.00 Mn.

Repayable in 31 quarterly principal repayments ranging between Rs. 2.19 Mn. to Rs. 4.53 Mn. ending in September'2032.

Primary Security: First pari passu charge on entire movable and immovable fixed assets of the Company (excluding immovable fixed assets exclusively charged to other banks). Second pari passu on entire current assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.50% p.a.

l. Borrowed from Indian Bank (Sanctioned amount : Rs. 680.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 543.44 Mn., 31st March, 2025 : Rs. 609.53 Mn., 31st March, 2024 : Rs. 681.73 Mn.

Repayable in 32 quarterly principal repayments ranging between Rs. 14.50 Mn. to Rs. 30.50 Mn. ending in December'2031.

Primary Security: First pari pasu on entire fixed assets of Company both existing and proposed with other consortium lenders.

Collateral Security: Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 9.15% p.a.

m. Borrowed from State Bank of India (Sanctioned amount : Rs. 900.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 818.38 Mn., 31st March, 2025 : Rs. 886.30 Mn., 31st March, 2024 : Rs. 902.47 Mn.

Repayable in 31 quarterly principal repayments ranging between Rs. 16.86 Mn. to Rs. 36.56 Mn. ending in September'2032.

Primary Security: First Pari-Passu charge by way of hypothecation of existing & proposed Plant & Machinery and other movable assets. (Excluding value of Land, equipment's and vehicles standing in the name of the company) on reciprocal basis. Second Pari-Passu charge by way of hypothecation of entire current assets (present & future) on reciprocal basis including stock of raw materials, finished goods, stock in process, stores and spares, packing materials at factory premises and/or at any other places as may be approved by Bank from time to time, including goods in transit and outstanding moneys/ book debts/receivables.

Collateral Security: First Pari-Passu charge by way of Equitable Mortgage of the factory land and shed/building situated at Kh no 1/4 K, Old P H No 36, New PFI No. 9,: 36.739 Hectare and Kh No.3/9, part of khasra no.3, Area-O.308 Hectare, Vill-Taraimal, Teh-Tamnar, Distt-Raigarh (Road to the plant) in line with Lead Bank Sanction.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 8.70% p.a.

n. Borrowed from Axis Bank (Sanctioned amount : Rs. 240.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 240.79 Mn., 31st March, 2025 : Rs. 238.88 Mn., 31st March, 2024 : Rs. NIL

Repayable in 90 monthly Installments of Rs. 2.67 Mn. ending in December'2033.

Primary Security: 1st Pari Passu by way of hypothecation on Movable Assets i.e. Plant & Machinery and Equitable Mortgage on Fixed Assets i.e. Land & Building of the company with other Term Loan lenders.

Collateral Security: Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 8.75% p.a.

o. Borrowed from HDFC Bank (Sanctioned amount : Rs. 800.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 728.15 Mn., 31st March, 2025 : Rs. 796.31 Mn., 31st March, 2024 : Rs. NIL

Repayable in 35 quaterly installments of Rs. 22.86 Mn. ending in March'2034.

Primary Security: First pari pasu charge on entire Movable Fixed assets of the company. First pari pasu charge on entire lmmovable fixed asset of the company. Second Pari passu charge on entire current asset of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.50% p.a.

p. Borrowed from Indian Bank (Sanctioned amount : Rs. 580.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 580.69 Mn., 31st March, 2025 : Rs. 580.24 Mn., 31st March, 2024 : Rs. NIL

Repayable in 21 quarterly installments of Rs. 27.60 Mn. starting from October'2026 and 1 installment of Rs. 0.4 Mn. ending in Jaunary'2032.
Primary Security: First pari passu charge on entire fixed assets of the Company both existing and proposed.
Collateral Security: Second pari passu on entire current assets of the Company.
Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.
Present interest rate: 8.85% p.a.

q. Borrowed from HDFC Bank (Sanctioned amount : Rs. 1,000.00 Mn.), Carrying value as at 31st March, 2026 : Rs. 999.51 Mn., 31st March, 2025 : Rs. NIL, 31st March, 2024 : Rs. NIL

Repayable in 32 quarterly installments of Rs. 31.25 Mn. ending in September'2035.
Primary Security : First pari pasu charge on entire Movable Fixed assets of the company. First pari pasu charge on entire lmmovable fixed asset of the Company. Second Pari passu charge on entire current asset of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.
Present interest rate : 7.25% p.a.

r. Borrowed from Indian Bank (Sanctioned amount : Rs. 540.00 Mn.), Carrying value of Rupee Loan as at 31st March, 2026 : Rs. 221.76 Mn., 31st March, 2025 : Rs. NIL, 31st March, 2024 : Rs. NIL

Repayable in 32 quarterly instalment of Rs. 16.86 Mn. ending in December'2035, upon full disbursement of the sanctioned facility as Rupee Term Loan.
Primary Security : First pari pasu on entire fixed assets of Company both existing and proposed with other consortium lenders.
Collateral Security : Second pari pasu on entire current assets of the Company (both existing and proposed) with other lenders.
Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.
Present interest rate : 8.85% p.a.
Foreign currency term loan (Sanctioned amount : $ 3.55 Mn.) Carrying value as at 31.03.2026 : Rs. 335.90 Mn. (P.Y. : NIL) is a sub-limit of the aforesaid facility, repayable in 6 months from the date of disbursement i.e. in June'2026. Present interest rate : 5.27% p.a.

NOTE 18.2 Details of Vehicle loans:

Vehicle loans are secured by way of hypothecation against the respective vehicles, co-borrowed by the promoter-director of the Company. The loans are repayable in 37 to 60 (as at 31st March, 2025 : 37 to 60 and as at 31st March, 2024 : 37 to 47) monthly installments, with EMI amounts ranging from Rs. 0.06 Mn. to Rs. 0.21 Mn. (as at 31st March, 2025 : Rs. 0.06 to 0.21 Mn. and as at 31st March, 2024 : Rs. 0.02 to 0.21 Mn.), at interest rates ranging from 8.55% to 9.51% p.a. (as at 31st March, 2025 : 8.50% to 9.51% and as at 31st March, 2024 : 8.50% to 9.51%). The repayment tenure extends through the period ending between January 2027 and July 2029 (as at 31st March, 2025 : June 2025 and July 2029 and as at 31st March, 2024 : June 2025 and May 2027).

NOTE 18.3 Details of Unsecured loans:

Rate of interest on the unsecured borrowings taken from related parties is 8.50% p.a. (as at 31st March, 2025 : 9.10% p.a. and as at 31st March, 2024 : 9.00% p.a.). Repayment of such borrowings, in aggregate, is subject to prior written consent of the consortium lenders.

NOTE 18.4 Details of 4% Non-cumulative optionally convertible redeemable preference shares :

Preference shares were having the maximum redemption period of 20 years from the date of allotment. The preference shareholder had the option to convert the OCPS into equity shares at any time before the term of 20 years or get it redeemed at pre-determined prices. In the event such option was not exercised, the OCPS were mandatorily convertible into equity shares after the term of 20 years at a conversion price as may be determined by an independent valuer.

As the OCPS were convertible into a variable number of equity shares, depending upon the conversion price determined by the independent valuer at the time of conversion, the instrument was classified as a financial liability and measured at Fair Value Through Profit or Loss (FVTPL) in accordance with the applicable requirements of Ind AS 32 and Ind AS 109.

During the year, the outstanding OCPS were redeemed and consequently derecognised as a financial liability. The excess of carrying amount of the financial liability and the redemption proceeds was recognised in the Statement of Profit and Loss as a gain on derecognition of financial liability. Further, in accordance with Section 55 of the Companies Act, 2013, the nominal value of the redeemed preference shares was transferred to the Capital Redemption Reserve out of free reserves of the Company.

NOTE 18.5 Details of Overdraft facility :

Overdraft facility has been availed from Indian Bank against the pledge of fixed deposit. Rate of interest on such facility ranges from 7.20 % to 8.10% p.a. (as at 31st March, 2025 : NIL , as at 31st March, 2024 : 9.50 %)

NOTE 18.6 Details of Cash credit :

The stipulations of consortium finance agreement are as follows :

a) Following banks have entered into a consortium finance agreement to provide fund and non-fund based credit facilities:

1) Indian Bank (Lead Banker)
2) HDFC Bank Limited
3) Axis Bank Limited
4) State Bank of India

b) Details of Security :

First charge by way of hypothecation on the entire current assets (existing and proposed) namely, stocks of raw materials, semi-finished and finished goods, consumable stores and spares (not relating to plant and machinery), bills receivables and book debts and all other movables both present and future ranking pari-passu with other lenders of the consortium.

Second charge on existing as well as proposed fixed assets (present and future) of the Company ranking pari-passu with other lenders of the consortium.

Second charge by way of equitable mortgage of factory land and shed/building situated at kh no. 1/4K, old P H No. 36, Taraimal, Tahsil Tamnar, District Raigarh (C.G.), Area 36.739 Hectare ranking pari-passu with other lenders of the consortium.

Second charge by way of equitable mortgage of land situated at Kh No. 3/9 (Part of Kh No. 3) Area 0.308 Hectare at Taraimal, P.H. No. 9 R.N.M Tamnar, Tahsil Tamnar, District - Raigarh (C.G.) ranking pari-passu with other lenders of the consortium.

c) Joint and several irrevocable and unconditional personal guarantee of directors :

1) Parmanand Agarwal
2) Ashish Agarwal

NOTE 18.7 Details of Working capital demand loan:

a. Working Capital Demand Loan from HDFC Bank, Carrying value as at 31st March, 2026 : Rs. 239.46 Mn. (as at 31st March, 2025 : Rs. 239.46 Mn. and as at 31st March, 2024 : Rs. 240.00 Mn.).

Primary Security: First Pari passu on entire current assets of the company. Second Pari passu on entire movable and immovable fixed asset of the company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 8.50% p.a.

b. Working Capital Demand Loan from Axis Bank, Carrying value as at 31st March, 2026 : Rs. 220.00 Mn. (as at 31st March, 2025 : Rs. 220.00 Mn. and as at 31st March, 2024 : Rs. 220.00 Mn.).

Primary Security: First Pari passu charge by way of hypothecation on the entire current assets of the Company with other working capital lenders.

Collateral Security: 2nd Pari Passu by way of hypothecation on Movable Assets i.e. Plant & Machinery and Equitable Mortgage on Fixed Assets i.e. Land & Building of the company with other Working Capital lenders installed at Taraimal, Gerwani, Raigarh.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.85% p.a.

c. Working Capital Demand Loan from Indian Bank, Carrying value as at 31st March, 2026 : Rs. 604.00 Mn. (as at 31st March, 2025 : Rs. 604.48 Mn. and as at 31st March, 2024 : Rs. 603.88 Mn.)

Primary Security: First Pari passu hypothecation charge on the entire current assets namely, stock of raw material, semi finished and finished goods, consumable stores and spare (not relating to plant and machinery), bills receivables and book debts and all other movables of the company both present and future with other consortium lenders (both existing and proposed).

Collateral Security: Second Pari passu charge on entire fixed assets of the Company.

Personal Guarantee: Mr. Parmanand Agarwal & Mr. Ashish Agarwal, directors of the Company.

Present interest rate: 7.85% p.a.

NOTE 19 LEASE LIABILITIES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Non - Current			
Lease liabilities payable beyond 12 months	21.03	18.73	15.66
TOTAL (A)	**21.03**	**18.73**	**15.66**
Current			
Lease liabilities payable within 12 months	1.33	0.85	0.23
TOTAL (B)	**1.33**	**0.85**	**0.23**
TOTAL [(A)+(B)]	**22.36**	**19.58**	**15.89**

NOTE 20 PROVISIONS

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Non-Current			
Provision for gratuity	42.48	32.34	19.24
TOTAL (A)	**42.48**	**32.34**	**19.24**
Current			
Provision for			
- Gratuity	1.33	0.92	1.51
- Expense	105.09	74.41	23.23
TOTAL (B)	**106.42**	**75.33**	**24.74**
TOTAL [(A)+(B)]	**148.90**	**107.67**	**43.98**

NOTE 21 DEFERRED TAX LIABILITIES (NET)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Deferred tax liability on			
Difference between tax base and carrying value of property, plant and equipment	459.30	399.20	441.78
Financial instruments	4.06	-	-
Deferred tax asset on			
Provision for employee benefits	11.03	8.37	5.22
Financial instruments	-	24.07	24.00
Lease liabilities	5.63	4.93	4.00
Other disallowances	10.03	4.88	1.17
TOTAL	**436.67**	**356.95**	**407.39**

NOTE 22 TRADE PAYABLES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Total outstanding dues of micro and small enterprises	168.26	86.08	55.67
Total outstanding dues of creditors other than micro and small enterprises*	616.68	890.23	238.84
TOTAL	**784.94**	**976.31**	**294.51**

* includes acceptances under Letter of credit amounting to Rs. 532.96 Mn. (as at 31.03.2025 : Rs. 751.14 Mn. and as at 31.03.2024 : Rs. 202.99 Mn.)

Ageing schedule as at 31st March, 2026 :

PARTICULARS	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro & Small Enterprises	166.95	1.30	-	0.00	**168.26**
Others	615.07	1.56	0.01	0.04	**616.68**
Disputed dues - Micro & Small Enterprises	-	-	-	-	**-**
Disputed - Others	-	-	-	-	**-**

Ageing schedule as at 31st March, 2025 :

PARTICULARS	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro & Small Enterprises	85.03	0.44	0.60	0.01	**86.08**
Others	889.27	0.92	0.04	-	**890.23**
Disputed dues - Micro & Small Enterprises	-	-	-	-	**-**
Disputed - Others	-	-	-	-	**-**

Ageing schedule as at 31st March, 2024 :

PARTICULARS	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro & Small Enterprises	54.79	0.86	0.01	0.01	**55.67**
Others	238.00	0.84	0.00	-	**238.84**
Disputed dues - Micro & Small Enterprises	-	-	-	-	**-**
Disputed - Others	-	-	-	-	**-**

Details regarding total outstanding dues of Micro & Small Enterprises :

Sl No.	PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year			
	Principal	168.26	86.08	55.67
	Interest	-	-	-

b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year			
	Principal	-	-	-
	Interest	-	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

NOTE (i) Above information has been determined to the extent such parties have been identified by the Company on the basis of intimation received from the suppliers regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the reporting date.

NOTE (ii) Supplier financing agreement :

Some of our suppliers elect to discount certain receivables from the Company with banks. Payment dates and terms for the Company do not vary based on whether the supplier chooses to discount their receivable. At 31st March, 2026 all such liabilities were classified as trade payables.

PARTICULARS	**As at 31st March, 2026**
Carrying amount of trade payables (subject to supplier financing arrangements)	
Presented within trade payables	1,014.65
Of which acceptances against bill of exchange have been given	532.96
Range of payment due dates	
Liabilities that are part of the arrangement	0-90 Days
Comparable trade payables not part of the arrangement	0-90 Days

NOTE 23 OTHER FINANCIAL LIABILITIES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Payable for expenses	414.43	440.80	204.25
Payable to employees	70.19	72.52	53.52
Payable for capital expenditure	71.88	37.56	19.51
Interest accrued on borrowings	17.08	15.50	10.93
TOTAL	**573.58**	**566.38**	**288.21**

NOTE 24 OTHER CURRENT LIABILITIES

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Statutory dues	61.52	123.97	44.11
Advances from customers	68.42	74.57	6.47
TOTAL	**129.94**	**198.54**	**50.58**

NOTE 25 CURRENT TAX LIABILITIES (NET)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Provision for Income tax (net of advance tax)	76.45	-	28.02
TOTAL	**76.45**	**-**	**28.02**

NOTE 26 REVENUE FROM OPERATIONS

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Sale of iron & steel products			
Manufactured goods	25,858.73	21,839.30	14,933.76
Traded goods	-	0.26	4.68
Other operating revenues			
Scrap sales	58.93	27.09	1.55
Others	7.58	11.54	3.91
TOTAL	**25,925.24**	**21,878.19**	**14,943.90**

NOTE 26.1 The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers:

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Contract Assets - Trade Receivables	643.87	458.42	270.26
Contract Liabilities - Advance from customers	68.42	74.57	6.47

All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company does not have any remaining performance obligation for sale of goods which remains unsatisfied as at March 31, 2026 , March 31, 2025 or 31st March, 2024.

NOTE 26.2 Product-wise sale of manufactured goods

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Sponge Iron	10,765.34	9,672.59	4,702.12
MS Billets	2,333.62	903.73	1,249.93
TMT Bars	3,219.04	3,449.31	2,608.76
HR Coils	4,460.44	5,087.10	6,050.18
Silico Manganese	2,357.46	1,868.22	104.58
ERW Pipes and Tubes	1,820.95	627.54	-
Wire Rods	517.18	-	-
Others	384.70	230.82	218.19
TOTAL	**25,858.73**	**21,839.30**	**14,933.76**

NOTE 27 OTHER INCOME

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Interest income on			
Fixed deposits	69.62	31.68	10.10
Loan given	-	-	1.67
Security deposit	1.81	1.01	0.86
Advance given	10.11	2.57	-
Rental income	2.13	0.19	0.18
Sundry balances written back	5.85	5.72	2.08
Reversal of allowance for expected credit loss	-	-	1.25
Realised gain on derecognition of financial instruments, measured at FVTPL			
Financial liability (Non-current borrowings) (Refer Note No. 18.4)	28.34	-	-
Financial assets (Non-current investment)	0.07	-	-
Unrealised gain on fair value changes of financial asset (net), measured at FVTPL	15.22	-	-
Miscellaneous income	1.22	3.21	2.42
Profit on disposal of property, plant & equipment (net)	1.01	2.61	-
TOTAL	**135.36**	**46.99**	**18.56**

NOTE 28 COST OF MATERIALS CONSUMED

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Raw Materials			
Inventories at the beginning of the year	1,537.25	1,640.82	1,082.45
Add : Purchase of raw materials	20,384.33	16,093.22	10,781.53
Less : Inventories at the end of the year	2,823.74	1,537.25	1,640.82
Material Consumed - Indigenous	**19,097.84**	**16,196.79**	**10,223.16**
Material Consumed - Imported	**-**	**-**	**-**

NOTE 29 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Work In Progress			
Opening Work-in-progress	62.12	30.27	32.94
Closing Work-in-progress	55.09	62.12	30.27
TOTAL (A)	**7.03**	**(31.85)**	**2.67**
Finished Goods/By Products			
Inventories at the beginning of the year			
Finished Goods	533.36	273.39	229.57
By Products	54.48	59.64	10.59
	587.84	**333.03**	**240.16**
Inventories at the end of the year			
Finished Goods	325.13	533.36	273.39
By Products	224.78	54.48	59.64
	549.91	**587.84**	**333.03**
TOTAL (B)	**37.93**	**(254.81)**	**(92.86)**
TOTAL (A)+(B)	**44.96**	**(286.66)**	**(90.19)**

NOTE 30 EMPLOYEE BENEFITS EXPENSE

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Salary, bonus and other allowances	540.19	464.46	312.27
Director's remuneration	217.03	240.93	120.85
Gratuity expense	13.58	11.56	7.45
Contribution to provident & other funds	26.75	25.74	18.93
Staff welfare expense	16.13	11.02	6.35
TOTAL	**813.68**	**753.71**	**465.85**

NOTE 30.1 An amount of Rs. 155.97 Mn. (for the year ended 31.03.2025 : Rs. 54.34 Mn. and for the year ended 31.03.2024 : Rs. 39.51 Mn.), representing salary costs attributable to qualifying assets, have been capitalized and accordingly, the same has been excluded from figures disclosed in the above note.

NOTE 31 FINANCE COSTS

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(Measured at amortised cost)			
Interest on			
Borrowings ^ *	601.92	509.32	399.68
Lease liabilities	0.51	0.43	0.08
Security deposit	-	0.96	1.46
Other borrowing cost	16.19	14.83	29.44
TOTAL	**618.62**	**525.54**	**430.66**

^ Includes Rs. 14.60 Mn. (for the year ended 31.03.2025 : Rs. NIL and for the year ended 31.03.2024 : Rs. NIL) on account of foreign exchange loss relating to foreign currency borrowings.

***** An amount of Rs. 33.71 Mn. (for the year ended 31.03.2025 : Rs. 29.43 Mn. and for the year ended 31.03.24 : Rs. 6.81 Mn.), have been capitalized relating to borrowings utilized for the purpose of obtaining qualifying assets in terms of Ind AS 23 "Borrowing Costs", and accordingly, the same have been excluded from figures disclosed in the above note.

NOTE 32 DEPRECIATION AND AMORTISATION EXPENSE

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Depreciation on			
Property, plant and equipment	926.36	744.74	613.29
Right-of-use asset	0.75	0.61	0.16
Amortisation on intangible asset	0.52	0.25	0.46
TOTAL	**927.63**	**745.60**	**613.91**

NOTE 33 OTHER EXPENSES

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Consumption of stores & spares (Refer Note No. 33.1)	1,020.06	860.79	720.38
Processing fees / Manpower charges	394.10	337.85	282.51
Power and fuel	292.83	187.67	145.20
Freight outward	96.27	78.68	75.40
Commission on sales	55.76	39.93	23.08
Machinery hire charges	36.87	34.99	32.43
Forfeiture and non-lifting charges	25.74	59.65	37.82
Legal and professional fees	32.10	27.06	22.80
Advertisement & business promotion expense	18.06	12.55	4.58
Rates & Taxes	11.86	8.44	7.45
Repairs and maintenance on			
Plant & Equipment	48.59	43.84	38.20
Others	2.81	3.87	4.38
Security charges	43.62	31.83	18.41
Vehicle running and upkeep expense	53.24	29.18	6.98
Corporate social responsibility expenditure (Refer Note No. 33.2)	34.56	24.73	13.83
Miscellaneous expense	48.65	43.30	45.72
Insurance expense	14.81	9.36	4.94
Provision for doubtful advances	2.50	5.01	-
Allowance for expected credit loss	5.18	1.76	-
Unrealised loss on fair value changes of financial asset (net), measured at FVTPL	-	6.62	4.78
Payments to auditor towards			
Statutory audit	0.70	0.70	0.70
Tax audit	0.25	0.25	0.25
Other services	0.07	0.12	0.01
Out of pocket expense	0.03	0.03	0.02
TOTAL	**2,238.66**	**1,848.21**	**1,489.86**

NOTE 33.1 DETAILS OF CONSUMPTION OF STORES & SPARES	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Inventories at the beginning of the year	126.52	80.21	84.84
Add : Purchases	1,003.87	907.10	715.75
Less : Inventories at the end of the year	110.33	126.52	80.21
Material Consumed - Indigenous	**1,020.06**	**860.79**	**720.38**
Material Consumed - Imported	-	**-**	**-**

NOTE 33.2 CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(Excess) spent at the beginning of the year	(1.22)	(0.29)	(1.22)
Gross amount required to be spent by the Company for the year	34.29	23.80	14.72
Amount of expenditure incurred*	34.56	24.73	13.79
Shortfall at the end of the year	-	-	-
(Excess) spent at the end of the year	(1.49)	(1.22)	(0.29)

*** Amount of expenditure incurred during the year on:**

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(i) Construction/acquisition of any asset			
Paid in cash	21.32	12.99	5.65
Yet to be paid in cash	-	-	-
(ii) On purposes other than (i) above			
Paid in cash	13.24	11.74	8.14
Yet to be paid in cash	-	-	-

NOTE (i) Company has not acquired any asset out of CSR funds, hence the assets so created are not owned by the Company.

(ii) No contribution to a trust controlled by the Company in relation to CSR expenditure has been made other than disclosed in Note No. 40.

(iii) The Company has spent Rs. 0.04 Mn. in FY. 2023-24 against unspent amount of CSR as on 31.03.2022.

Nature of major CSR activities undertaken in terms of Schedule VII of the Companies Act, 2013 :

Description	Details of amount spent towards CSR given below: For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Ensuring environmental sustainability	3.42	0.69	0.50
Promoting education	7.66	9.53	6.09
Promoting health care and awareness	21.35	1.40	1.50
Art and culture	0.13	0.11	-
Rural development projects	2.01	12.99	5.65
Social welfare initiatives	-	-	0.05
Total	**34.56**	**24.73**	**13.79**

NOTE 34 EARNINGS PER SHARE

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 attributable to equity shareholders (A)	1,711.06	1,584.33	1,439.47
Issued number of equity shares	46,94,210	46,94,210	46,94,210
Potential number of equity shares	-	-	-
Effect of bonus shares issued^	20,65,45,240	20,65,45,240	20,65,45,240
Weighted average shares outstanding (B)	21,12,39,450	21,12,39,450	21,12,39,450
Basic Earnings per share (Rupee per share) [A/B]	8.10	7.50	6.81
Diluted Earnings per share* (Rupee per share) [A/B]	8.10	7.50	6.81

^ The Board of Directors of the Company in its meeting held on September 16th, 2026 and shareholders of the Company in the Extraordinary General Meeting held on September 16th, 2026 approved the issuance of bonus equity share of face value Rs. 10 each in the ratio of 44:1. The number of shares used for the calculation of earnings per share (including that in the comparative periods), have been adjusted pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share".

* The conversion of 4% Non-Cumulative Optionally Convertible Redeemable Preference Shares was contingent upon the exercise of option by the preference shareholders and also upon issue of such number of shares of the Company as may be determined on the basis of valuation report of the registered valuer (to be arrived at the time of conversion). On account of the aforesaid contingencies involved, a fair estimate could not be made in regards to issue of potential number of equity shares, if any, hence Diluted EPS in FY. 2024-25 and FY. 2023-24 were calculated without considering impact of such conversion. However, during the current financial year, the said preference shares have been fully redeemed by the Company, hence there is no dilution in equity shares as at the reporting date.

NOTE 35 IMPAIRMENT OF ASSETS

In accordance with the provisions of the Indian Accounting Standard on Impairment of Assets (IND AS 36), the management has made assessment of assets in use in respect of each cash-generating unit and considering the business prospects related thereto, no provision is considered necessary on account of impairment of assets.

NOTE 36 SEGMENT REPORTING

The directors have been identified as the Company's Chief Operating Decision Maker as defined by Ind AS 108 "Operating Segments". The Company is engaged in the manufacturing of iron and steel products which in context to Ind AS 108 is considered as the only business segment. The Company operates only in India, therefore, there is no geographical segment.

NOTE 37 CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
a. Contingent liabilities			
Disputed liabilities in respect of Goods & Services Tax	4.13	4.13	4.13
b. Other litigations/Claims			
Freight dispute claim	0.16	0.39	0.39
Recovery suit	43.40	43.40	43.40
Compensation claim	1.38	1.38	1.38
c. Outstanding bank guarantees	60.80	36.97	42.02
d. Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances)	115.70	776.12	235.19

Note:

(a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above contingent liabilities.

(b) The Company does not expect any reimbursement in respect of the above contingent liabilities.

NOTE 38 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 12 - INCOME TAXES

a. Numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate :

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Profit before tax (Accounting profit)	2,319.22	2,141.74	1,824.78
Applicable tax rate (as enacted by the relevant Finance Act)	25.168%	25.168%	25.168%
Computed tax expense	583.70	539.03	459.26
Increase/(reduction) in the aforesaid computed tax expense on account of:			
Net expenses disallowed in Income Tax	26.01	6.47	7.69
Impact of property, plant and equipment	2.47	1.78	(89.60)
Others	(4.04)	10.13	7.97
Income tax expense	**608.16**	**557.41**	**385.32**

b. Movement in Deferred Tax Liabilities / (Assets):

PARTICULARS	Financial instruments at FVTPL / Amortised cost	Lease Liabilities	Defined Benefit Obligation	Property, Plant and Equipment	Other disallowances	Total
As at 1st April 2023	**(30.51)**	**-**	**(5.11)**	**542.12**	**-**	**506.50**
Charged / (credited)						
- to profit or loss	6.51	(4.00)	(0.39)	(96.76)	(1.17)	**(95.81)**
- to other comprehensive income	-	-	0.28	(3.58)	-	**(3.30)**
As at 31st March, 2024	**(24.00)**	**(4.00)**	**(5.22)**	**441.78**	**(1.17)**	**407.39**
Charged / (credited)						
- to profit or loss	(0.07)	(0.93)	(2.91)	31.29	(3.71)	**23.67**
- to other comprehensive income	-	-	(0.24)	(73.88)	-	**(74.12)**
As at 31st March, 2025	**(24.07)**	**(4.93)**	**(8.37)**	**399.19**	**(4.88)**	**356.95**
Charged / (credited)						
- to profit or loss	28.13	(0.70)	(3.42)	46.45	(5.14)	**65.32**
- to other comprehensive income	-	-	0.76	13.65	-	**14.41**
As at 31st March, 2026	**4.06**	**(5.63)**	**(11.03)**	**459.29**	**(10.02)**	**436.67**

NOTE 39 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 19 - EMPLOYEE BENEFITS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the Payment of Gratuity Act, 1972. The above said scheme is unfunded. The following table summarises the components of net benefits / expense recognised in the Statement of Profit and Loss and the Statement of Assets and Liabilities for the respective plans.

a. **Present Value of Benefit Obligations changes over the valuation period**	**As at 31st March, 2026**	**As at 31st March, 2025**	**As at 31st March, 2024**
Present Value of Benefit Obligation at the beginning of the year	33.26	20.75	14.63
Current Service cost	11.36	10.07	6.38
Interest expense	2.22	1.49	1.07
Actuarial losses / (gains) arising from change in financial assumptions	(3.87)	2.07	0.18
Actuarial losses / (gains) arising from experience adjustments	0.85	(1.11)	(1.51)
Present Value of Benefit Obligation at the end of the year	**43.81**	**33.26**	**20.75**

b. **Bifurcation of Present Value of Benefit Obligation**	**As at 31st March, 2026**	**As at 31st March, 2025**	**As at 31st March, 2024**
Current - Amount due within twelve months	1.33	0.92	1.51
Non-Current - Amount due after twelve months	42.48	32.34	19.24
	43.81	**33.26**	**20.75**

c. **Sensitivity Analysis - Effects of Key Assumptions on Defined Benefit Obligations**	**As at 31st March, 2026**	**As at 31st March, 2025**	**As at 31st March, 2024**
Discount Rate - 1% percent increase	39.25	29.59	18.75
Discount Rate - 1% percent decrease	49.25	37.67	23.21
Salary Escalation Rate - 1% percent increase	48.82	37.54	23.12
Salary Escalation Rate - 1% percent decrease	39.53	29.62	18.72
Withdrawal Rate - 1% percent increase	44.01	33.13	20.79
Withdrawal Rate - 1% percent decrease	43.53	33.36	20.77
Mortality Rate - 10% percent increase	43.84	33.28	20.78
Mortality Rate - 10% percent decrease	43.79	33.25	20.72

d. **Statement of Assets and Liabilities - Amount to be recognised**	**As at 31st March, 2026**	**As at 31st March, 2025**	**As at 31st March, 2024**
Present Value of Benefit Obligation at the end of the year	43.81	33.26	20.75
Fair Value of Plan Assets at the end of the year	-	-	-
Net Liability recognised in Statement of Assets and Liabilities	**43.81**	**33.26**	**20.75**

e. **Statement of Profit and Loss - Amount to be recognised**	**For the year ended, 31st March, 2026**	**For the year ended, 31st March, 2025**	**For the year ended, 31st March, 2024**
Current Service cost	11.36	10.07	6.38
Interest expense	2.22	1.49	1.07
Expenses recognised in Statement of Profit and Loss	**13.58**	**11.56**	**7.45**

NOTE 39 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 19 - EMPLOYEE BENEFITS (Contd.)

f. Other Comprehensive Income - Amount to be recognised	**For the year ended, 31st March, 2026**	**For the year ended, 31st March, 2025**	**For the year ended, 31st March, 2024**
Actuarial (Gains) / Losses on Liability	(3.02)	0.95	(1.33)
Return on plan assets	-	-	-
	(3.02)	**0.95**	**(1.33)**

g. Summary of financial and demographic assumptions	**As at 31st March, 2026**	**As at 31st March, 2025**	**As at 31st March, 2024**
Discount rate	7.39%	6.66%	7.20%
Expected rate of return on plan assets	Nil	Nil	Nil
Rate of increase in salaries	6.00%	6.00%	6.00%
Mortality Table	IALM 2012-2014 Ultimate		

NOTE 40 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURE

A. Key management personnel

i. Parmanand Agarwal, Director *
ii. Ashish Agarwal, Director #
iii. Bijay Kumar Agarwal, Director $
iv. Pradeep Kumar Rathore, Chief Executive Officer (w.e.f 12.09.2026)
v. Chandan Kumar Sinha, Chief Financial Officer (w.e.f 12.09.2026)
vi. Himanshu Pandey, Company Secretary & Compliance Officer (w.e.f 12.09.2026)

B. Relatives of Key management personnel

i. Richhi Agarwal ^
ii. Priti Agarwal (Resigned w.e.f 01.04.2025)

C. Entity controlled or significantly influenced by Key Management Personnel or close family member of Key Management Personnel

i. Parmanand Agarwal HUF
ii. Nachiketa Gift-Ads Pvt. Ltd.
iii. Florance Engineering Enterprises LLP
iv. Zortea Logistics LLP
v. B S Foundation
vi. Panache Solutions

* Re-designated as Non-Executive Director & Chairman (w.e.f 12.09.2026)
Re-designated as Managing Director (w.e.f 12.09.2026)
$ Re-designated as Whole Time Director (w.e.f 12.09.2026)
^ Appointed as Whole Time Director (w.e.f 12.09.2026)

NOTE 40 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURE (contd.)

Disclosure in respect of material related party transactions		For the year ended			Balances as at		
Name of related party	Nature of transaction	31st March, 2026	31st March, 2025	31st March, 2024	31st March, 2026	31st March, 2025	31st March, 2024
Key management personnel							
Ashish Agarwal	Short-term employee benefits*	120.00	120.00	60.00			
	Loan taken	17.00	14.60	-			
	Loan repaid	-	-	23.00			
	Interest expenses	1.75	0.50	1.43			
	Rent expenses	-	2.00	-			
	Sale of products	-	0.01	-			
	Short-term employee benefits payable				3.72	20.03	-
	Loan payable				39.12	20.55	5.49
	Other receivable				-	-	0.31
Parmanand Agarwal	Short-term employee benefits	120.00	120.00	60.00			
	Loan taken	1.10	-	8.70			
	Loan repaid	32.70	1.34	-			
	Interest expenses	14.00	16.16	14.38			
	Loan payable				171.75	190.75	177.55
	Short-term employee benefits payable				0.11	-	17.51
	Other payable				-	0.07	-
Bijay Kumar Agarwal	Short-term employee benefits	1.03	0.93	0.85			
	Short-term employee benefits payable				0.09	0.07	0.07
Relatives of Key management personnel							
Richhi Agarwal	Short-term employee benefits	13.20	12.00	6.00			
	Advance given	-	2.40	1.07			
	Advance received back	-	3.47	-			
	Short-term employee benefits payable				0.74	0.65	0.35
	Advance receivable				-	-	1.07
Priti Agarwal	Short-term employee benefits	-	1.20	5.10			
	Short-term employee benefits payable				-	0.09	-

NOTE 40 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURE (contd.)

Disclosure in respect of material related party transactions		For the year ended			Balances as at		
Name of related party	Nature of transaction	31st March, 2026	31st March, 2025	31st March, 2024	31st March, 2026	31st March, 2025	31st March, 2024
Entity controlled or significantly influenced by Key Management Personnel or close family member of Key Management Personnel							
Nachiketa Gift-Ads Pvt. Ltd.	Loan given	-	-	15.00			
	Advance given against pre-emptive rights for immovable property	68.93	47.78	-			
	Loan received back	-	-	15.00			
	Advance received back	139.43	-	-			
	Interest earned	10.11	2.57	1.67			
	Acquisition of immovable property	109.95	-	-			
	Payout on redemption of OCPS	84.44	-	-			
	Advance against pre-emptive rights for immovable property				-	70.50	-
	Loan receivable				-	-	20.41
	Interest receivable				9.10	-	-
Parmanand Agarwal HUF	Loan repaid	-	0.43	8.63			
	Interest expenses	-	-	0.47			
	Loan payable				-	-	0.43
Zortea Logistics LLP	Purchase of raw materials	575.59	119.08	-			
	Earnest money deposit forfeit	-	10.00	-			
	Hire charges	28.84	26.73	20.61			
	CSR expense	-	-	1.21			
	Advance given	-	-	2.30			
	Balance payable				2.71	-	-
	Advance to supplier				-	212.38	5.47
Florance Engineering Enterprises LLP	Loan repaid	-	0.67	0.35			
	Loan taken	17.67	-	-			
	Interest expenses	0.87	0.41	0.42			
	Capital advances	22.42	-	-			
	Capital advances				22.42	-	-
	Loan payable				22.99	4.53	4.84

NOTE 40 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 24 - RELATED PARTY DISCLOSURE (contd.)

Disclosure in respect of material related party transactions		For the year ended			Balances as at		
Name of related party	Nature of transaction	31st March, 2026	31st March, 2025	31st March, 2024	31st March, 2026	31st March, 2025	31st March, 2024
Entity controlled or significantly influenced by Key Management Personnel or close family member of Key Management Personnel							
B S Foundation	CSR expense	23.45	-	0.09			
	Sale of products	0.68	-	-			
	Trade receivable				0.81	-	-
	Advance against expenses				2.35	-	-
Panache Solutions	Purchase of stores & spares	24.27	-	-			
	IT service expense	0.02	0.01	0.01			
	Balance payable				2.54	0.00	-

* Includes Rs. 24.00 Mn. attributable to qualifying assets which have been capitalized during the FY. 2025-26.

NOTE 41 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 116 - LEASES

The Company has entered into lease contracts for Land and Plant & Equipment typically ranging upto 99 years and 10 years respectively. The Company has elected exemption available under IND AS 116 for short term leases and leases of low value whose lease payments associated are recognised as expense on a straight line basis over the lease term.

Carrying amounts of the right of use assets and liabilities and movements thereon :

Particulars	Right of Use Assets	Lease Liabilities
As at 1st April, 2023	-	-
Right of use asset recognised	23.72	-
Lease liabilities recognised	-	16.04
Amortisation expense	0.16	-
Finance cost	-	0.08
Payments made during the year	-	0.23
As at 31st March, 2024	**23.56**	**15.89**
Right of use asset recognised	4.47	-
Lease liabilities recognised	-	4.07
Amortisation expense	0.61	-
Finance cost	-	0.43
Payments made during the year	-	0.80
As at 31st March, 2025	**27.42**	**19.58**
Right of use asset recognised	3.60	-
Lease liabilities recognised	-	3.20
Amortisation expense	0.75	-
Finance cost	-	0.51
Payments made during the year	-	0.93
As at 31st March, 2026	**30.27**	**22.36**

Amounts recognized in the Statement of Profit and Loss :

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Amortisation expense on right of use assets	0.75	0.61	0.16
Interest expenses on lease liabilities	0.51	0.43	0.08
Rent expenses of short term lease and leases of low value	0.46	2.44	0.42
Total	**1.72**	**3.48**	**0.66**

NOTE 41 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD 116 - LEASES (Contd.)

Maturity analysis of Lease liabilities :

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Minimum lease payments			
Within one year	1.33	0.85	0.23
After one year but not more than five years	5.34	3.42	0.92
More than five years	25.22	23.75	21.43
	31.89	**28.02**	**22.58**
Less: Future finance cost	9.52	8.44	6.69
Total	**22.36**	**19.58**	**15.89**
Included in the financial statements as:			
Non-current lease obligations (Refer Note No. 19)	21.03	18.73	15.66
Current lease obligations (Refer Note No. 19)	1.33	0.85	0.23
	22.36	**19.58**	**15.89**

NOTE 42 MOVEMENT OF BORROWINGS IN CASH FLOW FROM FINANCING ACTIVITIES

Particulars	As at 1st April, 2025	Cashflow (including interest)	Interest accrued/other non-cash adjustments	As at 31st March, 2026
Non-current borrowings (including current maturities of non-current borrowings)	4,740.38	636.89	372.73	5,750.00
Current borrowings	1,504.43	298.55	156.88	1,959.86
Total	**6,244.80**	**935.43**	**529.61**	**7,709.86**

Particulars	As at 1st April, 2024	Cashflow (including interest)	Interest accrued/other non-cash adjustments	As at 31st March, 2025
Non-current borrowings (including current maturities of non-current borrowings)	3,424.51	994.39	321.48	4,740.38
Current borrowings	1,712.57	(337.67)	129.53	1,504.43
Total	**5,137.09**	**656.72**	**451.01**	**6,244.80**

Particulars	As at 1st April, 2023	Cashflow (including interest)	Interest accrued/other non-cash adjustments	As at 31st March, 2024
Non-current borrowings (including current maturities of non-current borrowings)	2,782.32	387.67	254.52	3,424.51
Current borrowings	955.45	633.72	123.40	1,712.57
Total	**3,737.77**	**1,021.40**	**377.92**	**5,137.09**

NOTE 43 FINANCIAL RISK MANAGEMENT

FINANCIAL RISK FACTORS

The Company's principal financial liabilities comprise of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include trade receivables, fixed deposits, loans and cash & bank balances that arise mostly from its operations. Different types of risks impacting the fair value of financial instruments is disclosed below:

a. Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including loans and deposits placed with banks.

Trade receivables

Trade receivables are generally unsecured and non-interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limit is regularly monitored by the board of directors. The Company's credit risk is mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by the Company. The Company has also taken advances from its customers, which mitigate the credit risk to an extent.

Credit risk is mitigated and managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Credit terms is line with the industry standards.

Movements in allowance for credit losses of receivables is as below:

PARTICULARS	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Balance as at the beginning of the year	1.77	0.02	1.27
Charge in statement of profit and loss	5.18	1.76	(1.25)
Balance at the end of the year	**6.96**	**1.77**	**0.02**

Deposits with banks and other financial instruments

The Company considers factors such as track record, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the banks with which the Company has also availed borrowings. The Company does not maintain significant cash balances other than those required for its day to day operations.

b. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital limits. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs and the excess funds are deposited with banks generating interest yield.

c. Market risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Company's market risk comprises two types of risks (i) Interest rate risk and (ii) Foreign currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The exposure of Company's borrowings to interest rate risk is as follows :

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Fixed rate borrowings	308.12	420.29	381.43
Variable rate borrowings	7,401.74	5,824.52	4,755.66
Total borrowings	**7,709.86**	**6,244.80**	**5,137.09**

Interest risk exposure

The following paragraph demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31st March, 2026 would decrease / increase by Rs. 24.69 Mn. (for the year ended 31st March, 2025 : Rs. 17.88 Mn. and for the year ended 31st March, 2024 : Rs. 13.22 Mn.). This is mainly attributable to interest rates on variable rate of long-term borrowings. The same has been calculated based on risk exposure outstanding as on the reporting date. The year end balances are not necessarily representative of average debt outstanding during the year.

(ii) Foreign currency risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The Company's foreign currency risk arises from foreign currency term loan (in US Dollars). The Company's functional currency is Indian Rupees. The Company often undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency, results in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

The following table shows the Company's net currency exposure arising from the underlying financial instrument and the related derivative asset at the end of each year:

PARTICULARS	CURRENCY	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Borrowings	USD	3.55 Mn.	-	-
Derivative forward cover	USD	(3.55) Mn.	-	-
Net Exposure at the end of the year		**-**	**-**	**-**

NOTE 44 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes equity share capital and other equity. The Company's objective in managing its capital is to safeguard its ability to continue as a going concern, ensure continuity of business, and provide reasonable returns to its various stakeholders, while optimising the cost of capital and maintaining the confidence of investors, creditors and the market.

The capital structure is based on management's judgement of the Company's strategic and day-to-day capital requirements, with a focus on maintaining a strong total equity base. Capital requirements are reviewed periodically with reference to the Company's operating and business plans.

The Board of Directors and management monitor the capital structure of the Company and may take appropriate steps to maintain, or if necessary, adjust it in light of changes in economic conditions and business requirements.

Refer to Note No. 47 for information on the ratios monitored for capital management.

NOTE 45 FAIR VALUE OF FINANCIAL ASSETS & FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

PARTICULARS	As at 31st March, 2026		As at 31st March, 2025		As at 31st March, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at amortised cost						
Trade receivables	643.87	643.87	458.42	458.42	270.26	270.26
Cash and Cash equivalents	2.69	2.69	18.96	18.96	112.44	112.44
Bank balances other than cash & cash equivalents	30.65	30.65	24.92	24.92	-	-
Loans	-	-	-	-	20.41	20.41
Others	1,029.37	1,029.37	895.62	895.62	158.12	158.12
Financial Assets measured at fair value through profit or loss						
Investment in equity instruments	0.84	0.84	0.06	0.06	0.06	0.06
Derivative financial asset	15.39	15.39	-	-		
Total Financial Assets	**1,722.81**	**1,722.81**	**1,397.98**	**1,397.98**	**561.28**	**561.28**
Financial Liabilities at amortised cost						
Trade payables	784.93	784.93	976.31	976.31	294.51	294.51
Borrowings	7,709.85	7,709.85	6,132.02	6,132.02	5,030.93	5,030.93
Lease liabilities	22.37	22.37	19.59	19.59	15.89	15.89
Others	573.58	573.58	566.38	566.38	288.21	288.21
Financial liabilities measured at fair value through profit or loss						
Optionally convertible redeemable preference shares, held as borrowings	-	-	112.78	112.78	106.16	106.16
Total Financial Liabilities	**9,090.73**	**9,090.73**	**7,807.08**	**7,807.08**	**5,735.70**	**5,735.70**

NOTE 46 FAIR VALUE HIERARCHY

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value of cash and deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair Value hierarchy

The following tables provide the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

a. Level 1 : Quoted prices in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the reporting date.
b. Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable, then the instrument is included in Level 2.
c. Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Reconciliation of Level 3 fair value measurements of financial assets is as follows:

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Balance at the beginning of the year	**0.06**	**0.06**	**0.06**
Sales during the year	0.06	-	-
Balance at the end of the year	**-**	**0.06**	**0.06**

PARTICULARS	As at 31st March, 2026			As at 31st March, 2025			As at 31st March, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets at fair value through profit and loss									
Investment in equity instruments	0.84	-	-	-	-	0.06	-	-	0.06
Derivative financial asset	-	15.39	-	-	-	-	-	-	-
Total financial Assets	**0.84**	**15.39**	**-**	**-**	**-**	**0.06**	**-**	**-**	**0.06**
Financial liabilities at fair value through profit and loss									
4% Non-cumulative optionally convertible redeemable preference shares (OCPS)	-	-	-	-	-	112.78	-	-	106.16
Total financial liabilities	**-**	**-**	**-**	**-**	**-**	**112.78**	**-**	**-**	**106.16**

During the year ended 31st March, 2026, 31st March, 2025 and 31st March, 2024 there were no transfers between Level 1, 2 and 3 fair value measurements.

B.S. SPONGE LIMITED
(Formerly known as B.S. SPONGE PRIVATE LIMITED)
Notes to the Restated Financial Information

NOTE 47 ACCOUNTING RATIOS

Ratio	Numerator	Denominator	2025-26	2024-25	2023-24	% Change 25-26	% Change 24-25	Reason for 25-26	Reason for 24-25
Current Ratio (times)	Current assets	Current liabilities	1.42	1.22	1.21	16.79%	0.27%	-	-
Debt - Equity Ratio (times)	Total debt	Equity	0.97	1.01	1.14	(4.33%)	(11.04%)	-	-
Debt Service coverage ratio (times)	Earnings available for debt service	Current debt service	2.78	4.03	4.44	(31.11%)	(9.19%)	Due to increase in debt	-
Return on equity (in %)	Net profit	Average shareholder equity	24.18%	29.61%	37.88%	(18.34%)	(21.84%)	-	-
Inventory Turnover Ratio (times)	Sales	Average inventory	8.86	9.94	8.48	(10.93%)	17.30%	-	-
Trade receivables turnover ratio (times)	Sales	Average accounts receivables	47.03	60.02	63.37	(21.65%)	(5.30%)	-	-
Trade payables turnover ratio (times)	Purchases	Average trade payables	24.29	26.76	47.75	(9.22%)	(43.97%)	-	Due to increase in trade payables
Net capital turnover ratio (times)	Sales	Average of (Current assets *less* current liabilities)	18.93	30.95	21.82	(38.84%)	41.81%	Due to increase in average working capital	Due to increase in sales
Net profit ratio (in %)	Net profit	Sales	6.60%	7.25%	9.64%	(8.88%)	(24.80%)	-	-
Return on capital employed (in %)	Earning before interest and taxes	Tangible net worth , total debt & deferred tax liability	18.14%	20.77%	22.13%	(12.67%)	(6.14%)	-	-
Return on investment (%)	Income from investments	Average investment	15.72%	-	-	100.00%	-	Due to derecognition of investments	-

NOTE 48 IMPACT OF NEW LABOUR CODES

On November 21, 2025, the Government of India notified four labour codes, replacing 29 existing laws. The salary structure and the provision for employee benefits are in compliance with the minimum thresholds at which such benefits are required accrued and paid under the new laws. Management continues to monitor the implications of Rules and clarifications from authorities. Based on above, the implementation of the Labour Codes is not expected to have a material impact on the Company.

NOTE 49 RECONCILIATION OF QUARTERLY BANK RETURNS FILED WITH INDIAN BANK :

a) For the year ended 31st March, 2026

The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of the security of current assets. The quarterly returns or statements filed by the Company with such bank are in agreement, in all material respects, with the books of account of the Company in respect of the overall position.

b) For the year ended 31st March, 2025

The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of the security of current assets.The drawing power computation reported to Indian Bank is computed on the basis of specified items of current assets and current liabilities. The following tables set out the corresponding net amounts as per the restated accounts and those reported to the bank, together with the differences identified for the respective quarter-end months.

Period	Net amount as per restated accounts (Rs. Mn.)	Net amount reported to bank (Rs. Mn.)	Difference (Rs. Mn.) #
Quarter-I (30.06.2024)	2,943.90	2,994.73	(50.83)
Quarter-II (30.09.2024)	2,263.98	2,298.86	(34.88)
Quarter-III (31.12.2024)	2,771.99	2,799.15	(27.16)
Quarter-IV (31.03.2025)	2,877.68	2,812.79	64.89

At the time of submission to bank, books were not finalised, details were subject to various accounting adjustments, same were made subsequent to submission to bank, which led to these differences.

c) For the year ended 31st March, 2024

The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of the security of current assets.The drawing power computation reported to Indian Bank is computed on the basis of specified items of current assets and current liabilities. The following tables set out the corresponding net amounts as per the restated accounts and those reported to the bank, together with the differences identified for the respective quarter-end months.

Period	Net amount as per restated accounts (Rs. Mn.)	Net amount reported to bank (Rs. Mn.)	Difference (Rs. Mn.) #
Quarter-I (30.06.2023)	2,715.34	2,969.28	(253.94)
Quarter-II (30.09.2023)	2,676.37	2,675.43	0.94
Quarter-III (31.12.2023)	2,630.74	2,672.87	(42.13)
Quarter-IV (31.03.2024)	2,631.07	2,693.65	(62.58)

At the time of submission to bank, books were not finalised, details were subject to various accounting adjustments, same were made subsequent to submission to bank, which led to these differences.

NOTE 50 OTHER STATUTORY INFORMATION

a. No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988.

b. The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

c. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   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.

d. 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.

e. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

f. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

g. The Company is not declared wilful defaulter by any bank or financials institution or other lender during the year.

h. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

i. There is no scheme of arrangements which has been approved by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013, hence such disclosure is not applicable.

j. The Company has not entered into any transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956.

k. The Company does not have any intangible asset under development as at the reporting date.

l. The Company has not revalued its intangible assets during the year.

m. There has been no amount which is required to be transferred to Investor Education and Protection Fund by the Company.

n. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except the following :

Description of property	Gross carrying value (Rs. Mn.)	Held in name of	Whether promoter, director, their relative or employee	Period held	Reason for not being held in the name of Company
Property, plant and Equipment (Freehold Land)	142.67	N/A	No	March' 2010	An administrative order sanctioning the land exchange between the Company and the Government of Chhattisgarh is on record; accordingly, a separate registered Title Deed is not held.

o. Loans are given to following related parties which are repayable on demand as at 31st March, 2026:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
	(-)	(-)
Directors	-	-
	(-)	(-)
KMP's	-	-
	(-)	(-)
Related parties	-	-
	(-)	(-)

Loans are given to following related parties which are repayable on demand as at 31st March, 2025:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
	(-)	(-)
Directors	-	-
	(-)	(-)
KMP's	-	-
	(-)	(-)
Related parties	-	-
	(20.41)	(100.00%)

Loans are given to following related parties which are repayable on demand as at 31st March, 2024:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
	(-)	(-)
Directors	-	-
	(-)	(-)
KMP's	-	-
	(-)	(-)
Related parties	20.41	100%
	(-)	(-)

Note: Figures in brackets pertains to preceding year.

NOTE 51 STATEMENT OF ADJUSTMENTS TO RESTATED FINANCIAL INFORMATION :

(i) Reconciliation between audited Total Equity and restated Total Equity	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Total Equity (as per audited financial statements)	7,974.75	6,179.60	4,522.10
Restatements	-	-	-
Total Equity as per Restated Statement of Assets and Liabilities	**7,974.75**	**6,179.60**	**4,522.10**

(ii) Reconciliation between audited profit and restated profit	As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2024
Profit for the year (as per audited financial statements)	1,711.06	1,584.33	1,439.47
Restatements	-	-	-
Restated profit for the year	**1,711.06**	**1,584.33**	**1,439.47**

52 There are no qualifications in the auditors' reports on the Financial Statements of the Company as at and for the year ended March 31, 2026 and March 31, 2025 and Special Purpose Financial Statements of the Company as at and for the year ended March 31, 2024 which require any adjustments to the Restated Financial Information. However, those qualifications in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Financial Information have been disclosed in Note 49 and Note 50(n) to the Restated Financial Information.

53 Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 1st, 2026, the Company had made an application to Registrar of Companies to change its status from Private Limited to Public Limited which was approved by Registrar of Companies on September 9th, 2026.

54 Figures have been rounded off to two decimal points. Accordingly, totals/sums may not exactly equal the sum of individual line items due to rounding-off.

55 Preceding year's figures have been regrouped/rearranged/recasted, wherever necessary.

As per our report of even date attached

For ARSK & Associates
Chartered Accountants
Firm Registration No. 315082E

For and on behalf of the board of directors

CA. S.K. Kabra
Partner
Membership No. 052205
Place: Kolkata
Date:
UDIN: 26052205LKQOYO3177

Parmanand Agarwal
Chairman
DIN - 00585415
Place: Raigarh
Date: September 26, 2026

Ashish Agarwal
Managing Director
DIN - 01218609
Place: Raigarh
Date: September 26, 2026

Pradeep Kumar Rathore
Chief Executive Officer
PAN: AOZPR8793L
Place: Raigarh
Date: September 26, 2026

Chandan Kumar Sinha
Chief Financial Officer
PAN: EQXPS1363F
Place: Raigarh
Date: September 26, 2026

Himanshu Pandey
Company Secretary
Membership Number: F14015
Place: Raigarh
Date: September 26, 2026

OTHER FINANCIAL INFORMATION

The accounting ratios as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations derived from the Restated Financial information are given below:

(*₹ in million*)

Particulars	As at and for Financial Year ended March 31, 2026	As at and for Financial Year ended March 31, 2025	As at and for Financial Year ended March 31, 2024
Earnings per equity share			
- Basic earnings per share[1]	8.10	7.50	6.81
- Diluted earnings per share [2]	8.10	7.50	6.81
Return on Net Worth (%)[3][4]	27.18	34.07	45.88
Net asset value per Equity Share [5]	33.84	25.76	18.26
EBITDA[6]	3,865.47	3,412.88	2,869.35

[1] Basic Earnings per Share = Net profit / (loss) after tax as restated / Weighted average number of Equity Shares outstanding during the financial year.
[2] Diluted Earnings per Share = Net profit / (loss) after tax as restated / Weighted average number of potential Equity Shares outstanding during the financial year.
[3] Return on Net Worth (%) = PAT Profit / (loss) for the year / Average of net worth
[4]Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
[5] Net Asset Value per equity share is calculated as total equity at the end of the period/ year (excluding revaluation reserve) divided by the weighted average number of equity shares outstanding at the end of the financial year 2026 Denominator is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.
[6] EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.

The audited financial statements of our Company, B.S. Sponge Limited as at and for the Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, together with all annexures, schedules and notes thereto ("**Audited Financial Statements**") are available on our website at www.bsstmx.com/financial-information. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements or any other information on such website does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company and Selling Shareholders or any of its advisors, nor the BRLMs of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Non-GAAP measures

In addition to our results determined in accordance with Ind AS, certain non-GAAP measures are useful to Bidders in evaluating our operating performance and liquidity. We use non-GAAP financial information such as Net Debt, Y-o-Y Revenue Growth, Operating EBITDA, Operating EBITDA Margin, EBITDA (including other income), EBITDA Margin (including other income), PAT Margin, Return on Equity (ROE), Return on Capital Employed (ROCE), Debt/ Equity Ratio, Net Debt/ Operating EBITDA, Interest Coverage Ratio, Fixed Asset Turnover Ratio, and Net Working Capital Days, to evaluate our ongoing operations and for internal planning and forecasting purposes. However, these non-GAAP measures should not be considered in isolation or as an alternative to financial measures of our performance and liquidity that is not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Further, these non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated (used in) by operating, investing or financing activities derived in accordance with Ind AS, IFRS or U.S. GAAP or as a substitute for financial information disclosed in financial statements and presented in accordance with Ind AS.

Non-GAAP financial information are not standardised terms, hence a direct comparison of these non-GAAP Measures between companies may not be possible and these measures may be different from similarly titled non-GAAP measures used by other companies. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Non-GAAP financial measures are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP.

For a reconciliation of non-GAAP measures, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Reconciliation of non-GAAP measures*" on page 385.

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 Related Party Disclosures, for Financial Years ended March 31, 2026, March 31, 2025, and March 31, 2024, read with the SEBI ICDR Regulations, and as reported in the Restated Financial Information, see "*Restated Financial Information – Note 40: Related Party Disclosure*" on page 351.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective of our financial condition and results of operations and should be read in conjunction with our Restated Financial Information included in this Draft Red Herring Prospectus, including the notes thereto and the reports thereon, each included in the section "Restated Financial Information" on page 298. Our Restated Financial Information has been prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations, which differ in certain material respects from the generally accepted accounting principles in other jurisdictions, including IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor is entirely dependent on such investor's level of familiarity with Indian accounting practices.

Unless the context otherwise requires, references in this section to "we", "us", "our", "our Company" or "the Company" are to B.S. Sponge Limited. Our financial year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular "Fiscal" are to the twelve-month period ended March 31 of that year. Unless otherwise stated, the financial information used in this section has been derived from our Restated Financial Information for Fiscal 2026, Fiscal 2025 and Fiscal 2024, included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" on page 298. For details relating to the defined terms used in the section, see "Definitions and Abbreviations" on page 1.

This section 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 those set out in "Risk Factors" and "Forward-Looking Statements" on pages 20 and 19, respectively.

We have included various operational and financial performance indicators in this section, some of which may not have been derived from our Restated Financial Information or subjected to an examination, audit or review by our Statutory Auditors. We consider and use these performance indicators as supplemental measures to review and assess our operating performance, and they may not be computed in accordance with Ind AS and may not be comparable to similarly titled measures presented by other companies, including our peers. Investors are accordingly cautioned against placing undue reliance on such performance indicators as a substitute for the financial information prepared in accordance with Ind AS included elsewhere in this Draft Red Herring Prospectus.

*Unless otherwise stated, industry and market data used in this section has been obtained or derived from the report titled "Steel intermediaries and Steel products" dated September 2026 (the "**CRISIL Report**"), prepared and issued by CRISIL Intelligence, a division of CRISIL Limited, and exclusively commissioned and paid for by us in connection with the Offer. A copy of the CRISIL Report shall be made available on the website of our Company from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date at bsstmx.com/initial-public-offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant financial year. See "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" and "Risk Factors– Certain sections of this Draft Red Herring Prospectus contain information from the CRISIL Report which has been commissioned by us and any reliance on such information for making an investment decision in this Offer is subject to inherent risks." on pages 17 and 53, respectively.*

Overview

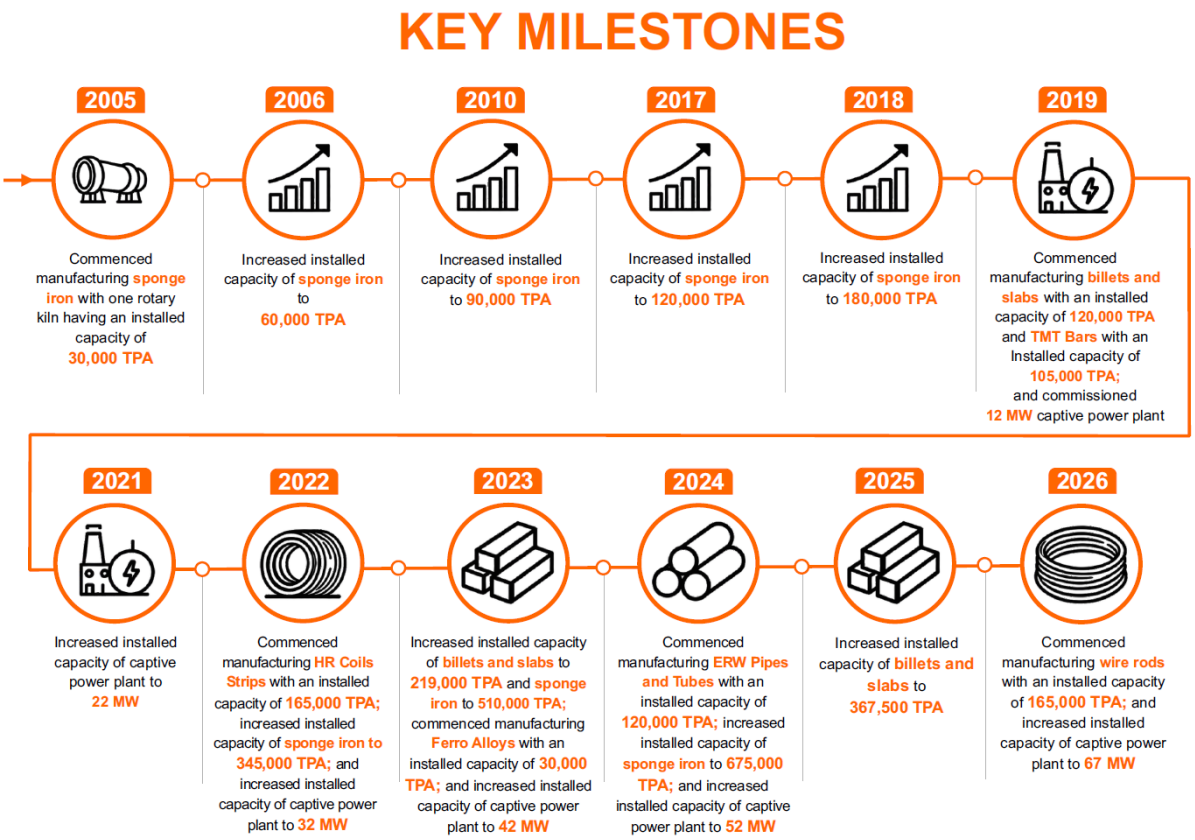
OVERVIEW

We are one of the leading manufacturers of steel and steel products in India in terms of installed capacity as of March 31, 2026 (*Source: CRISIL Report*). We have one of the most diversified and integrated manufacturing chains among mid-size steel producers in India (*Source: CRISIL Report*). Our diversified product portfolio spanning across multiple stages of the steel value chain, comprise semi-finished steel products including sponge iron, and billets and slabs, including M S billets ("**Billets and Slabs**"), and value-added finished steel products including, thermo-mechanically treated bars ("**TMT Bars**"), hot rolled coil (strips) ("**HR Coils**"), wire rods ("**Wire Rods**"), electric resistance welded pipes and tubes ("**ERW Pipes and Tubes**") and ferro alloys, comprising primarily silico manganese ("**Ferro Alloys**"). Our integrated steel manufacturing operations span from the conversion of iron ore into sponge iron to the manufacturing of value-added finished steel products.

We commenced our manufacturing operations in 2005 with one sponge iron rotary kiln having an installed capacity of 30,000 TPA. Over the last two decades, we have expanded our operations through a combination of capacity additions and forward integration initiatives. As of March 31, 2026, our installed manufacturing capacity for sponge iron stood at 675,000 TPA, while our aggregate installed manufacturing capacity across our portfolio of semi-finished and value-added finished steel products was 1,627,500 TPA. Our sponge iron manufacturing facility comprises six rotary kilns of 100 TPD each and six rotary kilns of 250 TPD each, enabling us to operate different kilns using different grades and combinations of raw materials. This operational

flexibility allows us to optimize our raw material mix, improve production planning and respond efficiently to changing customer demand and product mix requirements.

All of our manufacturing operations are carried out at our manufacturing facility, which is spread across approximately 47.19 hectares at Taraimal, post office Gerwani, Tamnar, Raigarh, Chhattisgarh, India ("**Manufacturing Facility**") which is strategically located in the mineral-rich state of Chhattisgarh, the steel capital of India (*Source: CRISIL Report*). Our presence across the steel manufacturing value chain coupled with an integrated manufacturing set up provides us with operational efficiencies and logistical advantages across our operations. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is equipped with a 67 MW captive power plant which enables us to reduce our dependence on external sources of power, ensures a reliable and uninterrupted power supply for our manufacturing operations, improves energy efficiency, and provides greater control over power costs, which constitute a significant component of steel manufacturing costs.



Our products cater to a diverse range of end-use industries and applications, including steel manufacturing, construction and infrastructure, residential and commercial development, agriculture, industrial and engineering applications, and for manufacturing of wires, cables, fasteners, nails, fencing products, springs, welding electrodes and other downstream steel products. Our products are used both for captive consumption in our downstream manufacturing operations and are also sold in the open market primarily through direct institutional sales and a network of traders, distributor and dealers enabling us to cater to customers across multiple geographies and end-use segments including third-party steel manufacturers, re-rollers, pipe manufacturers, fabricators and other industrial customers (*Source: CRISIL Report*).

The table below sets forth the sales revenue generated from the sale of our products as a percentage of our revenue from operations for the Fiscals indicated:

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Sponge iron	10,765.34	41.52	9,672.59	44.21	4,702.12	31.47
2.	Billets and Slabs	2,333.62	9.00	903.73	4.13	1,249.93	8.36
3.	TMT Bars	3,219.04	12.42	3,449.31	15.77	2,608.76	17.46
4.	Wire Rods	517.18	1.99	-	-	-	-
5.	HR Coils	4,460.44	17.21	5,087.10	23.25	6,050.18	40.49
6.	ERW Pipes and Tubes	1,820.95	7.02	627.54	2.87	-	-
7.	Ferro Alloys	2,357.46	9.09	1,868.22	8.54	104.58	0.70

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
8.	Others	451.21	1.74	269.71	1.23	228.33	1.53
Total		**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

The infographic below sets forth our key products and integrated manufacturing process as of the date of this Draft Red Herring Prospectus:



The state of Chhattisgarh is geographically located at the centre of the country, with Raigarh being a major industrial hub surrounded by major mineral-rich industrial states including Odisha and Jharkhand. Raigarh has a well-developed industrial ecosystem with the presence of numerous steel, power and allied manufacturing industries, and continues to witness the establishment of new industrial projects and manufacturing facilities which provides us with access to a robust supplier network, skilled manpower, logistics infrastructure and other ancillary facilities that support our manufacturing operations (*Source: CRISIL Report*). Our Manufacturing Facility located in Raigarh, Chhattisgarh, spread across approximately 47.19 hectares, is in close proximity to key raw material sources and suppliers of iron ore, iron ore pellets and coal, and well-connected via road and railway infrastructure to support efficient inward and outward logistics (*Source: CRISIL Report*). This simplifies the supply chain for procurement of raw materials, distribution of finished products and also reduces our logistics costs. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is also supported by a 67 MW captive power plant, comprising a 48 MW waste heat recovery boiler ("**WHRB**") based unit, a 4 MW atmospheric fluidized bed combustion ("**AFBC**")-based

unit and a 15 MW circulating fluidized bed combustion ("**CFBC**") based unit. Our captive power plant met 96.01%, 98.14% and 95.86% of our Company's operational power requirements in Fiscals 2026, 2025 and 2024, respectively. As a result of our captive power generation capabilities, our dependence on external power procurement is limited, and power costs from external sources accounted for 0.73% of our revenue from operations in Fiscal 2026, which provides us with a significant cost advantage in an industry where power constitutes a key operating cost.

We are focused on implementing quality control procedures at our Manufacturing Facility to ensure the manufacturing of quality products. Our Manufacturing Facility has been certified in accordance with internationally recognized management system standards, including ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety management. Further, our products are manufactured to comply with the applicable standards prescribed by the Bureau of Indian Standards ("**BIS**"), as well as quality standards imposed by our customers. We are also registered members of industry associations, including the Chhattisgarh Sponge Iron Manufacturers Association and the India Ferro Alloy Producers' Association.

Our Manufacturing Facility is also equipped with advanced technologies across various stages of the manufacturing process. We continuously focus on adopting efficient manufacturing technologies to enhance product quality, improve operational efficiency and optimize resource utilization. Our TMT Bars are manufactured using THERMEX® QST technology, developed in Germany, which enables the production of reinforcement bars with standard mechanical properties, ductility and weldability. Our TMT Bars, Wire Rods and HR Coils are manufactured using direct hot charging technology, wherein Billets and Slabs produced through the continuous casting process are directly transferred to our TMT rolling mill, wire rod mill and hot strip mill, respectively. This process minimizes heat loss, reduces reheating requirements, improves energy efficiency and contributes to optimizing production costs. In addition, our hot strip mill is a 4-Hi rolling mill and is equipped with Automatic Gauge Control ("**AGC**") technology, which enables control over strip thickness and helps minimize thickness variation in HR Coils. The deployment of such technology assists in maintaining product quality, consistency and adherence to customer specifications.

Our operations are currently focused on the domestic market, with a pan-India presence. In Fiscal 2026, our products were distributed across 20 states and three union territories in India, reflecting our broad geographic presence. The table below sets forth our revenue from distribution of our products to various geographical regions in India for the Fiscals indicated:

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)	Total revenue (*in ₹ million)*	Percentage of revenue from operations (%)
Central[(1)]	19,409.42	74.87	18,179.94	83.10	12,128.63	81.16
Western[(2)]	3,207.52	12.37	1,867.86	8.54	1,211.23	8.11
Southern[(3)]	1,440.88	5.56	625.87	2.86	926.12	6.20
Northern[(4)]	1,308.05	5.05	811.99	3.71	347.62	2.33
Eastern[(5)]	559.37	2.16	392.53	1.79	330.30	2.21
Total	**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

In Fiscal 2026:

(6) Central region includes Chhattisgarh, Madhya Pradesh and Uttar Pradesh.

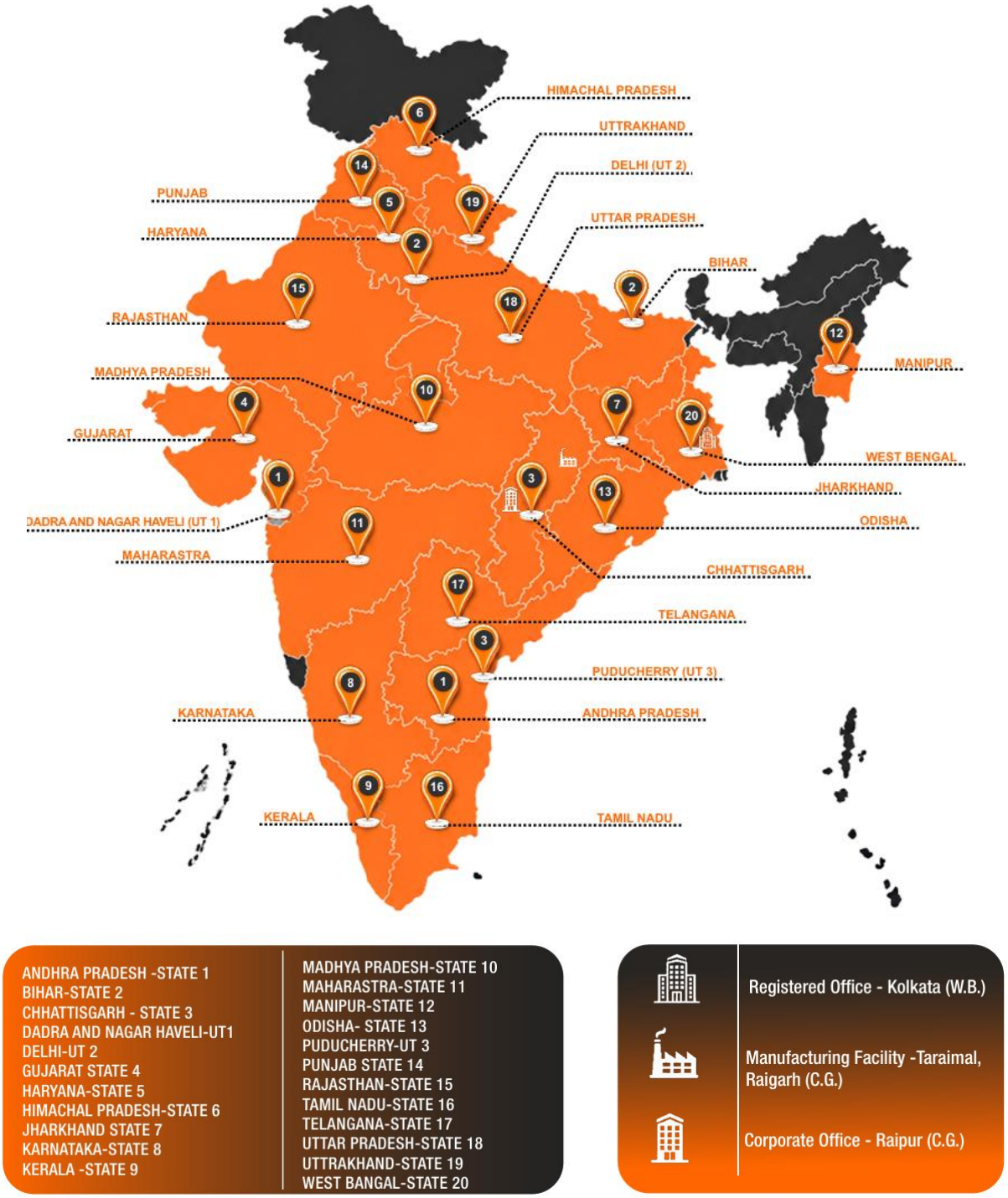
(7) Western region includes Dadra and Nagar Haveli, Gujarat and Maharashtra.

(8) Southern region includes Andhra Pradesh, Karnataka, Kerala, Puducherry, Tamil Nadu and Telangana.

(9) Northern region includes Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan and Uttarakhand.

(10) Eastern region includes Bihar, Jharkhand, Manipur, Odisha and West Bengal.

As of March 31, 2026, we served over 1,000 customers across India, with no single customer contributing more than 4.12% of our revenue from operations in Fiscal 2026. We have cultivated long-standing relationships with certain of our customers. We currently sell our products primarily through direct institutional sales and a network of traders, distributors and dealers, enabling us to cater to customers across multiple geographies and end-use segments. The following map illustrates the states and union territories across India in which we distributed our products in Fiscal 2026, along with the location of our Manufacturing Facility and registered and corporate office:



Our dedicated sales and marketing team, comprising 45 personnel as of March 31, 2026, promotes our product portfolio and establishes relationships with our institutional customers, distributors, dealers, traders and retailers. To effectively market our products, we focus on an approach that combines direct engagement with distributors, dealers, traders, and retailers, visibility through digital and offline channels, integrated marketing campaigns and brand building. Our direct engagement efforts include periodic meets with select distributors, dealers and traders, which enable us to showcase our latest products, gather feedback and build relationships. We have participated in various industry events, trade fairs and exhibitions. For instance, we have recently participated in the 'Tube and Pipe Fair 2026' in Hyderabad, the 'BigMint India Ferrous Week 2025' in Kolkata and the 'Green Steel & Mining Summit 2026' in Raipur. Our digital and offline marketing initiatives include social media marketing, dealer boards and hoarding campaigns, which enhance our product visibility and promote our brand.

We are led by our Promoters, Parmanand Agarwal (Chairman, Non-Executive and Non-Independent Director) and Ashish Agarwal (Managing Director), who collectively bring over 70 years of experience in the steel, power, civil construction and mining sectors. Parmanand Agarwal has over four decades of experience across the mining, civil construction, steel manufacturing and power sectors. As our Chairman, his strategic insights and leadership continue to guide the long-term growth

and operational development of our Company. Ashish Agarwal, Managing Director of our Company, has more than 20 years of experience in steel and power sectors and is responsible for our overall management, operations, finance and performance. Our Board also includes experienced industry professionals who bring deep operational expertise in their respective areas. Our Promoters and Board are supported by an experienced management team comprising professionals with diverse expertise across sales and marketing, strategy, finance, commercial operations, procurement, administration and corporate social responsibility initiatives. For further details, see "*Our Promoters and Promoter Group*" and "*Our Management*" on pages 290 and 270, respectively.

Key performance indicators

Details of our key performance indicators for the Fiscal 2026, Fiscal 2025 and Fiscal 2024 are provided below:

(₹ in million, unless mentioned otherwise)

Key performance indicators	Unit	Fiscal 2026	Fiscal 2025	Fiscal 2024
Financial KPIs				
GAAP Measures				
Revenue from Operations [(1)]	₹ in million	25,925.24	21,878.19	14,943.90
Profit After Tax (PAT) for the year [(2)]	₹ in million	1,711.06	1,584.33	1,439.47
Total Income [(3)]	₹ in million	26,060.60	21,925.18	14,962.46
Debt [(4)]	₹ in million	7,732.22	6,264.38	5,152.98
Non-GAAP Measures				
Net Debt [(5)]	₹ in million	6,721.42	5,341.78	4,898.38
Y-o-Y Revenue growth [(6)]	%	18.50	46.40	83.93
Operating EBITDA [(7)]	₹ in million	3,730.11	3,365.89	2,850.79
Operating EBITDA Margin [(8)]	%	14.39	15.38	19.08
EBITDA (including other income) [(9)]	₹ in million	3,865.47	3,412.88	2,869.35
EBITDA Margin (including other income) [(10)]	%	14.83	15.57	19.18
PAT Margin [(11)]	%	6.60	7.24	9.63
Return on Equity (ROE) [(12)]	%	24.18	29.61	37.88
Return on Capital Employed (ROCE) [(13)]	%	22.90	25.51	29.68
Debt /Equity Ratio [(14)]	Times	0.97	1.01	1.14
Net Debt/ Operating EBITDA [(15)]	Times	1.80	1.59	1.72
Interest Coverage Ratio [(16)]	Times	4.75	5.08	5.24
Fixed Asset Turnover Ratio [(17)]	Times	2.70	2.66	2.43
Net Working Capital Days [(18)]	Days	37	32	43
Operational KPIs				
Production volumes by product segment (TPA) [(19)]				
Sponge Iron	TPA	7,29,918	6,57,370	4,27,644
Billets and Slabs	TPA	3,10,057	2,50,150	2,30,721
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	74,523	81,073	59,432
Wire Rod	TPA	12,080	-	-
Hot Rolled Coils (Strips)	TPA	1,48,419	1,33,210	1,32,250
Electric Resistance Welded Pipes and Tubes	TPA	42,129	16,059	-
Ferro Alloys	TPA	33,564	29,965	2,727
Sales volumes by product segment (TPA) [(20)]				
Sponge Iron	TPA	4,55,617	3,92,614	1,68,890
Billets and Slabs	TPA	62,932	22,938	30,219
Thermo-Mechanically Treated Bar (TMT Bar)	TPA	76,788	79,661	57,763
Wire Rod	TPA	11,579	-	-
Hot Rolled Coils (Strips)	TPA	1,05,820	1,16,520	1,30,707
Electric Resistance Welded Pipes and Tubes	TPA	41,589	14,296	-
Ferro Alloys	TPA	33,514	26,762	1,602

Note: As certified by S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, pursuant to their certificate dated September 30, 2026. The certificate dated September 30, 2026, issued by S K Patodia & Associates LLP, Chartered Accountants, has been included in "Material Contracts and Documents for Inspection" on page 493.

Notes:

(1) Revenue from Operations: Revenue from Operations is the Revenue recognized as per Ind-AS, as appearing in the Restated Financial Information of the Company for the respective fiscal.

(2) Profit After Tax (PAT) for the year: PAT for the year refers to total income, less total expenses, less exceptional items, less total tax expenses for the year as appearing in the Restated Financial Information of the Company for the respective fiscal.

(3) Total income: Total income is calculated as the sum of revenue from operations & other income as appearing in the Restated Financial Information of the Company for the respective fiscal.

(4) Debt: Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.

(5) Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by EBITDA, as enumerated above for and as at the relevant fiscal.

(6) Y-o-Y Revenue growth: Y-o-Y Revenue growth represents the increase percentage in Revenue from Operations of the relevant fiscal over Revenue from Operations of the previous fiscal.

[7] *Operating EBITDA: Operating EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[8] *Operating EBITDA margin: Operating EBITDA margin is calculated as Operating EBITDA, as calculated above, divided by revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[9] *EBITDA (including other income): EBITDA (including other income) is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[10] *EBITDA Margin (including other income): EBITDA Margin (including other income) is calculated as EBITDA (including other income) as calculated above divided by Total Income as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[11] *PAT Margin: PAT Margin is calculated as PAT for the year divided by Revenue from operations as appearing in the Restated Financial Information of the Company for the respective fiscal.*

[12] *Return on Equity (ROE): ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.*

[13] *Return on Capital Employed (ROCE): ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as profit for the year plus total tax expense and finance costs; and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.*

[14] *Debt/Equity Ratio: Debt/Equity is calculated as debt, as mentioned above, divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.*

[15] *Net Debt / Operating EBITDA: Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA, as enumerated above for and as at the relevant fiscal.*

[16] *Interest Coverage Ratio: Interest Coverage Ratio is calculated as EBIT divided by Finance Cost as appearing in the Restated Financial Information of the Company as at the of the respective fiscal, where EBIT is calculated as profit for the year plus total tax expense and finance costs.*

[17] *Fixed Asset Turnover Ratio: Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by net block of Property, plant and equipment, including ROU Asset, as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.*

[18] *Net Working capital days: Net Working capital days is computed as Inventory days plus Trade receivable days minus Trade payable days; where Inventory days are calculated as average Inventory divided by revenue from operations multiplied by 365 days, Trade receivables days are calculated as average Trade receivables divided by revenue from operations multiplied by 365 days; and Trade payable days are calculated as average Trade payable divided by revenue from operations multiplied by 365 days.*

[19] *Production volumes by product segment: Production volumes by product segment refers to measuring manufacturing output across various product categories for and as at the end of relevant fiscal.*

[20] *Sales volumes by product segment: Sales volumes by product segment represents the quantity of products sold across different product categories for and as at the end of relevant fiscal.*

Significant Factors Affecting Our Results of Operations

Our results of operations and financial condition are affected by a number of factors, many of which are beyond our control. This section should be read in conjunction with the risk factors disclosed in "*Risk Factors*" on page 20, which discuss a number of factors that could also affect our results of operations and financial condition.

Demand for steel and steel products and industry conditions in India

Our results of operations are significantly affected by the overall demand for steel and steel products in India, which in turn is influenced by the level of activity in end-user industries to which we cater, including steel manufacturing, construction and infrastructure, residential and commercial development, agriculture, industrial and engineering applications, as well as by government policies and initiatives relating to infrastructure development. India is one of the fastest-growing major steel-consuming markets globally. India's finished steel demand was estimated at 159.8 million tonnes in CY2025, representing approximately 9.3% of global steel demand, and is projected to increase to approximately 187.4 million tonnes by CY2027, with demand growth expected at 7-9% annually *(Source: CRISIL Report)*. Further, domestic steel demand is expected to increase from 164.2 million tonnes in Fiscal 2026 to approximately 225-250 million tonnes by Fiscal 2031, representing a CAGR of 6.5-8.5% *(Source: CRISIL Report)*. This growth is expected to be supported by continued investments in infrastructure, housing, transportation, renewable energy and manufacturing (*Source: CRISIL Report*). Any slowdown in the level of infrastructure, housing, transportation, renewable energy and manufacturing activity in India, or in the specific end-user industries that we cater to, could adversely affect the demand for our products and consequently our results of operations.

Availability, pricing and cost of key raw materials

The raw materials used in our manufacturing operations are iron ore, iron ore pellets, coal, manganese ore, quartz, and scrap and our business is dependent on the continuous and cost-effective procurement of the raw materials. Our cost of raw materials consumed was ₹ 19,097.84 million, ₹ 16,196.79 million and ₹ 10,223.16 million in Fiscals 2026, 2025 and 2024, respectively, which constituted 73.67%, 74.03% and 68.41% of our revenue from operations in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. We source a portion of our requirements of iron ore from a "Navratna" public sector undertaking ("**Navratna PSU**") located in Chhattisgarh and a "Gold Category" state PSU ("**Gold Category PSU**") located in Odisha, which is situated within an approximate radius of 300 kilometres from our Manufacturing Facility and both these PSU's are known for the high quality of their iron ore (*Source: CRISIL Report*). A significant portion of our iron-bearing raw material requirement is met through iron ore pellets in place of iron ore (*Source: CRISIL Report*). In addition, we also procure iron ore and iron ore pellets from private sector manufacturers, who are also located within a similar geographic radius (*Source: CRISIL Report*).

We have entered into long-term supply arrangements with this PSU under their fuel supply agreement ("**FSA**") framework for supply of 404,500 MT of coal annually. Further, we have received LOIs for additional long-term supply arrangements covering

466,000 MT of coal annually, providing us with visibility on the availability and pricing of our key raw material for quantities aggregating up to 870,500 MT annually, representing more than 75% of our total annual coal requirements.

We have significant dependence on our top 10 suppliers for supply of raw materials. While we have entered into long-term agreements with certain of such suppliers, the procurement of a significant portion of our raw materials is undertaken through auctions and market purchases. Absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors such as global commodity price movements, domestic supply conditions or changes in government policy (including export duties and mining regulations in India), climatic and environmental conditions and production and transportation cost. Further, our reliance on a select group of suppliers may constrain our ability to negotiate our supply arrangements, which may affect our profit margins and financial performance.

Despite our efforts to maintain adequate inventory levels to mitigate the risk of supply disruptions, we may not be able to procure raw materials in sufficient quantities, of the requisite quality or at commercially acceptable prices. Any shortage or disruption in the availability or procurement of raw materials, including due to supply constraints, fluctuations in prices, quality issues, logistical challenges or any discontinuation or disruption of our relationships with suppliers, could adversely affect our manufacturing operations and delivery schedules. This may result in an increase in our production costs, reduction in production volumes and delays in fulfilling customer orders and may also limit our ability to expand or diversify our product portfolio. Any significant or prolonged disruption in the availability or procurement of raw materials could, therefore, have a material adverse effect on our business, financial condition, results of operations and prospects.

Manufacturing capacity, capacity utilisation and timely completion of capacity expansions

Our results of operations are affected by our ability to optimally utilise our installed manufacturing capacity and to complete planned capacity expansions in a timely manner. As of March 31, 2026, our installed capacities for sponge iron, Billets and Slabs, TMT Bars, Wire Rods, HR Coils, ERW Pipes and Tubes and Ferro Alloys stood at 675,000 TPA, 367,500 TPA, 105,000 TPA, 165,000 TPA, 165,000 TPA, 120,000 TPA and 30,000 TPA, respectively, with capacity utilisation of 108.14%, 89.52%, 70.97%, 62.15%, 89.95%, 35.11% and 111.88%, respectively. We commenced commercial production of ERW Pipes and Tubes in Fiscal 2025 and of Wire Rods in Fiscal 2026 and increased our installed capacity for sponge iron from 510,000 to 675,000 in Fiscal 2025 and increased our installed capacity for Billets and Slabs from 219,000 TPA to 367,500 TPA in Fiscal 2026.

Our expansion initiatives require significant capital and operating expenditures, including investments in land, plant and machinery, technology, product development, marketing and human resources, and may involve long lead times before additional capacity becomes operational. We expect our expanded installed capacity to enable us to increase production volumes and broaden our product portfolio, while our ongoing efforts towards technological innovation, process improvements, safety training programs, resource optimization and integration are intended to enhance productivity, product quality and cost efficiency and enable us to realize economies of scale. However, our expansion plans and business growth may place additional demands on our managerial, operational and financial resources, and our ability to effectively manage such growth will depend on our ability to implement and enhance our operational, financial and management systems and to attract, train, retain and manage an adequate workforce. Any delay or failure in implementing our expansion plans, inability to achieve anticipated capacity utilization or operational efficiencies, or failure of new or improved products to achieve market acceptance could adversely affect our ability to grow our business, maintain our competitive position and sustain our profitability.

The level of utilization and uninterrupted operation of our manufacturing facilities directly affects our production volumes, cost absorption and ability to meet customer demand. Our manufacturing operations may be adversely affected by a variety of factors, including operational inefficiencies, equipment failure or breakdowns, labour-related issues or disputes, interruptions in power supply, shortages or delays in the procurement of raw materials, supply chain disruptions, changes in or non-compliance with applicable regulatory requirements, and other events beyond our control. Any underutilization of installed capacity, slowdown in operations or temporary or prolonged shutdown of our manufacturing facilities, particularly where such disruption is unplanned or prolonged, could increase our operating costs, reduce production volumes and impair our ability to fulfil existing contracts and meet customer requirements. Further, the capital-intensive nature of our manufacturing operations and the significant investments required for capacity expansion may adversely affect our cash flows, margins and financial condition, particularly if the anticipated increase in production and sales is not achieved. Any such circumstances could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Availability and cost of captive power generation

Power is a significant component of our manufacturing costs. As on the date of this Draft Red Herring Prospectus, our Manufacturing Facility is also supported by a 67 MW captive power plant, comprising a 48 MW waste heat recovery boiler ("**WHRB**")-based unit, a 4 MW atmospheric fluidized bed combustion ("**AFBC**")-based unit and a 15 MW circulating fluidized bed combustion ("**CFBC**") based unit. The 15 MW CFBC based unit was installed during Fiscal 2027. Our captive power plant met 96.01%, 98.14% and 95.86% of our total operational power requirements in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Our captive power generation capabilities reduce our dependence on, and exposure to tariff increases from, external power sources. Our power and fuel expenses increased from ₹145.20 million in Fiscal 2024 to ₹187.67 million in

Fiscal 2025 and to ₹292.83 million in Fiscal 2026. To enhance the production of Billets and Slabs for better realisations, we increased our import of power from external sources, i.e., CSPDCL, which led to an increase in per-unit power procurement cost. The marginal decline in the proportion of captive power from 98.14% to 96.01% was on account of an increase in the share of imported power. Any disruption to our captive power infrastructure, or an increase in the cost of coal and other fuel used to generate captive power, could adversely affect our cost of production.

Product mix and increasing contribution of value-added finished steel products

Our integrated and diversified product portfolio provide us with the flexibility to optimize our product mix based on prevailing market conditions and demand trends, while enabling shifts across products to meet customer requirements. We are not dependent on a single product category or end-user industry for our revenues. Our product mix caters to the construction and infrastructure sector (TMT Bars, ERW Pipes and Tubes and Wire Rods), the manufacturing and engineering sector (HR Coils, Wire Rods), and the specialized Ferro Alloys segment.

We have the flexibility to adjust the proportion of intermediate products, being sponge iron, Billets and Slabs, HR Coils and Ferro Alloys, sold in the open market as against being captively consumed for further processing into value-added finished steel products, depending on market demand and relative product realisations. The table below sets forth the sales revenue generated from the sale of our products as a percentage of our revenue from operations for the Fiscals indicated:

S. No.	Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
		Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations	Revenue from operations (*₹ in million*)	% of revenue from operations
1.	Sponge iron	10,765.34	41.52	9,672.59	44.21	4,702.12	31.47
2.	Billets and Slabs	2,333.62	9.00	903.73	4.13	1,249.93	8.36
3.	TMT Bars	3,219.04	12.42	3,449.31	15.77	2,608.76	17.46
4.	Wire Rods	517.18	1.99	Nil	N.A.	Nil	N.A.
5.	HR Coils	4,460.44	17.21	5,087.10	23.25	6,050.18	40.49
6.	ERW Pipes and Tubes	1,820.95	7.02	627.54	2.87	Nil	N.A.
7.	Ferro Alloys	2,357.46	9.09	1,868.22	8.54	104.58	0.70
8.	Others	451.21	1.74	269.71	1.23	228.33	1.53
Total		**25,925.24**	**100.00**	**21,878.19**	**100.00**	**14,943.90**	**100.00**

Increased sales volume favourably affects our results of operations as it enables us to benefit from economies of scale in procurement and manufacturing. In addition, in order to maximize our profits, we must maintain optimum levels of capacity utilization at our Manufacturing Facility and an appropriate standard of quality in our processes and products. The decline in the proportion of revenue attributable to HR Coils primarily reflects increased captive consumption of HR Coils for the manufacturing of ERW Pipes and Tubes following commencement of that facility.

We do not enter into any long-term agreements with our customers and sell our products primarily on a direct basis to traders, dealers, steel and pipe manufacturers, and other industrial customers. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products that may have a material adverse effect on our business, results of operations and financial condition.

Government policies, regulatory approvals and environmental compliance

We are required to obtain and maintain a number of statutory and regulatory licenses, registrations, permits and approvals under central, state and local government rules in India, for carrying out our business and for our Manufacturing Facility, among other things, relating to safety, health and environmental laws and regulations in our operations (including laws regulating the generation, storage, handling, use and transportation of waste materials, noise emissions, air and water discharges on the storage, handling, discharge and disposal of certain materials, and other aspects of our operations, and the health and safety of employees) and mandatory certification requirements for our facilities and products. For example, our operations are subject to environmental laws and regulations in India, including the Environment (Protection) Act, 1986 and the Environment Protection Rules, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974, the Solid Waste Management Rules, 2016, and other regulations promulgated by the Ministry of Environment, Forest and Climate Change, Government of India and various statutory and regulatory authorities and agencies in India. For details of the key regulations applicable to our business, see "*Key Regulations and Policies*" on page 254.

Our operations are subject to extensive regulation, including in relation to environmental clearances, consents to establish and operate, mining and raw material sourcing, and industry-specific regulations applicable to the iron and steel sector. Our ability to obtain and renew statutory and regulatory approvals in a timely manner, including in connection with our proposed brownfield and greenfield capacity expansions, affects our ability to execute our growth plans.

Macroeconomic conditions in India and globally

Our results of operations are also affected by macroeconomic factors, including GDP growth, industrial production, government infrastructure spending, inflation and interest rates in India, as well as global steel and raw material price trends. Domestic steel demand is expected to increase from 164.2 million tonnes in Fiscal 2026 to approximately 225-250 million tonnes by Fiscal 2031, representing a CAGR of 6.5-8.5% (*Source: CRISIL Report*). This growth is expected to be supported by continued investments in infrastructure, housing, transportation, renewable energy and manufacturing (*Source: CRISIL Report*).

Significant accounting policies

Summary of material accounting policy information

a. Property, Plant and equipment

Property, plant and equipment are tangible items that:

(i) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

(ii) are expected to be used during more than one period.

Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

Property, plant and equipment are stated at their cost of acquisition/installation/construction net of accumulated depreciation and impairment losses, if any except for freehold land which has been measured on revaluation model with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Moreover, the initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditures incurred after the property, plant and equipment have been put to use, such as repairs and maintenance are normally charged to the Restated Statement of Profit and Loss in the period in which they are incurred. Whereas, major inspection and overhaul expenditure is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can me measured reliably.

Depreciation on property, plant and equipment is provided using the written down value method over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

An item of property, plant and equipment initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net proceeds and the carrying value of the asset) is recognized in the Restated Statement of Profit and Loss when the asset is derecognised.

b. Intangible asset

An intangible asset is recognised if, and only if:

(i) it is probable that the future economic benefits that are attributable to the asset will flow to the Company; and

(ii) the cost of the asset can be measured reliably.

An intangible asset is measured initially at cost. The cost of an intangible asset comprises its purchase price and other taxes (other than those subsequently recoverable by the Company from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use. Any trade discounts and rebates are deducted in arriving at the cost.

Subsequent expenditure on an intangible asset after its purchase or its completion should be recognised as an expense when it is incurred unless:

(i) it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance; and

(ii) the expenditure can be measured and attributed to the asset reliably.

c. Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Restated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Restated Statement of Profit and Loss.

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

d. Inventories

Inventories are valued at lower of cost or net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials, stores & spares, fuel and packing material:

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and includes non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

(ii) Work-in-progress and finished goods:

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

e. Fair value measurement

The Company measures its financial instruments at fair value at each reporting date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the restated financial information are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are recognised in the restated financial information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

All assets and liabilities for which fair value is measured as disclosed in the restated financial information are categorised within the fair value hierarchy described in Note no. 46.

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Restated Statement of Profit and Loss.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Where assets are measured at fair value, gains and losses are either recognised in the restated statement of profit and loss (i.e. fair value through profit or loss) or in other comprehensive income (i.e. fair value through other comprehensive). A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option. Investments made in the equity shares are measured at cost.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All other financial asset is measured at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when :

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost i.e. trade receivables at each reporting date from its initial recognition.

The Company measures the loss allowance for trade receivables by following 'simplified approach' using the provision matrix which takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, lease liabilities along with trade and other payables.

Subsequent measurement

All recognised financial liabilities are subsequently measured at either at amortised cost, or at fair value through profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost (net of transaction costs). Such costs, if are not very material, are amortized on straight-line basis, which gives results similar to EIR amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(iii) Off setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(iv) Derivative Financial Instruments

The Company enters into derivative financial instruments, specifically foreign exchange forward contracts, to manage its exposure to foreign exchange rate risks associated with its foreign currency borrowings.

Derivatives are carried as financial assets in the Balance Sheet when the transaction is potentially favourable to the entity and as financial liabilities when the transaction is potentially unfavourable to the entity.

The company designates the forward contracts at Fair Value through Profit and Loss as per Ind AS 109. Consequently, any resulting gain or loss arising from changes in the mark-to-market (MTM) fair value of these derivatives is recognized immediately in the Statement of Profit and Loss.

The Company has elected not to apply the optional hedge accounting framework prescribed by Ind AS 109, as it does not undertake the formal designation and continuous effectiveness documentation required for such treatment. Because these forward contracts are not designated as cash flow hedges, their mark-to-market (MTM) fair value changes cannot be routed through Other Comprehensive Income (OCI).

g. Foreign Currency Transactions

Initial Recognition

Transactions in foreign currencies (including foreign currency borrowings) are initially recorded by the Company at their respective functional currency spot rates prevailing on the date the transaction first qualifies for recognition.

Subsequent Measurement at Reporting Date

Monetary assets and liabilities denominated in foreign currencies, including outstanding foreign currency loans, are translated into the functional currency at the closing exchange rate prevailing as at the end of the reporting period.

Recognition of Exchange Differences

Exchange differences arising on the settlement or translation of monetary items are generally recognized in the Statement of Profit and Loss in the period in which they arise.

Exception for Borrowing Costs (Capitalization)

Notwithstanding the general rule above, exchange losses arising from foreign currency borrowings used for the acquisition, construction, or production of a qualifying asset are capitalized to the cost of that asset in accordance with Ind AS 23 "Borrowing Costs".

Capitalization of such exchange differences is restricted to the extent they are regarded as an adjustment to interest costs. This eligible amount is limited to the difference between the interest that would have been incurred on an equivalent domestic borrowing and the actual interest incurred on the foreign currency borrowing. Any exchange loss exceeding this threshold, along with any exchange gain, is recognized immediately in the Restated Statement of Profit and Loss.

h. Provisions and Contingencies

Provisions

Provisions are recognised when the Company has a present obligation (either legal or constructive) as a result of a past event 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.

Contingencies

- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the restated financial information.

- Contingent assets are not recognised in the books of the accounts but are disclosed in the notes, if any. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset and the corresponding income is booked in the Statement of Profit and Loss.

i. Revenue recognition

Sale of goods

Revenue recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements and is also exposed to inventory and credit risks.

However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rental income

Rental income from property leased out under operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the lease as per Ind AS 116.

Interest & other incomes

Interest income is recognised on time proportionate basis taking into account the amount outstanding and the rate applicable. 'Other items of income are recognised on accrual basis.

j. Retirement and other employee benefits

Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, short term compensated absences and bonus that are recognised as expenses in the period in which the employee renders the related service.

Post- Employment Benefits

(i) Defined Contribution Plans

The Company has a Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees which is administered by the Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

(ii) Defined Benefit Plans

- Gratuity: The Company has a Defined Benefit Plan for Post employment benefits in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the reporting date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

- Termination benefits are recognized as an expense as and when incurred.

k. Taxation

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

l. Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

Right-of-use assets

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made. ROU asset and lease liabilities have been separately presented in the Balance Sheet.

Short-term leases and leases of low-value

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (range differs for different class of assets). Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight line basis over the lease term.

m. Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at banks and on hand, short term deposits with an original maturity of three months or less and subject to an insignificant risk of changes in value.

n. Borrowing Cost

Borrowing costs relating to the acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

o. Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the shareholders by weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders, and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti dilutive.

Basic and diluted earnings per share for all periods presented are adjusted retrospectively for the effects of capitalisation, bonus issue, share split or reverse share split occurring during the period or after the reporting period but before the financial statements are approved for issue, in accordance with Ind AS 33, "Earnings per Share".

Reconciliation of non-GAAP measures

Set out below are details of reconciliation of non-GAAP measures. For further details, see "*Risk Factors – Certain non-GAAP financial measures and other statistical information relating to our operations and financial performance have been included in the Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable with those presented by other companies.*" on page 49.

1. Reconciliation of Net Asset Value per Equity Share

The table below reconciles total equity and Net Asset Value per equity share which is calculated as tangible net worth at the end of the year divided by the weighted average number of equity shares outstanding at the end of the financial year:

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net Worth (A) (₹ in million)	7,148.24	5,441.69	3,858.06
Weighted average number of Equity Shares considered for calculation of basic/diluted EPS, after considering bonus issue, subsequent to reporting period (B)	211,239,450	211,239,450	211,239,450
NAV per Equity Share[(1)] (₹) (C=A/B)	33.84	25.76	18.26

[(1)] Pursuant to resolutions passed by the Board of Directors of the Company and the Shareholders of the Company in their meetings held on September 16, 2026, bonus equity shares were issued, in proportion of 44 equity shares for every 1 existing fully paid-up equity shares and allotted on September 17, 2026, effect of which is adjusted herein.

2. Reconciliation of net profit / (loss) for the period / year to Return on Net Worth

The table below reconciles net profit to return on net worth which is calculated by dividing net profit / (loss) for the period / year by net worth.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net profit / (loss) for the period / year	1,711.06	1,584.33	1,439.47
Net worth[*]	7,148.24	5,441.69	3,858.06
Return on net worth[#] (%)	27.18%	34.07%	45.88%
Weights	3	2	1
Weighted average (%)			32.59%

** "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.*

[#] Return on net worth is calculated as profit after tax for the year divided by average of net worth.

3. Reconciliation from net profit / (loss) for the period / year to EBITDA and EBITDA Margin

The table below reconciles net profit / (loss) for the period / year to EBITDA and EBITDA Margin. EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation as appearing in the Restated Financial Information of the Company for the respective fiscal, while EBITDA Margin is the percentage of EBITDA divided by total income.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net profit / (loss) for the period / year (A)	1,711.06	1,584.33	1,439.47
Add:			
Total tax expense (B)	608.16	557.41	385.32
Profit/(loss) before tax (C=A+B)	2,319.22	2,141.74	1,824.78
Add:			
Finance costs (D)	618.62	525.54	430.66
Depreciation and amortization expenses (E)	927.63	745.60	613.91
EBITDA (F=C+D+E)	3,865.47	3,412.88	2,869.35
Total income (G)	26,060.60	21,925.18	14,962.46
EBITDA Margin (%) (H=F/G)	14.83%	15.57%	19.18%

4. Reconciliation from EBITDA to Operating EBITDA and Operating EBITDA Margin

The table below reconciles Operating EBITDA and Operating EBITDA Margin. EBITDA is calculated as profit for the year plus total tax expenses, finance costs, and depreciation and amortisation expenses, minus other income as appearing in the Restated Financial Information of the Company for the respective fiscal. EBITDA Margin is calculated as Operating EBITDA divided by revenue from operations.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
EBITDA (A)	3,865.47	3,412.88	2,869.35
Less:			
Other income (B)	135.36	46.99	18.56
Operating EBITDA (C=A-B)	3,730.11	3,365.89	2,850.79
Revenue from operations (D)	25,925.24	21,878.19	14,943.90
Operating EBITDA Margin (%) (E=C/D)	14.39%	15.38%	19.08%

5. Reconciliation of Debt to Equity Ratio

The table below reconciles the debt to equity ratio. Debt represents the sum of long-term borrowings, short term borrowings and lease liabilities as appearing in the Restated Financial Information of the Company as at the of the respective fiscal.Debt/Equity is calculated as debt divided by total equity, where total equity represents the sum of equity share capital and other equity as at the of the respective fiscal.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current borrowings (A)	2,875.99	1,986.69	2,074.64
Non-current borrowings (B)	4,856.23	4,277.69	3,078.34
Total borrowings (C=A+B)	7,732.22	6,264.38	5,152.98
Shareholder's equity			
Equity share capital (D)	46.94	46.94	46.94
Other equity (E)	7,927.81	6,132.66	4,475.16
Total equity (F=D+E)	7,974.75	6,179.60	4,522.10
Debt to equity ratio (Times) (G=C/F)	0.97	1.01	1.14

6. Reconciliation of Net Debt to Operating EBITDA

The table below reconciles the net debt to equity ratio. Net Debt represents the sum of long-term borrowings, short-term borrowings and lease liabilities, less Cash and Cash Equivalents, Fixed Deposits and Interest accrued on Fixed Deposits as appearing in the Restated Financial Information of the Company as at the of the respective fiscal. Net Debt / Operating EBITDA is calculated as Net debt divided by Operating EBITDA for and as at the relevant fiscal.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current borrowings (A)	2,875.99	1,986.69	2,074.64
Non-current borrowings (B)	4,856.23	4,277.69	3,078.34
Less:			
Cash and cash equivalents (C)	2.69	18.96	112.44
Bank balances other than cash and cash equivalents (D)	30.65	24.92	-
Non-current FDR (E)	114.65	312.45	38.91
Current FDR (F)	862.81	566.28	103.26
Net debt (G=A+B-C-D-E-F)	**6,721.42**	**5,341.78**	**4,898.37**
Operating EBITDA			
EBITDA (H)	3,865.47	3,412.88	2,869.35
Less:			
Other income (I)	135.36	46.99	18.56
Operating EBITDA (J=H-I)	3,730.11	3,365.89	2,850.79
Net Debt to Operating EBITDA (G/J)	1.80	1.59	1.72

7. Reconciliation of EBIT to Return on Capital Employed (ROCE)

The table below reconciles the EBIT to ROCE. ROCE is calculated as EBIT for the relevant fiscal divided by capital employed as at the end of relevant fiscal; where EBIT is calculated as EBITDA Less Depreciation for the year and Capital Employed represents the sum of total equity and long-term borrowings including lease liabilities, as appearing in the Restated Financial Information of the Company as at the end of the respective fiscal.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
EBITDA (A)	3,865.47	3,412.88	2,869.35
Less:			
Depreciation (B)	927.63	745.60	613.91
EBIT (C=A-B)	**2,937.84**	**2,667.28**	**2,255.44**
Capital Employed			
Total Equity (D)	7,974.75	6,179.60	4,522.10
Non-Current Borrowings (E)	4,835.20	4,258.96	3,062.68
Non-Current Lease liabilities (F)	21.03	18.73	15.66
Capital Employed (G=A+E+F)	**12,830.98**	**10,457.29**	**7,600.44**
ROCE (H=C/G)	22.90%	25.51%	29.68%

8. Reconciliation of Return on Equity(ROE)

The table below reconciles the ROE. ROE is calculated as PAT for the year divided by average equity for the relevant fiscal; where average equity is the average of opening and closing equity for the relevant fiscal.

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net profit / (loss) for the period (A)	1,711.06	1,584.33	1,439.47
Average Equity			
Opening Equity (B)	6,179.60	4,522.10	3,078.01
Closing Equity (C)	7,974.75	6,179.60	4,522.10
Average Equity (D=(B+C)/2)	**7,077.18**	**5,350.85**	**3,800.06**
ROE (E=A/D)	24.18%	29.61%	37.88%

Key components of our Restated Statement of Profit and Loss

Income

Our total income comprises revenue from operations and other income.

Revenue from operations. Our revenue from operations is derived from the sale of iron and steel products, comprising manufactured goods and traded goods and other operating revenue, comprising scrap sales and other miscellaneous operating income. Our revenue from the sale of manufactured iron and steel products is further classified, on a product-wise basis, and comprises revenue from sale of sponge iron, Billets and Slabs, TMT Bars, HR Coils, Ferro Alloys, ERW Pipes and Tubes, Wire Rods and other products.

Other income. Our other income comprises interest income earned on fixed deposits, loan given, security deposit and advance given, rental income, sundry balances written back, reversal of allowance for expected credit loss, realised gain on derecognition of financial instruments measured at fair value through profit or loss ("**FVTPL**"), unrealised gains on fair value changes of financial asset (net) measured at FVTPL, miscellaneous income and profit on disposal of property, plant and equipment (net).

Expenses

Our total expenses comprise cost of materials consumed, purchase of stock-in-trade, changes in inventories of finished goods and work-in-progress, employee benefits expense, finance costs, depreciation and amortization expense and other expenses.

Cost of materials consumed. Cost of materials consumed is computed as opening inventory of raw materials and purchases of raw materials, less closing inventory of raw materials.

Purchase of stock-in-trade. Purchase of stock-in-trade represents the cost of traded goods purchased by us for resale.

Changes in inventories of finished goods and work-in-progress. Changes in inventories of finished goods and work-in-progress represents the net increase/decrease in our inventories of work-in-progress and finished goods (including by-products) between the beginning and the end of the year.

Employee benefits expense. Employee benefits expense comprises salary, bonus and other allowances, director's remuneration, gratuity expense, contribution to provident and other funds, and staff welfare expenses.

Finance costs. Finance costs primarily comprise interest on borrowings, lease liabilities and security deposit and other borrowing costs.

Depreciation and amortization expense. Depreciation and amortization expense comprises (i) depreciation on property, plant and equipment, (ii) depreciation on right-of-use asset and (iii) amortization of intangible asset.

Other expenses. Other expenses primarily includes consumption of stores and spare parts, processing fees / manpower charges, power and fuel expense, freight outward, commission on sales, machinery hire charges, forfeiture and non-lifting charges, legal and professional fees, advertisement and business promotion expense, rates and taxes, repairs and maintenance on plant and equipment and others), security charges, corporate social responsibility expenditure, Miscellaneous expense, insurance expense, provision for doubtful advances, allowance for expected credit loss, Unrealised loss on fair value changes of financial asset (net), measured at FVTPL and payments to our statutory auditors towards statutory audit, tax audit, other services and out of pocket expenses.

Tax expense. Tax expense comprises current tax, deferred tax and adjustments to income tax relating to earlier years.

Results of Operations

The following table sets forth select financial data from our Restated Statement of Profit and Loss for Fiscal 2026, Fiscal 2025 and Fiscal 2024, the components of which are also expressed as a percentage of total income for such periods.

Particulars	Fiscal 2026		Fiscal 2025		Fiscal 2024	
	(₹ million)	% of total income	(₹ million)	% of total income	(₹ million)	% of total income
Income						
Revenue from operations	25,925.24	99.48	21,878.19	99.79	14,943.90	99.88
Other income	135.36	0.52	46.99	0.21	18.56	0.12
Total income (I)	**26,060.60**	**100.00**	**21,925.18**	**100.00**	**14,962.46**	**100.00**
Expenses						
Cost of materials consumed	19,097.84	73.28	16,196.79	73.87	10,223.16	68.33
Purchase of stock-in-trade	-	-	0.24	0.00	4.45	0.03
Changes in inventories of finished goods and work-in-progress	44.96	0.17	(286.66)	(1.31)	(90.19)	(0.60)
Employee benefits expense	813.68	3.12	753.71	3.44	465.85	3.11
Finance costs	618.62	2.37	525.54	2.40	430.66	2.88
Depreciation and amortization expense	927.63	3.56	745.60	3.40	613.91	4.10
Other expenses	2,238.66	8.59	1,848.21	8.43	1,489.86	9.96
Total expenses (II)	**23,741.38**	**91.10**	**19,783.44**	**90.23**	**13,137.68**	**87.80**
Profit before tax (III = I - II)	**2,319.22**	**8.90**	**2,141.74**	**9.77**	**1,824.78**	**12.20**
Tax expense						
Current tax	546.88	2.10	523.61	2.39	473.16	3.16
Deferred tax	65.32	0.25	23.67	0.11	(95.81)	(0.64)
Income tax adjustment for earlier years	(4.04)	(0.02)	10.13	0.05	7.97	0.05
Total tax expense (IV)	**608.16**	**2.33**	**557.41**	**2.54**	**385.32**	**2.58**
Profit for the year (V = III - IV)	**1,711.06**	**6.57**	**1,584.33**	**7.23**	**1,439.47**	**9.62**
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement gains/(losses) on defined benefit obligations	3.02	0.01	(0.95)	(0.00)	1.33	0.01
Fair valuation of an item of property, plant and equipment	95.48	0.37	0.00	0.00	0.00	0.00
Income tax relating to items that will not be reclassified to profit or loss						
Remeasurement gains/(losses) on defined benefit obligations	(0.76)	(0.00)	0.24	0.00	(0.28)	(0.00)
Fair valuation of an item of property, plant and equipment	(13.65)	(0.05)	73.88	0.34	3.58	0.02
Other comprehensive income for the year (VI)	**84.09**	**0.32**	**73.16**	**0.33**	**4.63**	**0.03**
Total comprehensive income for the year (V + VI)	**1,795.15**	**6.89**	**1,657.50**	**7.56**	**1,444.09**	**9.65**

Fiscal 2026 compared to Fiscal 2025

Total income

Our total income increased by 18.86% from ₹21,925.18 million in Fiscal 2025 to ₹26,060.60 million in Fiscal 2026, primarily due to an increase in our revenue from operations, together with an increase in other income, each as discussed below.

Revenue from operations

Our revenue from operations increased by 18.50% from ₹21,878.19 million in Fiscal 2025 to ₹25,925.24 million in Fiscal 2026, due to the factors discussed below.

Sale of iron and steel products

Sale of manufactured goods. Revenue from the sale of manufactured goods, increased by 18.40% from ₹21,839.30 million in Fiscal 2025 to ₹25,858.73 million in Fiscal 2026, primarily due to the factors discussed below in relation to our product-wise revenue.

Sponge iron. Revenue from sale of sponge iron increased by 11.30% from ₹9,672.59 million in Fiscal 2025 to ₹10,765.34 million in Fiscal 2026. The increase in revenue from sale of sponge iron was attributable to an increase in sales volume from 0.39 million tonnes in Fiscal 2025 to 0.46 million tonnes in Fiscal 2026, primarily due to higher production volumes following the increase in our installed manufacturing capacity in Fiscal 2025, which enabled us to meet higher customer demand.

Billets and Slabs. Revenue from sale of Billets and Slabs increased by 158.22% from ₹903.73 million in Fiscal 2025 to ₹2,333.62 million in Fiscal 2026, primarily due to an increase in our installed capacity for Billets and Slabs from 219,000 TPA as of March 31, 2025 to 367,500 TPA as of March 31, 2026 which enabled higher production and sales volumes.

TMT Bars. Revenue from sale of TMT Bars decreased by 6.68% from ₹3,449.31 million in Fiscal 2025 to ₹3,219.04 million in Fiscal 2026 primarily due to the commissioning of our wire rod facility in Fiscal 2026, pursuant to which a portion of Billets and Slabs were utilized for production of Wire Rods instead of TMT Bars, resulting in lower production and sales volumes of TMT Bars.

HR Coils. Revenue from sale of HR Coils decreased by 12.32% from ₹5,087.10 million in Fiscal 2025 to ₹4,460.44 million in Fiscal 2026, primarily due to the commissioning of our wire rod facility in Fiscal 2026, pursuant to which a portion of Billets and Slabs were utilized for production of Wire Rods instead of HR Coils, resulting in lower production and sales volumes of HR Coils.

Ferro Alloys. Revenue from sale of Ferro Alloys increased by 26.19% from ₹1,868.22 million in Fiscal 2025 to ₹2,357.46 million in Fiscal 2026, primarily due to an increase in production volume, owing to improved capacity utilisation of our installed manufacturing capacity.

ERW Pipes and Tubes. Revenue from sale of ERW Pipes and Tubes increased by 190.17% from ₹627.54 million in Fiscal 2025 to ₹1,820.95 million in Fiscal 2026 primarily due to an increase in production levels following the commencement of commercial production in December 2024, which enabled higher sales volume and contributed to the increase in revenue from sale of ERW Pipes and Tubes in Fiscal 2026.

Wire Rods. Revenue from sale of Wire Rods increased from Nil in Fiscal 2025 to ₹517.18 million in Fiscal 2026 primarily due to commencement of commercial production of Wire Rods in Fiscal 2026 which enabled higher sales volume and contributed to the increase in revenue from sale of Wire Rods in Fiscal 2026.

Other products. Revenue from other products increased by 66.67% from ₹230.82 million in Fiscal 2025 to ₹384.70 million in Fiscal 2026. The increase in revenue from other products is primarily attributable to higher production and sales volumes of other by-products resulting from an increase in our production capacity.

Traded goods. Revenue from the sale of traded goods decreased by 100.00% from ₹0.26 million in Fiscal 2025 to Nil in Fiscal 2026 primarily due to absence of trading activities in Fiscal 2026.

Other operating revenue. Our other operating revenue, comprising scrap sales and other miscellaneous operating income, is discussed below.

Scrap sales. Revenue from scrap sales increased by 117.53% from ₹27.09 million in Fiscal 2025 to ₹58.93 million in Fiscal 2026 primarily due to increase in saleable quantity of scrap resulting from higher production volumes.

Others. Other operating revenue (excluding scrap sales) decreased by 34.32% from ₹11.54 million in Fiscal 2025 to ₹7.58 million in Fiscal 2026 primarily due to a reduction in the generation and sale of store scrap and the absence of insurance claim for goods lost in transit during Fiscal 2026.

Other income

Our other income increased by 188.06% from ₹46.99 million in Fiscal 2025 to ₹135.36 million in Fiscal 2026, due to the factors discussed below.

Interest income. Our aggregate interest income (comprising interest on fixed deposits, security deposits and advances given) increased by 131.25% from ₹35.26 million in Fiscal 2025 to ₹81.54 million in Fiscal 2026, primarily due to an increase in interest income on fixed deposits by 119.76% from ₹31.68 million in Fiscal 2025 to ₹69.62 million in Fiscal 2026 and an increase in interest income on advances given by 293.39% from ₹2.57 million in Fiscal 2025 to ₹10.11 million in Fiscal 2026 and an increase in interest income on security deposit by 79.21% from ₹1.01 million in Fiscal 2025 to ₹1.81 million in Fiscal 2026.The increase in interest income is primarily attributable to higher fixed deposits placed as security, margin money and for general investment, an increase in advances made during Fiscal 2026 and higher interest income on security deposit arising from additional security deposits placed with CSPDCL during Fiscal 2026 in connection with increased electricity requirements.

Rental income. Rental income increased by 1,021.05% from ₹0.19 million in Fiscal 2025 to ₹2.13 million in Fiscal 2026 primarily due to receipt of rental income from a ground lease granted to a telecommunication company for installation of a mobile tower during Fiscal 2026.

Sundry balances written back. Sundry balances written back increased by 2.27% from ₹5.72 million in Fiscal 2025 to ₹5.85 million in Fiscal 2026 primarily due to the write-back of certain old outstanding trade payable balances which were no longer payable by the Company.

Realised gain on derecognition of financial instruments measured at FVTPL. Realised gain on derecognition of financial liabilities increased by 100.00% from Nil in Fiscal 2025 to ₹28.34 million primarily due to derecognition of a financial liability (non-current borrowings) relating to redemption of our 4% non-cumulative optionally convertible redeemable preference shares during Fiscal 2026.

Unrealised gain on fair value changes of financial assets (net) measured at FVTPL. Unrealised gain on fair value changes of financial assets increased by 100.00% from Nil in Fiscal 2025 to ₹15.22 million in Fiscal 2026, primarily due to an increase in the fair value of investments measured at FVTPL during Fiscal 2026.

Miscellaneous income. Miscellaneous income decreased by 61.99% from ₹3.21 million in Fiscal 2025 to ₹1.22 million in Fiscal 2026 primarily due to absence of income from fines and penalties and other interest income, as well as a reduction in order cancellation charges and miscellaneous receipts.

Profit on disposal of property, plant and equipment. Profit on disposal of property, plant and equipment (net) decreased by 61.30% from ₹2.61 million in Fiscal 2025 to ₹1.01 million in Fiscal 2026 primarily due to fewer asset sales during Fiscal 2026.

Total expenses

Our total expenses increased by 20.01% from ₹19,783.44 million in Fiscal 2025 to ₹23,741.38 million in Fiscal 2026 due to the factors discussed below.

Cost of materials consumed

Our cost of materials consumed increased by 17.91% from ₹16,196.79 million in Fiscal 2025 to ₹19,097.84 million in Fiscal 2026, primarily due to an increase in purchases of raw materials by 26.66% from ₹16,093.22 million in Fiscal 2025 to ₹20,384.33 million in Fiscal 2026, due to increase in our production and sales volumes in Fiscal 2026.

Purchase of stock-in-trade

Purchase of stock-in-trade decreased by 100% from ₹0.24 million in Fiscal 2025 to Nil in Fiscal 2026 primarily due to the discontinuation of trading activities.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress increased from ₹(286.66) million in Fiscal 2025 to ₹44.96 million in Fiscal 2026 which was primarily due to a significant increase in the closing inventory of finished goods as at the end of Fiscal 2025, which resulted in a higher opening inventory for Fiscal 2026 as compared to Fiscal 2025. Further, the closing inventory as at the end of Fiscal 2026 was less than the opening inventory for Fiscal 2026, resulting in net decrease in inventory during Fiscal 2026. The net increase in inventory during Fiscal 2025 primarily reflect the significant net increase in the closing inventory for Fiscal 2025, as the opening inventory in Fiscal 2025 was lower than the closing inventory, which resulted in a credit to the statement of profit and loss.

Employee benefits expense

Our employee benefits expense increased by 7.96% from ₹753.71 million in Fiscal 2025 to ₹813.68 million in Fiscal 2026, primarily due to an increase in salary, bonus and other allowances by 16.30% from ₹464.46 million in Fiscal 2025 to ₹540.19 million in Fiscal 2026, an increase in staff welfare expenses by 46.37% from ₹11.02 million in Fiscal 2025 to ₹16.13 million

in Fiscal 2026, an increase in provident and other funds by 3.92% from ₹25.74 million in Fiscal 2025 to ₹26.75 million in Fiscal 2026 and an increase in gratuity expense by 17.47% from ₹11.56 million in Fiscal 2025 to ₹13.58 million in Fiscal 2026, partially offset by a decrease in director's remuneration by 9.92% from ₹240.93 million in Fiscal 2025 to ₹217.03 million in Fiscal 2026. The increase in employee benefits expense is primarily attributable to increase in the number of permanent and contractual employees from 1,777 permanent employees and 356 contractual employees in Fiscal 2025 to 2,020 permanent employees and 407 contractual employees in Fiscal 2026.

Finance costs

Our finance costs increased by 17.71% from ₹525.54 million in Fiscal 2025 to ₹618.62 million in Fiscal 2026, primarily due to an increase in interest on borrowings by 18.18% from ₹ 509.32 million in Fiscal 2025 to ₹ 601.92 million in Fiscal 2026, an increase in interest on lease liabilities by 18.60% from ₹ 0.43 million in Fiscal 2025 to ₹ 0.51 million in Fiscal 2026 and an increase of other borrowing cost from ₹ 14.83 million in Fiscal 2025 to ₹ 16.19 million in Fiscal 2026 which was partially offset by a decrease in interest on security deposit by 100.00% from ₹ 0.96 million in Fiscal 2025 to NIL in Fiscal 2026.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 24.41% from ₹745.60 million in Fiscal 2025 to ₹927.63 million in Fiscal 2026, primarily due to an increase in depreciation on property, plant and equipment by 24.39% from ₹744.74 million in Fiscal 2025 to ₹926.36 million in Fiscal 2026, consistent with the increase in our net block of property, plant and equipment from ₹8,223.37 million as of March 31, 2025 to ₹9,597.83 million as of March 31, 2026. Further, depreciation on right-of-use assets increased by 22.95% from ₹0.61 million in Fiscal 2025 to ₹0.75 million in Fiscal 2026, and amortization of intangible assets increased by 108.00% from ₹0.25 million in Fiscal 2025 to ₹0.52 million in Fiscal 2026.

Other expenses

Our other expenses increased by 21.12% from ₹1,848.21 million in Fiscal 2025 to ₹2,238.66 million in Fiscal 2026, primarily due to the factors discussed below:

Consumption of stores and spare parts increased by 18.50% from ₹860.79 million in Fiscal 2025 to ₹1,020.06 million in Fiscal 2026. Power and fuel expense increased by 56.03% from ₹187.67 million in Fiscal 2025 to ₹292.83 million in Fiscal 2026. Processing fees/ manpower charges increased by 16.65% from ₹337.85 million in Fiscal 2025 to ₹394.10 million in Fiscal 2026. Vehicle running and upkeep expense increased by 82.44% from ₹29.18 million in Fiscal 2025 to ₹53.24 million in Fiscal 2026 and repair and maintenance expenses on plant and equipment increased by 10.83% from ₹43.84 million in Fiscal 2025 to ₹48.59 million in Fiscal 2026. Freight outwards increased by 22.36% from ₹78.68 million in Fiscal 2025 to ₹96.27 million in Fiscal 2026, and commission on sales increased by 39.64% from ₹39.93 million in Fiscal 2025 to ₹55.76 million in Fiscal 2026. Insurance expense increased by 58.23% from ₹9.36 million in Fiscal 2025 to ₹14.81 million in Fiscal 2026, security charges increased by 37.04% from ₹31.83 million in Fiscal 2025 to ₹43.62 million in Fiscal 2026, and corporate social responsibility expenditure increased by 39.75% from ₹24.73 million in Fiscal 2025 to ₹34.56 million in Fiscal 2026. Advertisement and business promotion expenses increased by 43.90% from ₹12.55 million in Fiscal 2025 to ₹18.06 million in Fiscal 2026 and rates and taxes increased by 40.52% from ₹8.44 million in Fiscal 2025 to ₹11.86 million in Fiscal 2026. Legal and professional fees increased by 18.63% from ₹27.06 million in Fiscal 2025 to ₹32.10 million in Fiscal 2026, and miscellaneous expenses increased by 12.36% from ₹43.30 million in Fiscal 2025 to ₹48.65 million in Fiscal 2026 and an increase in allowance for expected credit loss by 194.32% from ₹ 1.76 million in Fiscal 2025 to ₹ 5.18 million in Fiscal 2026. The increase in these expenses was primarily attributable to the higher level of operational activity during Fiscal 2026. These increases were partially offset by a decrease in forfeiture and non-lifting charges by 56.85% from ₹59.65 million in Fiscal 2025 to ₹25.74 million in Fiscal 2026, a decrease in repair and maintenance of others by 27.39% from ₹ 3.87 million in Fiscal 2025 to ₹ 2.81 million in Fiscal 2026, a decrease in unrealised loss on fair value changes of financial asset (net), measured at FVTPL by 100.00% from ₹ 6.62 million in Fiscal 2025 to NIL in Fiscal 2026, a decrease in provision for doubtful advances by 50.10% from ₹ 5.01 million to ₹ 2.50 million in Fiscal 2026 and a decrease in other services from ₹ 0.12 million in Fiscal 2025 to ₹ 0.07 million in Fiscal 2026.

Profit before tax

As a result of the foregoing, our profit before tax increased by 8.29% from ₹2,141.74 million in Fiscal 2025 to ₹2,319.22 million in Fiscal 2026.

Tax expense

Our current tax expense increased by 4.44% from ₹523.61 million in Fiscal 2025 to ₹546.88 million in Fiscal 2026, and our deferred tax charge increased from ₹23.67 million to ₹65.32 million, primarily on account of movements in the deferred tax liability relating to property, plant and equipment. We also recorded a credit of ₹4.04 million on account of income tax adjustment for earlier years in Fiscal 2026, as compared to a charge of ₹10.13 million in Fiscal 2025. As a result, our total tax expense increased by 9.10% from ₹557.41 million in Fiscal 2025 to ₹608.16 million in Fiscal 2026.

Profit for the year

As a result of the foregoing, our profit for the year increased by 8.00% from ₹1,584.33 million in Fiscal 2025 to ₹1,711.06 million in Fiscal 2026.

Fiscal 2025 compared to Fiscal 2024

Total income

Our total income increased by 46.53% from ₹14,962.46 million in Fiscal 2024 to ₹21,925.18 million in Fiscal 2025, primarily due to an increase in our revenue from operations, together with an increase in other income, each as discussed below.

Revenue from operations

Our revenue from operations increased by 46.40% from ₹14,943.90 million in Fiscal 2024 to ₹21,878.19 million in Fiscal 2025, due to the factors discussed below.

Sale of iron and steel products

Sale of manufactured goods. Revenue from the sale of manufactured goods increased by 46.24% from ₹14,933.76 million in Fiscal 2024 to ₹21,839.30 million in Fiscal 2025, primarily due to the factors discussed below in relation to our product-wise revenue.

Sponge iron. Revenue from sale of sponge iron increased by 105.71% from ₹4,702.12 million in Fiscal 2024 to ₹9,672.59 million in Fiscal 2025, primarily due to an increase in our installed sponge iron capacity from 510,000 TPA as of March 31, 2024 to 675,000 TPA as of March 31, 2025 which enabled higher production levels and contributed to the increase in revenue from sale of sponge iron.

Billets and Slabs. Revenue from sale of Billets and Slabs decreased by 27.70% from ₹1,249.93 million in Fiscal 2024 to ₹903.73 million in Fiscal 2025 primarily due to an increase in captive consumption of Billets and Slabs to manufacture TMT Bars and HR Coils.

TMT Bars. Revenue from sale of TMT Bars increased by 32.22% from ₹2,608.76 million in Fiscal 2024 to ₹3,449.31 million in Fiscal 2025 primarily due to an increase in the production and average realizations of TMT Bars.

HR Coils. Revenue from sale of HR Coils decreased by 15.92% from ₹6,050.18 million in Fiscal 2024 to ₹5,087.10 million in Fiscal 2025 primarily due to increased captive consumption to manufacture ERW Pipes and Tubes, following the commencement of commercial production of ERW Pipes and Tubes in December 2024.

Ferro Alloys. Revenue from sale of Ferro Alloys increased from ₹104.58 million in Fiscal 2024 to ₹1,868.22 million in Fiscal 2025, primarily due to an increase in capacity utilisation from 27.42% in Fiscal 2024 to 99.88% in Fiscal 2025, installed capacity having remained unchanged at 30,000 TPA, following the commencement of commercial production of Ferro Alloys in Fiscal 2024, which enabled higher production levels and contributed to the increase in revenue from sale of Ferro Alloys.

ERW Pipes and Tubes. Revenue from sale of ERW Pipes and Tubes increased by 100.00% from Nil in Fiscal 2024 to ₹627.54 million in Fiscal 2025 due to the commencement of commercial production of ERW Pipes and Tubes in December 2024.

Others. Revenue from other products increased by 5.79% from ₹218.19 million in Fiscal 2024 to ₹230.82 million in Fiscal 2025 primarily due to higher production and sales volume of other by-products resulting from an increase in our production capacity.

Traded goods. Revenue from the sale of traded goods decreased by 94.44% from ₹4.68 million in Fiscal 2024 to ₹0.26 million in Fiscal 2025 primarily due to the decrease in trading activities.

Other operating revenue. Our other operating revenue, comprising scrap sales and other miscellaneous operating income, is discussed below.

Scrap sales. Revenue from scrap sales increased by 1,647.74% from ₹1.55 million in Fiscal 2024 to ₹27.09 million in Fiscal 2025, primarily due to increase in saleable quantity of scrap resulting from higher production volumes.

Others. Other operating revenue (excluding scrap sales) increased by 195.14% from ₹3.91 million in Fiscal 2024 to ₹11.54 million in Fiscal 2025 primarily due to higher generation and sale of store scrap and the receipt of an insurance claim in respect of goods lost in transit during Fiscal 2025.

Other income

Our other income increased by 153.18% from ₹18.56 million in Fiscal 2024 to ₹46.99 million in Fiscal 2025, due to the factors discussed below.

Interest income. Our aggregate interest income increased by 179.18% from ₹12.63 million in Fiscal 2024 to ₹35.26 million in Fiscal 2025, primarily due to an increase in interest income on fixed deposits by 213.66% from ₹10.10 million in Fiscal 2024 to ₹31.68 million in Fiscal 2025, interest income on advances given by 100.00% from Nil in Fiscal 2024 to ₹2.57 million in Fiscal 2025, increase in interest income on security deposit by 17.44% from ₹ 0.86 million in Fiscal 2024 to ₹ 1.01 million in Fiscal 2025, primarily due to increase in interest income attributable to higher fixed deposits placed as well as increase in security deposit during Fiscal 2025 which was partially offset by a decrease in interest on loan given by 100.00% from ₹ 1.67 million in Fiscal 2024 to Nil in Fiscal 2025 due to repayment of loans given.

Sundry balances written back. Sundry balances written back increased by 175.00% from ₹2.08 million in Fiscal 2024 to ₹5.72 million in Fiscal 2025 primarily due to the write-back of certain old outstanding trade payable balances which were no longer payable by the Company.

Reversal of allowance for expected credit loss. We recorded a reversal of allowance for expected credit loss of ₹1.25 million in Fiscal 2024, as compared to Nil in Fiscal 2025.

Miscellaneous income. Miscellaneous income increased by 32.64% from ₹2.42 million in Fiscal 2024 to ₹3.21 million in Fiscal 2025 primarily due to an increase in insurance claims, interest income and order cancellation charges.

Profit on disposal of property, plant and equipment. We recorded a profit of ₹2.61 million on disposal of property, plant and equipment (net) in Fiscal 2025, as compared to Nil in Fiscal 2024 primarily due to the disposal of PPE items during the Fiscal 2025, while no such disposals were undertaken during Fiscal 2024.

Rental income. Rental income increased from ₹0.18 million in Fiscal 2024 to ₹0.19 million in Fiscal 2025.

Total expenses

Our total expenses increased by 50.59% from ₹13,137.68 million in Fiscal 2024 to ₹19,783.44 million in Fiscal 2025, due to the factors discussed below.

Cost of materials consumed

Our cost of materials consumed increased by 58.43% from ₹10,223.16 million in Fiscal 2024 to ₹16,196.79 million in Fiscal 2025, primarily due to an increase of 49.27% in purchases of raw materials from ₹10,781.53 million in Fiscal 2024 to ₹16,093.22 million in Fiscal 2025, primarily due to an increase in our production volumes in Fiscal 2025.

Purchase of stock-in-trade

Purchase of stock-in-trade decreased by 94.61% from ₹4.45 million in Fiscal 2024 to ₹0.24 million in Fiscal 2025 primarily due to the discontinuation of trading activities.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress increased by 217.84% to ₹(286.66) million in Fiscal 2025, from ₹(90.19) million in Fiscal 2024 primarily due to increase in finished goods inventory and work-in-progress resulting from higher production levels during Fiscal 2025, increased capacity and inventory build-up to meet expected demand.

Employee benefits expense

Our employee benefits expense increased by 61.80% from ₹465.85 million in Fiscal 2024 to ₹753.71 million in Fiscal 2025, primarily due to an increase of 48.73% in salary, bonus and other allowances from ₹312.27 million in Fiscal 2024 to ₹464.46 million in Fiscal 2025 and an increase of 99.37% in director's remuneration from ₹120.85 million to ₹240.93 million. Staff welfare expenses increased by 73.54% from ₹6.35 million to ₹11.02 million, gratuity expense increased by 55.15% from ₹7.45 million to ₹11.56 million, and contribution to provident and other funds increased by 35.97% from ₹18.93 million to ₹25.74 million in Fiscal 2025. The increase in employee benefits expense is primarily attributable to increase in the number of permanent and contractual employees from 1,472 permanent employees and 227 contractual employees in Fiscal 2024 to 1,777 permanent employees and 356 contractual employees in Fiscal 2025.

Finance costs

Our finance costs increased by 22.03% from ₹430.66 million in Fiscal 2024 to ₹525.54 million in Fiscal 2025, primarily due to an increase on borrowings by 27.43% from ₹ 399.68 million in Fiscal 2024 to ₹ 509.32 million in Fiscal 2025, an increase in interest on lease liabilities by 437.50% from ₹ 0.08 million in Fiscal 2024 to ₹ 0.43 million in Fiscal 2025 which was partially offset by a decrease in other borrowing cost by 49.63% from ₹ 29.44 million in Fiscal 2024 to ₹ 14.83 million in Fiscal 2025 and a decrease in interest on security deposit by 34.25% from ₹ 1.46 million in Fiscal 2024 to ₹0.96 million in Fiscal 2025.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 21.45% from ₹613.91 million in Fiscal 2024 to ₹745.60 million in Fiscal 2025, primarily due to an increase of 21.43% in depreciation on property, plant and equipment from ₹613.29 million to ₹744.74 million, consistent with the increase of 33.96% in our property, plant and equipment from ₹6,138.53 million as of March 31, 2024 to ₹8,223.37 million as of March 31, 2025 on account of our capacity expansion, including the commissioning of our ERW Pipes and Tubes facility. Further, depreciation on right-of-use assets increased by 281.25% from ₹0.16 million in Fiscal 2024 to ₹0.61 million in Fiscal 2025, and amortization of intangible assets decreased by 45.65% from ₹0.46 million in Fiscal 2024 to ₹0.25 million in Fiscal 2025.

Other expenses

Our other expenses increased by 24.05% from ₹1,489.86 million in Fiscal 2024 to ₹1,848.21 million in Fiscal 2025, primarily due to the factors discussed below.

Consumption of stores and spare parts increased by 19.49% from ₹720.38 million in Fiscal 2024 to ₹860.79 million in Fiscal 2025, and processing fees / manpower supply charges increased by 19.59% from ₹282.51 million in Fiscal 2024 to ₹337.85 million in Fiscal 2025. Power and fuel expenses increased by 29.25% from ₹145.20 million in Fiscal 2024 to ₹187.67 million in Fiscal 2025. Forfeiture and non-lifting charges increased by 57.72% from ₹37.82 million in Fiscal 2024 to ₹59.65 million in Fiscal 2025. Commission on sales increased by 73.01% from ₹23.08 million in Fiscal 2024 to ₹39.93 million in Fiscal 2025, and advertisement and business promotion expenses increased from ₹4.58 million in Fiscal 2024 to ₹12.55 million in Fiscal 2025. Vehicle running and upkeep expenses on motor vehicles increased by 318.05% from ₹6.98 million in Fiscal 2024 to ₹29.18 million in Fiscal 2025, and security charges increased by 72.90% from ₹18.41 million in Fiscal 2024 to ₹31.83 million in Fiscal 2025. Insurance expense increased by 89.47% from ₹4.94 million in Fiscal 2024 to ₹9.36 million in Fiscal 2025, and corporate social responsibility expenditure increased by 78.81% from ₹13.83 million in Fiscal 2024 to ₹24.73 million in Fiscal 2025.

Profit before tax

As a result of the foregoing, our profit before tax increased by 17.37% from ₹1,824.78 million in Fiscal 2024 to ₹2,141.74 million in Fiscal 2025.

Tax expense

Our current tax expense increased by 10.66% from ₹473.16 million in Fiscal 2024 to ₹523.61 million in Fiscal 2025. Our deferred tax expense was ₹23.67 million in Fiscal 2025, as compared to a deferred tax credit of ₹95.81 million in Fiscal 2024, primarily on account of movements in the deferred tax liability relating to property, plant and equipment, including the reversal of deferred tax liability attributable to difference in carrying value and tax base of fixed assets. We also recorded a charge of ₹10.13 million on account of income tax adjustment for earlier years in Fiscal 2025, as compared to ₹7.97 million in Fiscal 2024. As a result, our total tax expense increased by 44.66% from ₹385.32 million in Fiscal 2024 to ₹557.41 million in Fiscal 2025.

Profit for the year

As a result of the foregoing, our profit for the year increased by 10.06% from ₹1,439.47 million in Fiscal 2024 to ₹1,584.33 million in Fiscal 2025.

Cash Flows

The following table sets forth select information from our Restated Statement of Cash Flows for Fiscal 2026, Fiscal 2025 and Fiscal 2024:

(₹ million)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash generated from operating activities	1,440.67	3,009.08	1,825.26
Net cash used in investing activities	(2,392.37)	(3,759.27)	(2,742.06)
Net cash generated from financing activities	935.43	656.72	1,021.40
Net increase/(decrease) in cash and cash equivalents	(16.27)	(93.48)	104.60
Cash and cash equivalents at the end of the year	2.69	18.96	112.44

Operating activities

Our net cash generated from operating activities in Fiscal 2026 was ₹1,440.67 million. Our profit before tax was ₹2,319.22 million and our cash generated from operations before working capital changes was ₹3,720.85 million. The adjustments to profit before tax for non-cash and other items primarily comprised depreciation and amortization expense of ₹927.64 million, finance costs of ₹572.33 million, interest income of ₹81.53 million, provision for gratuity of ₹13.58 million and other non-cash and non-operating adjustments. Working capital changes primarily comprised an increase in inventories of ₹1,225.33 million, an increase in trade receivables of ₹190.63 million and an increase in other current assets of ₹163.24 million, partially offset by an increase in provisions of ₹30.67 million and decrease in other financial liabilities of ₹10.70 million. Cash generated from operations amounted to ₹ 1,907.74 million. After deducting direct taxes paid of ₹467.07 million, our net cash generated from operating activities was ₹1,440.67 million.

Our net cash generated from operating activities in Fiscal 2025 was ₹3,009.08 million. Our profit before tax was ₹2,141.74 million and our cash generated from operations before working capital changes was ₹3,345.12 million. The adjustments to profit before tax primarily comprised depreciation and amortization expense of ₹745.61 million, finance costs of ₹461.17 million and interest income of ₹35.26 million, together with other non-cash and non-operating adjustments. Working capital changes primarily comprised an increase in trade receivables of ₹200.99 million and an increase in other current assets of ₹491.02 million, partially offset by an increase in trade payables of ₹687.33 million, an increase in other financial liabilities of ₹260.62 million, an increase in provisions of ₹51.19 million and an increase in other current liabilities of ₹147.96 million. After direct taxes paid of ₹562.66 million, our net cash generated from operating activities was ₹3,009.08 million.

Our net cash generated from operating activities in Fiscal 2024 was ₹1,825.26 million. Our profit before tax was ₹1,824.78 million and our cash generated from operations before working capital changes was ₹2,842.88 million. The adjustments to profit before tax primarily comprised depreciation and amortization expense of ₹613.91 million, finance costs of ₹384.07 million and interest income of ₹12.64 million, together with other non-cash and non-operating adjustments. Working capital changes primarily comprised an increase in inventories of ₹643.94 million and an increase in trade receivables of ₹86.65 million, partially offset by a decrease in other current assets of ₹89.70 million, an increase in trade payables of ₹109.40 million and an increase in other financial liabilities of ₹53.75 million. After direct taxes paid of ₹481.12 million, our net cash generated from operating activities was ₹1,825.26 million.

Investing activities

Our net cash used in investing activities was ₹2,392.37 million in Fiscal 2026. This primarily comprised expenditure on property, plant and equipment (including capital advances and capital work-in-progress) of ₹2,367.37 million, investment in fixed deposits (net) of ₹104.45 million, addition in intangible assets of ₹3.34 million and purchase of investments of ₹1.00 million, partially offset by interest income of ₹81.53 million, rent income of ₹2.13 million and proceeds from disposal of investments of ₹0.13 million.

Our net cash used in investing activities was ₹3,759.27 million in Fiscal 2025. This primarily comprised expenditure on property, plant and equipment (including capital advances and capital work-in-progress) of ₹3,049.54 million, investment in fixed deposits (net) of ₹761.48 million together with addition in intangible assets of ₹4.09 million, partially offset by interest income of ₹35.26 million, rent income of ₹0.19 million and a repayment of loan given of ₹20.41 million.

Our net cash used in investing activities was ₹2,742.06 million in Fiscal 2024. This primarily comprised expenditure on property, plant and equipment, including capital advances and capital work-in-progress, of ₹2,701.14 million, investment in fixed deposits (net) of ₹50.82 million, purchase of investments of ₹ 0.74 million, addition in intangible assets of ₹ 0.71 million, loans given of ₹1.47 million, rent income of ₹0.18 million and partially offset by interest income of ₹12.64 million.

Financing activities

Our net cash generated from financing activities was ₹935.43 million in Fiscal 2026. This primarily comprised net proceeds from non-current borrowings of ₹ 1002.21 million and net proceeds from current borrowings of ₹454.32 million, partially offset by finance costs of ₹521.10 million.

Our net cash generated from financing activities was ₹656.72 million in Fiscal 2025. This primarily comprised net proceeds from non-current borrowings of ₹1,297.31 million, partially offset by net repayment of current borrowings of ₹208.75 million and finance costs of ₹431.84 million.

Our net cash generated from financing activities was ₹1,021.40 million in Fiscal 2024. This primarily comprised net proceeds from non-current borrowings of ₹607.29 million and net proceeds from current borrowings of ₹752.83 million, partially offset by finance costs of ₹338.73 million.

Liquidity and capital resources

Our primary liquidity requirements have been to fund our working capital requirements and our capital expenditure towards the expansion of our manufacturing capacity. We have historically funded our liquidity requirements through a combination of cash flows generated from our operations and borrowings from banks and financial institutions. As of March 31, 2026, we had cash and cash equivalents of ₹2.69 million, as compared to ₹18.96 million and ₹112.44 million as of March 31, 2025 and March 31, 2024, respectively. In addition, we had bank balances other than cash and cash equivalents of ₹30.65 million, ₹24.92 million and Nil as of March 31, 2026, March 31, 2025 and March 31, 2024, respectively.

We believe that our cash flows from operations, together with our available borrowing facilities, will be sufficient to meet our working capital and capital expenditure requirements for at least the next 12 months. Our future capital requirements will depend on a number of factors, including the timing and extent of our planned capacity expansions, our results of operations and prevailing market conditions. We may be required to seek additional debt or equity financing, and there can be no assurance that such financing will be available on commercially acceptable terms, or at all. See "*Risk Factors - Our business is capital-intensive, and we may require additional financing to meet our working capital requirements, fund capital expenditure, support expansion plans and meet other funding needs. Any inability to obtain adequate financing on acceptable terms, in a timely manner or at all, could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.*" on page 36.

Financial indebtedness

Our borrowings comprise secured term loans and vehicle loans from banks, unsecured loans from related parties, and working capital facilities from banks, including cash credit, overdraft and working capital demand loan facilities. Our secured borrowings are, in general, secured by way of a first or second *pari passu* charge on our movable and immovable fixed assets and current assets, including over a portion of the land on which our Manufacturing Facility is located and are additionally secured by personal guarantees of our Promoters, Parmanand Agarwal and Ashish Agarwal. For further details of our material borrowing facilities, including sanctioned amounts, repayment schedules, interest rates and security, see "*Financial Indebtedness*" on page 402.

The following table sets forth our total borrowings as of March 31, 2026, March 31, 2025 and March 31, 2024:

(₹ million)

Particulars	As of March 31, 2026	As of March 31, 2025	As of March 31, 2024
Non-current borrowings	4,835.20	4,258.96	3,062.68
Current borrowings (including current maturities of long-term borrowings)	2,874.66	1,985.84	2,074.41
Total borrowings	**7,709.86**	**6,244.80**	**5,137.09**

Capital expenditure

Our capital expenditure, comprising expenditure towards property, plant and equipment (including capital advances) and capital work-in-progress for Fiscal 2026, 2025 and 2024 is set out below:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Movement in:			
Property, plant and equipment	(2,201.50)	(2,823.11)	(2,327.14)
Capital work-in-progress	(216.14)	(290.44)	(163.65)
Capital advances	50.26	64.00	(210.35)
Total capital expenditure	**(2,367.37)**	**(3,049.54)**	**(2,701.14)**

This capital expenditure has principally related to the expansion of our installed manufacturing capacity, including the commissioning of our sponge iron capacity enhancement and our ERW Pipes and Tubes facility in Fiscal 2025, the expansion of our Billets and Slabs capacity and the commissioning of our Wire Rods facility in Fiscal 2026. We also intend to incur further capital expenditure in connection with our proposed brownfield and greenfield capacity expansions described in "*Our Business*" on page 219.

Capital Commitments and Contingent Liabilities

Capital commitments

(₹ million)

Particulars	As at March 31, 2026
Estimated amount of contracts remaining to be executed on capital account (net of advances)	115.70

Contingent liabilities

(in ₹ million, except percentages)

S. No.	Particulars	As at March 31, 2026
a.	**Contingent liabilities[(1)]**	
	Disputed liabilities in respect of Goods & Services Tax	4.13
b.	**Other litigations/Claims[(2)]**	
	Freight dispute claim	0.16
	Recovery suit	43.40
	Compensation claim	1.38
c.	**Outstanding bank guarantees[(3)]**	60.80
	Total	**109.87**

(1) Department has demanded for Interest of Rs. 4,224,186 without issuance of a show-cause notice as short-paid interest under Section 50(1) of the CGST Act for the period July 2017 to March 2021. Our Company has paid Cash portion of GST Tax before due date of filling return and filed GST Return after due date. Our company has already paid ₹ 94,756/- as interest and is contesting the balance demand. Department has demanded for Interest between payment of Cash portion of GST Tax and date of return filling. According to Department since the date of filing of return would be the acknowledgment of receipt of tax and not the payment of tax itself and since the return has been filed after a due date, therefore, there is no infirmity in issuance of a show-cause notice demanding interest on delayed payment of tax.

Main objections raised by our Company:

- *Interest has been wrongly calculated up to the date of return filing instead of the actual date of tax deposit.*
- *Extensions in GSTR-3B due dates (especially during Mar'19, Nov'19 & May'20) were not considered.*
- *Reduced interest rates during COVID-19 period (Notification No. 31/2020 & 51/2020) were ignored.*
- *Once tax amount is deposited in the Electronic Cash Ledger, it is treated as payment to the Government; hence interest should not be charged on net cash liability.*

Our Company has submitted detailed reasoning, supported by legal provisions, circulars, and judicial precedents and copies of Form DRC-03 showing voluntary interest payments.

(2) The present matter pertains to a freight/payment-related civil dispute arising out of commercial transportation transactions between the parties concerning alleged outstanding dues. The suit was filed on 10.02.2023 before the competent civil court at Bhopal bearing Case No. 80/2023. The matter is being adjudicated under the applicable provisions of the Code of Civil Procedure, 1908, and relevant provisions governing contractual and commercial obligations under the Indian Contract Act, 1872. Our Company has made efforts toward amicable settlement and offered an amount of approximately ₹2.28 lakh; however, the claimant is seeking approximately ₹3.91 lakh, including legal expenses and interest. The matter is presently pending adjudication before the court.

The present matter pertains to a commercial dispute arising out of contractual and business transactions between the parties concerning alleged recovery claims and contractual obligations. The suit was filed on 02.09.2022 before the competent Commercial Court at Indore, bearing Case No. 59/2022, involving a claim amount of approximately ₹4.34 crore. The matter is being adjudicated under the applicable provisions of the Commercial Courts Act, 2015, the Code of Civil Procedure, 1908, including proceedings concerning Section 89 CPC and Order VII Rule 11 CPC, and relevant provisions of the Indian Contract Act, 1872. During the proceedings, the claimant filed an application seeking reference of the matter to mediation under Section 89 CPC, to which our Company has filed its response/objection contesting the maintainability and necessity of such application. Our Company has, inter alia, contended before the Hon'ble Court that the suit has been instituted in violation of the requirements prescribed under Section 12A of the Commercial Courts Act, 2015, and that its application under Order VII Rule 11 CPC is pending consideration. The matter is presently pending adjudication and is at the stage of arguments before the Hon'ble Court.

Compensation claim filed under Section 22 of the Employees' Compensation Act, 1923 in relation to an alleged employment-related accident/injury. Claim amount of approximately ₹ 13,81,275/- along with applicable interest and penalty has been sought by the claimant.

(3) Bank guarantees aggregating to ₹ 60.80 million furnished to South Eastern Coalfields Limited (SECL) and Mahanadi Coalfields Limited (MCL), as security towards the execution and performance of Fuel Supply Agreements (FSA).

For further information, see "*Restated Financial Information – Note 37: Contingent Liabilities & Commitments (to the extent not provided for)*" on page 348.

Off-Balance Sheet Arrangements

As of the date of this Draft Red Herring Prospectus, we do not have any off-balance sheet arrangements, guarantees, contingent interests in assets transferred, derivative instruments or synthetic leases that we believe are reasonably likely to have a material effect on our financial condition, results of operations, liquidity or capital resources, other than as disclosed in "— *Capital Commitments and Contingent Liabilities*" above.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see "*Restated Financial Information – Note 40: Related Party Disclosure*" on page 351.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to a variety of financial risks, including credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk), in the ordinary course of our business. Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework.

Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including loans and deposits placed with banks.

Liquidity risk

Liquidity risk is the risk that we may not be able to meet our present and future cash and collateral obligations without incurring unacceptable losses.

Our objective is to maintain a balance between continuity of funding and flexibility through the use of working capital limits. We monitor rolling forecasts of our liquidity requirements to ensure we have sufficient cash to meet operational needs and the excess funds are deposited with banks generating interest yield.

Market Risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Our market risk comprises two types of risks (i) interest rate risk and (ii) foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

Foreign currency risk

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The Company's foreign currency risk arises from foreign currency term loan (in US Dollars). The Company's functional currency is Indian Rupees. The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency results in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

For further details, see "*Restated Financial Information – Note 43: Financial Risk Management*" on page 357.

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no events or transactions that have in the past or may in the future affect our business operations or future financial performance which may be described as "unusual" or "infrequent".

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Other than as described in "*— Significant Factors Affecting Our Results of Operations*" on page 375 above, and "*Risk Factors*" and "*Our Business*" on pages 20 and 219, respectively, there have been no significant economic changes that materially affected or are likely to affect income from our continuing operations.

Known Trends or Uncertainties

Other than as described in "*Risk Factors*" on page 20 and "*— Significant Factors Affecting Our Results of Operations*" on page 375 above, to our knowledge, there are no known trends or uncertainties that have had, or are expected to have, a material adverse impact on our revenue or income from continuing operations.

Future Relationship between Costs and Revenue

Other than as described in "*— Significant Factors Affecting Our Results of Operations*" on page 375 above, and "*Risk Factors*" and "*Our Business*" on pages 20 and 219, respectively, to our knowledge, there are no known factors which will have a material adverse effect on the relationship between our costs and revenue.

Significant Dependence on a Single or Few Customers or Suppliers

We do not have any significant customer concentration.

Our top 10 suppliers contributed to ₹ 12,155.18 million, ₹ 10,574.61 million and ₹ 7,208.99 million, respectively, representing 68.91%, 75.91% and 78.92% of our total purchases, for Fiscal 2026, Fiscal 2025, and Fiscal 2024, respectively. For further details, please see "*Risk Factors – Our business is dependent on third-party suppliers to procure raw materials, with our top 10 suppliers representing 68.91%, 75.91% and 78.92% of raw materials purchased, for Fiscal 2026, Fiscal 2025, and Fiscal 2024, respectively. Any loss of suppliers or interruptions in the timely delivery of raw materials or volatility in their prices could have an adverse impact on our business, financial condition and results of operations."* on page 22.

Competitive Conditions

We face competition from domestic and international steel and steel product manufacturers. For further details, see "*Our Business — Competition*" on page 252.

New Products or Business Segments

Except as set out in this Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Seasonality of Business

Our business is not seasonal in nature.

Qualifications, Reservations and Adverse Remarks

There have been no (i) reservations; (ii) qualifications and adverse remarks; (iii) emphasis of matter; (iv) adverse/negative observations in the reports of our Statutory Auditors, as applicable, pursuant to the Companies (Auditor's Report) Order, 2020 ("**CARO 2020**"); and (v) any other adverse remarks by our Statutory Auditors (the "**Adverse Observations**"), on the Restated Financial Information and the audited financial statements of our Company for Fiscals 2026, 2025 and 2024, except as follows:

Period/ Year	Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis)	Details of Adverse Observations	Company's response to reservations, qualifications, adverse remarks or matters of emphasis, including any corrective measures	Impact on the financial statements and financial position of our Company
Financial year ended March 31, 2024	Adverse remarks in clause (ii)(b) of CARO 2020	The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of the security of current assets. Return or statements filed quarterly with such bank are in agreement with books of accounts other than those as disclosed in Note No. 49 of the Restated Financial Information of the Company and set out below:	At the time of submission to the bank, books were not finalised, details were subject to various accounting adjustments, and the same were made subsequent to submission to the bank, which led to these differences.	Nil
Financial year ended March 31, 2025	Adverse remarks in clause (ii)(b) of CARO 2020			Nil

The drawing power computation reported to Indian Bank is computed on the basis of specified items of current assets and current liabilities. The following table sets out the corresponding net amounts as per the restated accounts and those reported to the bank, together with the differences identified for the respective quarter-end months.

Period	Net amount as per restated accounts (₹ million)	Net amount reported to bank (₹ million)	Difference (₹ million)
Financial year ended March 31, 2025			
Quarter-I (30.06.2024)	2,943.90	2,994.73	(50.83)
Quarter-II (30.09.2024)	2,263.98	2,298.86	(34.88)

Period/ Year	Nature of Adverse Observation (Reservations, qualifications, adverse remarks or matters of emphasis)	Details of Adverse Observations	Company's response to reservations, qualifications, adverse remarks or matters of emphasis, including any corrective measures	Impact on the financial statements and financial position of our Company
Quarter-III (31.12.2024)		2,771.99	2,799.15	(27.16)
Quarter-IV (31.03.2025)		2,877.68	2,812.79	64.89
Financial year ended March 31, 2024				
Quarter-I (30.06.2023)		2,715.34	2,969.28	(253.94)
Quarter-II (30.09.2023)		2,676.37	2,675.43	0.94
Quarter-III (31.12.2023)		2,630.74	2,672.87	(42.13)
Quarter-IV (31.03.2024)		2,631.07	2,693.65	(62.58)
Financial year ended March 31, 2026	Adverse remarks in clause (i)(c) of CARO 2020	The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except as disclosed in Note No. 50(n) of the Restated Financial Information of the Company and set out below:	Our Company is in the process of getting the aforesaid land registered in the name of our Company.	Nil
Description of property		Property, Plant and Equipment (Freehold Land)		
Gross carrying value (₹ million)		142.67		
Held in name of		N.A.		
Whether promoter, director, their relative or employee		No		
Period held		March 2010		
Reason for not being held in the name of our Company		An administrative order sanctioning the land exchange between our Company and the Government of Chhattisgarh is on record; accordingly, a separate registered title deed is not held.		

These observations did not require any corrective adjustment in the Restated Financial Information. For further details, see "*Restated Financial Information*" on page 298. While we have taken the steps described above, we cannot assure you that the audit reports of our Statutory Auditors, or the annexures to such reports, for future periods will not contain similar or other observations, qualifications or matters of emphasis. Any such observations may adversely affect investor perception of our Company and the trading price of our Equity Shares.

For further details see "*Risk Factors – We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition."* on page 48.

Significant Developments after March 31, 2026

Except as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2026, the date of the last of our Restated Financial Information, that materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

A. The Board of Directors of our Company at their meeting held on September 16, 2026 had approved the bonus issue in the ratio of 44 Equity Share for every 1 Equity Shares held on record date i.e., September 11, 2026 which was approved by the shareholders by means of a special resolution dated September 16, 2026. On September 17, 2026, our Company allotted 20,65,45,240 Equity Shares of ₹ 10 each pursuant to bonus issuance to such holders of Equity Shares of our Company, whose names appear in the list of beneficial owners on the record date, i.e., September 11, 2026.

B. Our Company has received the Consent to Operate ("**CTO**") and successfully commenced commercial production at the 15MW CFBC-based Power Plant in July 2026.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation, derived from our Restated Financial Information as of March 31, 2026. This table below should be read in conjunction with the sections titled "*Risk Factors*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 20, 298 and 369, respectively.

(₹in million, except ratios)

Particulars	Pre-Offer at March 31, 2026	As adjusted for the proposed Offer[##]
Current borrowings[*^] (A)	2,874.66	[●]
Non-current borrowings[*] (B)	4,835.20	[●]
Total Borrowings (C = A+B)	**7,709.86**	[●]
Equity share capital[*#] (D)	46.94	[●]
Other equity[*] (E)	7,927.81	[●]
Total equity (F = D+E)	**7,974.75**	[●]
Ratio: Non-current borrowings / Total equity (B/F)	0.61	[●]
Ratio: Total borrowings / Total equity (C/F)	0.97	[●]

[*] *These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).*

[^] *Current borrowings includes current maturities of long-term debt and interest accrued and due on such borrowings.*

[#] *Pursuant to resolutions passed by the Board of Directors of the Company and the Shareholders of the Company in their meetings held on September 16, 2026, bonus equity shares were issued, in proportion of 44 equity shares for every 1 existing fully paid-up equity shares and allotted on September 17, 2026, effect of which is not adjusted herein.*

[##] *These amounts (as adjusted for the Offer) are not determinable at this stage pending the completion of the book building process and hence have not been provided in the statement above. To be updated upon finalisation of the Offer Price.*

FINANCIAL INDEBTEDNESS

Our Company avails credit facilities in the ordinary course of its business for the purposes of meeting working capital requirements and other business requirements. We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer from our lenders, HDFC Bank Limited, Indian Bank, Axis Bank Limited and State Bank of India. For details regarding the borrowing powers of our Board, in accordance with Section 179 and Section 180 of the Companies Act 2013, and our Articles of Association, see "*Our Management – Borrowing Powers*" on page 277.

The details of the outstanding indebtedness of our Company as on July 31, 2026, are set forth below:

(in ₹ million)

Category of borrowings	Sanctioned amount as on July 31, 2026 (in ₹ million)	Outstanding amount as on July 31, 2026 (in ₹ million)
Borrowings of the Company		
Secured borrowings		
Fund Based		
Term loans	6,140.60	5,317.76
Vehicle loans	133.97	60.03
Working capital facility	3,266.10	2,123.53
Non-Fund Based		
Bank Guarantee	200.00	66.68
Letter of Credit	1,100.00	798.25
Sub-total (A)	**10,840.67**	**8,366.25**
Unsecured borrowings		
Unsecured loan (B)	400.00	228.82
Total borrowings(A+B)	**11,240.67**	**8,595.07**

[*] *As certified by M/s. ARSK & Associates, Chartered Accountants, the Statutory Auditors of the Company, with firm registration number 315082E, by way of their certificate dated September 30, 2026.*

Key terms of the borrowings currently availed by us

1 ***Interest rate:*** The interest rate for the (i) term loan facilities ranges from 7.25 % p.a. to 9.15 % p.a.; (ii) vehicle loan ranges from 8.55 % p.a. to 9.51 % p.a. and (iii) working capital facilities ranges from 7.20% p.a. to 9.00% p.a. and in certain cases it will be the prevalent bank MCLR/3M T-bill/ any other external benchmark decided by the bank.

2 ***Tenor****:* The tenor of the (i) term loans typically ranges up to 120 months; and (ii) vehicle loans typically ranges up to 60 months.

3 ***Security****:* In terms of the borrowings where security needs to be created, the Company are typically required to create security by way of:

a) *Pari Passu* charge on all current, movable and fixed assets both current and future excluding those assets which are exclusively charged to specific lenders and financed by term loan;

b) pledge of certain fixed deposits;

c) hypothecation on the vehicles in relation to the vehicle loans.

d) personal guarantee of Parmanand Agarwal and Ashish Agarwal.

4 ***Repayment****:* The borrowings are typically repayable on demand or on maturity of the facilities, as applicable.

5 ***Pre-payment penalty:*** The financing arrangements entered into by the Company typically have prepayment provisions which allow for prepayment of the outstanding loan amount and sometimes carry a pre-payment penalty on the pre-paid amount, sanctioned amount or on the outstanding amount subject to terms and conditions stipulated under the loan documentation. The prepayment penalty ranges up to 2.00%.

6 ***Restrictive covenants:*** Financing arrangements entered into by the Company typically contain various restrictive covenants mandating either the prior written consent and/or an intimation to the relevant lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below:

a) effecting changes in the Company's capital structure, ownership or control;

b) effecting changes in the Company's shareholding pattern;

c) effecting changes in the Company's management;

d) amending and/or modifying the Company's constitutional documents;

e) opening account with any bank in future without no objection certificate; and

f) effecting changes in the Company's Memorandum of Association and Article of Association.

7 ***Events of default:*** In terms of the financing arrangements entered into by the Company, the occurrence of any of the following, *inter alia*, constitutes an event of default:

a) breach of covenants, representations, warranties, undertakings and conditions stipulated in the loan documentation;

b) non-payment or default of any amount due on facility or loan obligations;

c) confiscation or attachment of any asset by an official authority;

d) commencement or existence of any legal proceedings, investigations or proceedings that may have material adverse effect; and

e) proceedings related to winding up, liquidation or insolvency initiated against the Company.

8 ***Consequences of occurrence of events of default:*** In terms of the borrowing arrangements entered into by the Company, the following*, inter alia*, are the consequences of occurrence of events of default, whereby the lenders may:

a) accelerate maturity of the facility, demand immediate repayment of the outstanding amount and cancellation of limits;

b) enforce security;

c) take any action as per the loan/ security documents or/ and any applicable law;

d) appoint a nominee director/observer on our Board; and

e) convert outstanding borrowing obligations into Equity Shares.

This is an indicative list and there may be additional terms that may require the consent of the relevant lenders, the breach of which may amount to an event of default under various borrowing arrangements entered into by the Company and the same may lead to consequences other than those stated above.

For further details on the principal terms of our borrowings, see "*Restated Financial Information – Note 18: Borrowings*" on page 331. For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – Our financing arrangements contain restrictive covenants. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry including our plans for expansion and diversification.*" on page 36.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including first information reports whether cognizance has been taken by any court or not) involving our Company, Directors or Promoters (collectively, "**Relevant Parties**"); (ii) actions taken by statutory or regulatory authorities (including show cause notices) against the Relevant Parties; (iii) claims related to direct or indirect taxes involving the Relevant Parties (disclosed in a consolidated manner giving the total number of claims and the total amounts involved);(iv) disciplinary actions including penalties imposed by SEBI or the Stock Exchanges against the Promoters in the last five financial years, including outstanding action; (v) other outstanding civil litigation or arbitration proceedings involving the Relevant Parties as determined to be material pursuant to the Materiality Policy; (vi) criminal proceedings (including first information reports whether cognizance has been taken by any court or not) involving the Key Managerial Personnel or Senior Management Personnel; and (vii) actions taken by regulatory or statutory authorities (including show cause notices) against any of the Key Managerial Personnel or Senior Management Personnel.*

*Pursuant to the Materiality Policy adopted pursuant to Board resolution dated September 26, 2026, for the purposes of (v) above, any outstanding litigation involving the Relevant Parties (including tax matters mentioned in point (iii) above), has been considered 'material' and accordingly disclosed in this Draft Red Herring Prospectus where the monetary amount of claim/ amount in dispute, to the extent quantifiable exceeds, (a) two percent of turnover, for the most recent financial year based on the Restated Financial Information; or (b) two percent of net worth, as at the end of the most recent financial year based on the Restated Financial Information; or (c) five percent of the average of absolute value of profit or loss after tax, for the last three financial years based on the Restated Financial Information, whichever is lower ("**Materiality Threshold**"). Accordingly, 5% of the average of absolute value of profit or loss after tax, based on the Restated Financial Information for the last three Fiscals, i.e., ₹78.91 million has been considered as the Materiality Threshold.*

Further, for the purposes of (v) above, the following outstanding litigation shall also be considered material: (a) such matters which are not determinable or quantifiable or do not exceed the Materiality Threshold, involving the Relevant Parties, whose outcome, in the opinion of the Board, would materially and adversely affect the Company's business, prospects, performance, operations, financial position, reputation or cash flows; and (b) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.

For the above purposes, pre-litigation notices received by any of the Relevant Parties, or by the Key Managerial Personnel and Senior Management Personnel from third parties (excluding notices issued by governmental, statutory, regulatory, or taxation authorities) shall, unless considered otherwise by the Board of Directors, not be evaluated for materiality until such persons are impleaded as defendants or respondents in proceedings before any judicial/arbitral forum or any governmental, statutory, regulatory or taxation authority.

*Except as stated in this section, there are no outstanding dues to material creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having a monetary value which is equal to or exceeds 5% of our Company's trade payables as of the end of the latest financial period covered in the Restated Financial Information, shall be considered as 'material'. Accordingly, as on March 31, 2026, any outstanding dues exceeding ₹ 39.25 million have been considered as material outstanding dues for the purposes of identification of material creditors in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

Unless otherwise specified, the terms defined in the description of a particular litigation matter pertain to such matter only. Further, unless otherwise specified, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

(a) Criminal proceedings against our Company

Nil

(b) Criminal proceedings by our Company

Our Company through one of its employee, has filed a first information report dated February 27, 2023 ("**FIR**"), at the Punjipathra police station, against five individuals which includes two weighbridge operators and truck drivers ("**Accused**") under section 407, 408 and 34 of the Indian Penal Code,1860. Our Company alleges that the Accused having formed common intention, and in furtherance of common intention, while being posted as weighbridge operators at the property of the Company, misappropriated the property and

committed criminal breach of trust by manipulated the recording of weight of the materials at the Company's weighbridge. In pursuance, of the FIR, cognizance was taken by Judicial Magistrate First Class Gharghoda, Raigarh. Pursuant to the proceedings, a chargesheet was filed before the Court on March 17, 2023. Charges were framed on July 22, 2026, and the case was fixed for prosecution evidence for August 25, 2026. The matter is currently pending.

(c) Actions by statutory and regulatory authorities involving our Company

Nil

(d) Material civil litigation against our Company

Nil

(e) Material civil litigation by our Company

Nil

II. Litigation involving our Promoters

(a) Criminal proceedings against our Promoters

Nil

(b) Criminal proceedings by our Promoters

Nil

(c) Actions by statutory and regulatory authorities involving our Promoters

Nil

(d) Material civil litigation against our Promoters

Nil

III. Material civil litigation by our Promoters

1. Nachiketa Gift-Ads Private Limited ("**NGPL**") is the owner of the land situated at Khasra No.- 120/1, 120/2, 120/3, 120/4 and 121, Village Punjipathra, Tehsil Tamnar (Gharghoda), District Raigarh, Chhattisgarh ("**Land**"). In February 22, 2024, the Government of Chhattisgarh proposed acquisition of the Land for industrial purposes under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ("**Act**"), in pursuance of an in-principle consent which was granted by the Government of Chhattisgarh, Department of Commerce and Industry, Mantralaya Mahanadi Bhawan, dated August 10, 2023. The same was communicated *vide* preliminary notification dated January 24, 2025, under Section 11 of the Act ("**Notification 1**") in the Official Gazette of the Chhattisgarh. No claims pursuant to the Notification were submitted within the stipulated time, in accordance with the Act. Subsequently, notification under Section 19 of the Act ("**Notification 2**") to proceed with the acquisition was issued by the Hon'ble Collector, Raigarh ("**Collector**") and published in the Official Gazette on June 6, 2025. On January 12, 2026, NGPL made a representation by way of an application to the Collector and other authorities, requesting that since no action had taken place pursuant to the notifications, either the land be released from acquisition or compensation be paid as per applicable law. At this stage, Section 21 proceedings for determination of compensation under the Act were ongoing before the Sub-Divisional Officer (R) & Land Acquisition Officer, without the concerned authorities having served any notice upon NGPL under Section 21 of the Act. Therefore, NGPL did not have any opportunity to submit claims/objection in relation to the assessment of compensation. On March 6, 2026, NGPL made a joint application with other land owners to the Collector for non-receipt of notice under Section 21, condonation of delay and lawful re-determination of compensation rates, setting out appropriate grounds for the request. Further, on April 27, 2026, NGPL made a representation to the Sub-Divisional Magistrate, Ghargoda, Raigarh ("**SDM**"), regarding procedural irregularity in site inspection and, for submission of factual details of the concerned Land. NGPL submitted that the site inspection in pursuance of the land acquisition compensation determination process, conducted by the Revenue Inspector and the Patwari was done in the absence of any representative from NGPL and requested for reconsideration of the inspection report and conducting of a fresh site inspection in NGPL's presence. Subsequent to the Section 21 proceedings that were ongoing, an award was passed dated June 30, 2026, setting out the compensation for the Land at ₹ 147.22 million ("**Award**"). Aggrieved by the Award,

NGPL filed an application under section 64 of the Act against the Award on August 20, 2026. The matter is currently pending.

(a) Disciplinary actions including penalties imposed by SEBI or the Stock Exchanges against the Promoters in the last five financial years preceding the date of this Draft Red Herring Prospectus including outstanding actions:

Nil

IV. Litigation involving our Directors

(a) *Criminal proceedings against our Directors*

Nil

(b) *Criminal proceedings by our Directors*

Nil

(c) *Actions by statutory and regulatory authorities involving our Directors*

Nil

(d) *Material civil litigation against our Directors*

Nil

(e) *Material civil litigation by our Directors*

Nil

V. Litigation involving our Key Managerial Personnel and Senior Management Personnel

(i) Criminal proceedings by our Key Managerial and Senior Management Personnel

Nil

(ii) Criminal proceedings against our Key Managerial and Senior Management Personnel

Nil

(iii) Actions by statutory and regulatory authorities involving our Key Managerial Personnel and Senior Management Personnel

Nil

VI. Tax proceedings involving our Company, Promoters and Directors

Details of outstanding tax claims involving our Company, Promoters and Directors as on the date of this Draft Red Herring Prospectus are disclosed below:

Nature of the claim	Number of claims	Amount involved (₹million)*
Company		
Direct tax	Nil	Nil
Indirect tax	1	4.13
Promoters		
Direct tax	2	0.33
Indirect tax	Nil	Nil
Directors (*other than the Promoters*)		
Direct tax	1	0.17
Indirect tax	Nil	Nil

**To the extent quantifiable*

VII. Adjudication Application

We have filed an application dated September 26, 2026, before the Registrar of Companies Kolkata – I, at Kolkata, under Section 454 of the Companies Act, 2013 for adjudication of an alleged historical non-compliance with Section

203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to the requirement to appoint a whole-time company secretary. The application relates to a period from June 9, 2014 to March 16, 2019 and states that the issue arose in the context of determining whether the capital represented by certain redeemable preference shares was required to be included for determining the applicability of the relevant threshold. Our Company subsequently appointed a whole-time company secretary with effect from March 16, 2019 and completed the relevant statutory filing. The application has been made voluntarily and seeks adjudication of the aforesaid matter.

For further details, see "*Risk Factors – There have been certain instances of non-compliances with the Companies Act in the past. Any regulatory action, penalty or other consequence in relation to such matter could adversely affect our business, financial condition, results of operations, cash flows and reputation.*" on page 44.

VIII. Outstanding dues to creditors

In accordance with the SEBI ICDR Regulations, our Company, pursuant to the Materiality Policy, considers all creditors to whom the amount due by our Company exceeds 5% of the total trade payables as per the latest period of the Restated Financial Information i.e., 5% of ₹ 784.94 million which is ₹ 39.25 million as at March 31, 2026 ("**Material Creditors**"). Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below:

Types of creditors	Number of creditors	Amount (*₹ million*)
Dues to micro, small and medium enterprises	164	168.26
Dues to Material Creditor(s)	3	532.96
Dues to other creditors	58	83.72
Total	**225**	**784.94**

The details pertaining to outstanding overdues to the material creditors, along with names and amounts involved for each such material creditor are available on the website of our Company at www.bsstmx.com/initial-public-offer.

IX. Material developments since the last balance sheet

Other than as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 369, in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet to August 8, 2026, as disclosed in this Draft Red Herring Prospectus which materially and adversely affect, or are likely to affect, (i) trading, revenue, profitability, performance or prospects of the Company ; (ii) value of the assets of the Company; (iii) the ability of the Company to pay its liabilities.

X. Other Confirmations

As of the date of this Draft Red Herring Prospectus, there are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non- disclosure of which may have bearing on the investment decision.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, consents, registrations and permits issued by relevant governmental, statutory and regulatory authorities, at the central and state levels under applicable rules and regulations. Set out below is an indicative list of such consents, licenses, registrations, permissions, and approvals obtained by our Company which are considered material and necessary for the purposes of undertaking the businesses and operations ("**Material Approvals**"). Our Company has filed or is in the process of completing the filing of the necessary applications with relevant statutory and regulatory authorities to reflect the name change (pursuant to the conversion from private to public limited) of our Company in such approvals.*

In addition, certain Material Approvals may have lapsed, expired, or may lapse in the ordinary course of business, from time to time, and we have either already made applications to the appropriate authorities for renewal of such Material Approvals or are in the process of making such renewal applications in accordance with applicable laws and procedure. Except as disclosed below, no further approvals are material for carrying on the present business activities and operations of our Company. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus.

For further details in connection with the regulatory and legal framework within which we operate, see the section titled "Key Regulations and Policies" on page 254. For details of risks associated with not obtaining or delay in obtaining the requisite approvals, please see the section titled "Risk Factors – We are required to obtain, renew and maintain certain statutory and regulatory permits, licenses and approvals to operate our business, and any failure or delay in obtaining, renewing or maintaining them, or any regulatory action for non-compliance with their conditions, may adversely affect our business, results of operations, cash flows and financial condition" on page 33.

I. General Details

A. Incorporation details of our Company

(i) Certificate of incorporation dated June 12, 2000, issued to our Company by the Registrar of Companies, West Bengal.

(ii) Fresh certificate of incorporation dated September 9, 2026, issued to our Company under the name "B.S. Sponge Limited" pursuant to change of name and conversion of our Company to a public limited company by the Registrar of Companies, Central Processing Centre, under the Companies Act, 2013.

(iii) Our Company has been allotted the corporate identity number U27102WB2000PLC091975.

For further details of the incorporation of our Company, see "*History and Certain Corporate Matters – Brief History of our Company*" on page 264.

B. Offer related approvals

For details of corporate and other approvals in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 414.

C. Tax related approvals

(i) The permanent account number of our Company is AACCB0433H, issued by the Income Tax Department, Government of India.

(ii) The tax deduction account number of our Company is CALB05594B, issued by the Income Tax Department, Government of India.

(iii) The profession tax enrolment number of our Company is 192070703660, issued under the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979.

(iv) The GST registration number for the Manufacturing Facility of our Company under the applicable central and state GST legislations is 22AACCB0433H1ZE.

II. Material licenses and approvals in relation to our business:

1. Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, dated November 2, 2021, from the Chhattisgarh Environment Conservation Board, to increase the Billets and Slabs production capacity to 5,16,000 TPA at the Manufacturing facility.

2. Consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, dated May 22, 2025, from the Chhattisgarh Environment Conservation Board, for the production of Billets and Slabs up to 3,67,500 TPA at the Manufacturing facility.

3. Consent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated July 31, 2026, from the Chhattisgarh Environment Conservation Board for manufacturing of sponge iron from 2x100 TPD DRI Kiln, for our Manufacturing facility.

4. Consent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 dated September 1, 2026, from the Chhattisgarh Environment Conservation Board for our Manufacturing Facility for rolling mill (strip mill), pipe mill, sponge iron, Ferro Alloys, induction furnace, waste heat recovery-based power plant, FBC power plant, hot charged rolling mill and hot charged rolling mill (wire rod mill).

5. Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, dated December 15, 2025, from the Chhattisgarh Environment Conservation Board, to increase the sponge iron production capacity by 57,090 TPA at the Manufacturing facility.

   Our Company will apply for the consent to operate issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, upon fulfilling the requirements of the consent to establish.

6. Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, dated December 15, 2025, from the Chhattisgarh Environment Conservation Board, to increase the power generation capacity by 18 MW at the Manufacturing facility.

   Our Company will apply for the consent to operate issued under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, upon fulfilling the requirements of the consent to establish.

7. Environmental clearance from Ministry of Environment, Forest and Climate Change (Impact Assessment Division), Government of India.

A. Material licenses and approvals in relation to our Manufacturing Facility

1. License to work a factory issued under the Factories Act, 1948 dated September 18, 2026, issued by the Government of Chhattisgarh for our Manufacturing Facility.

2. Legal Entity Identifier number 335800SIYZELITMSKL46 issued by Legal Entity Identifier India Limited.

3. Authorization for generation, collection, storage, transportation, reuse, recycling, recovery, utilization & disposal of hazardous wastes under the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 dated July 26, 2023, from Chhattisgarh Environment Conservation Board for our Manufacturing Facility valid up to June 22, 2028.

4. Approval of the on-site emergency plan dated January 1, 2026, issued by the Chief Inspector of Factories, Directorate, Industrial Health and Safety, Raipur for our Manufacturing Facility.

5. Approval of the drawing of the factory dated May 9, 2025, issued by the Chief Inspector of Factories, Directorate, Industrial Health and Safety, Raipur for our Manufacturing Facility.

6. Fire Safety certificate issued under the provisions of the Chhattisgarh Fire and Emergency Service Act, 2018, dated September 16, 2026, for our Manufacturing Facility.

7. Certificates for use of boiler under the Indian Boiler Act, 1923 from the Chhattisgarh Boiler Inspection Department for our Manufacturing Facility.

8. First class boiler attendant certificates of competency issued under Rule 41, of the Boiler Attendants' Rules, 2011 by Chhattisgarh Boiler Inspection Department.

9. Certificate of registration dated November 11, 2011, issued by the Indian Bureau of Mines under Rule 45 of Mineral Conservation and Development Rules, 1988.

10. Certificates of Verification issued under the Legal Metrology Act, 2009.

11. Licence for storage of petroleum from the Petroleum and Explosives Safety Organisation under the Petroleum Rules. 2002, dated December 16, 2024, which is valid up to December 31, 2026.

12. Permission to draw 0.826 Mcum of water per annum from the Dewanmunda Nala for a period of thirty years via agreement dated September 27, 2024, amongst the Company and the governor of Chhattisgarh.

B. Labour related approvals

1. Registration under the Contract Labour (Regulation and Abolition) Act, 1970, dated June 20, 2025, issued by the Office of the Registration Officer, Raigarh.

2. Registrations under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, dated February 27, 2015, issued by the Employees' Provident Fund Organisation.

3. Registrations under the Employees' State Insurance Act, 1948, dated March 7, 2011, issued by the Employees State Insurance Corporation.

C. Trade related approvals

1. Registration-cum-membership dated February 21, 2026, certificate issued by Federation of Indian Exports Organisation under the provisions of Foreign Trade Policy, Government of India, valid up to March 31, 2027.

2. License to trade, iron ore, manganese and coal, issued by the Deputy Director, Mines, JODA, valid up to December 16, 2030.

3. Certificate of importer-exporter code dated February 24, 2010, issued by the Directorate General of Foreign Trade.

III. Material Approvals applied for and not received

Except as stated below, as on date of this Draft Red Herring Prospectus, there are no applications filed by our Company for approvals with competent authorities which are currently pending:

S. No	Nature of Approval	Name of the Authority	Date of acknowledgement of application/ date of application
1.	Amendment of consent to establish issued under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, to increase the production capacity of Ferro Alloys by 9,000 TPA at the Manufacturing Facility.	Chhattisgarh Environment Conservation Board	July 10, 2026
2.	Application to amend the consent to operate issued under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, to increase the production capacity of Billets and Slabs by 1,48,500 TPA at the Manufacturing Facility.	Chhattisgarh Environment Conservation Board	July 20, 2026

IV. Material Approvals expired and renewal yet to be applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals that have expired for which our Company has not made applications to the appropriate authorities for renewal.

V. Material Approvals required and yet to be applied for

As on the date of this Draft Red Herring Prospectus, there are no material approvals for which applications are yet to be made by our Company.

VI. Intellectual Property

A. Registrations obtained by our Company

As on the date of this Draft Red Herring Prospectus, we have two registered trademarks, as disclosed below:

S. No	Description	Trademark number	Class	Type of trademark	Valid/ renewed up to
1.	BS GOLD TMT FE 600	4413278	6	Device	January 20, 2030
2.	BS TMX	4498186	6	Device	May 09, 2030

B. Applications filed by our Company

Trademark	Trademark image	Class	Status	Application date	Application number
Device Mark		9	Objected	September 10, 2025	7245012
Device Mark		16	Objected	September 10, 2025	7245013
Device Mark		19	Objected	September 10, 2025	7245014
Device Mark		36	Objected	September 10, 2025	7245015
Device Mark		37	Objected	September 10, 2025	7245016
Device Mark		42	Objected	September 10, 2025	7245017
Device Mark		6	Under Examination	September 10, 2025	7245009
Device Mark		35	Under Examination	September 10, 2025	7245010
Device Mark		40	Accepted	September 10, 2025	7245011
Word Mark	B S SPONGE	09	Ready for Examination	July 13, 2026	7855049
Word Mark	B S SPONGE	16	Ready for Examination	July 13, 2026	7855050

Trademark	Trademark image	Class	Status	Application date	Application number
Word Mark	B S SPONGE	19	Ready for Examination	July 13, 2026	7855051
Word Mark	B S SPONGE	36	Ready for Examination	July 13, 2026	7855052
Word Mark	B S SPONGE	37	Ready for Examination	July 13, 2026	7855053
Word Mark	B S SPONGE	42	Ready for Examination	July 13, 2026	7855054
Word Mark	B S SPONGE	06	Ready for Examination	July 13, 2026	7855055
WordMark	B S SPONGE	35	Ready for Examination	July 13, 2026	7855056
WordMark	B S SPONGE	40	Ready for Examination	July 13, 2026	7855057
WordMark	BS HAI TOH SAALON TAK TIKEGA	06	Ready for Examination	September 23, 2026	8018119

OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations, for the purposes of identification of group companies, our Company has considered:

(i) such companies (other than our Corporate Promoter(s) and subsidiary(ies)) with which there were related party transactions, during the period for which financial information is disclosed in the relevant offer documents, as covered under applicable accounting standards as disclosed in the Restated Financial Information; and

(ii) any other companies considered material by our Board pursuant to the Materiality Policy.

With respect to (ii) above, our Board, in its meeting held on September 26, 2026, adopted the Materiality Policy, pursuant to which a company (other than the companies categorized under (i) above) shall be considered 'material' and will be disclosed as Group Companies in the Offer Documents if such company is a member of the 'Promoter Group' of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and our Company has entered into one or more transactions with such company during the last completed financial year for which Restated Financial Information has been included (i.e., Fiscal 2026 in this Draft Red Herring Prospectus), which individually or cumulatively in value exceeds 10% of the total revenue from operations of our Company for the last completed financial year (i.e., Fiscal 2026), as per the Restated Financial Information.

Based on the above parameters, as on the date of the Draft Red Herring Prospectus, our Company does not have any group companies.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

Our Board has authorized the Offer pursuant to its resolution dated September 16, 2026, and our Shareholders have authorized the Fresh Issue pursuant to a special resolution passed on September 16, 2026. Further, our Board has taken on record the consent letter by the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated September 30, 2026.

Our Board has approved this Draft Red Herring Prospectus and the Draft Abridged Prospectus pursuant to its resolution dated September 30, 2026.

The Selling Shareholders has confirmed and approved their participation in the Offer for Sale in relation to their respective portion of the Offered Shares. For further details, see "*The Offer*" on page 68.

Approvals from the Selling Shareholders

The Selling Shareholders have confirmed and approved their participation in the Offer for Sale in relation to the Offered Shares as follows:

S. No.	Name of Selling Shareholder	Type	Maximum number of Equity Shares offered in the Offer for Sale	Date of consent letter
1.	Parmanand Agarwal	Promoter Selling Shareholder	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 700.00 million	September 28, 2026
2.	Ashish Agarwal	Promoter Selling Shareholder	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 600.00 million	September 28, 2026
3.	Sulochana Agarwal	Promoter Group Selling Shareholder	Up to [●] Equity Shares of face value ₹ 10 each aggregating up to ₹ 700.00 million	September 28, 2026

The Equity Shares being offered by the Selling Shareholders in the Offer for Sale have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI and the Stock Exchanges and are eligible for being offered in the Offer for Sale in accordance with Regulation 8 of the SEBI ICDR Regulations.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by the Securities and Exchange Board of India, the Reserve Bank of India or governmental authorities

Our Company, Promoters, members of our Promoter Group, and Directors, Selling Shareholders, severally and not jointly, confirm that they are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, Promoter, members of the Promoter Group and Directors have not been declared as a 'Fraudulent Borrower' in terms of the circular no. RBI/DBS/2016-17/28 dated July 1, 2016, issued by the Reserve Bank of India, and the SEBI ICDR Regulations.

Directors associated with the securities market

None of our Directors are associated with the securities market and no action, outstanding has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Each of our Company, Promoters, and members of our Promoter Group, Selling Shareholders, severally and not jointly, confirm that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable thereto in respect of their respective holding in our Company, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹ 30.00 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each) of which not more than fifty percent are held in monetary assets;

- our Company has an average operating profit of at least ₹ 150.00 million, calculated on a restated basis, during the preceding three years, with operating profit in each of these preceding three years;

- our Company has a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each), calculated on a restated and consolidated basis; and

- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus, except for the change in status to a public limited company from a private limited company.

Our Company's net tangible assets, operating profit and net worth, derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at and for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, is set forth below:

(*in ₹ million, unless otherwise stated*)

Particulars	As at and for the Fiscal ended*		
	March 31, 2026	March 31, 2025	March 31, 2024
Restated net tangible assets (A)[(1)]	8,395.50	6,523.52	4,920.47
Restated monetary assets (B)[(2)]	33.34	43.88	112.44
Restated monetary assets, as a percentage of restated net tangible assets (C) = (B)/(A) (in %)	0.40	0.67	2.28
Restated operating profit/ (loss)[(3)]	2,802.48	2,620.29	2,236.89
Restated average operating profit[(4)]			2,553.22
Net Worth[(5)]	7,148.24	5,441.69	3,858.06

** As certificated by S K Patodia & Associates LLP, Chartered Accountants, independent chartered accountant, pursuant to their certificate dated September 30, 2026.*

(1) "Net tangible assets" means net assets of the Company, excluding right of use assets and intangible assets, lease liabilities and deferred tax liabilities.

(2) "Monetary assets" means cash on hand, balances with bank in current accounts, and cash credit accounts (favourable) and fixed deposits with original maturity of less than twelve months.

(3) "Operating Profit" means the profit after tax less other income and add finance cost and tax expenses.

(4) Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Further, our Company confirms that it is eligible to make the Offer in terms of Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 5 and 7(1) of the SEBI ICDR Regulations, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable:

(a) our Company, Promoters, the members of our Promoter Group, our Directors and Selling Shareholders are not debarred from accessing the capital market by SEBI;

(b) none of our Promoters or our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;

(c) none of our Company, our Promoters or Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI and the SEBI ICDR Regulations;

(d) none of our Promoters or our Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018;

(e) as on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares.

(f) our Company, along with the Registrar to our Company, has entered into tripartite agreements dated January 13, 2025 and June 23, 2026 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(g) the Equity Shares of our Company held by our Promoters members of the Promoter Group, Directors, Key Managerial Personnel, members of Senior Management, and each of the Selling Shareholders, to the extent applicable, are in dematerialised form; and]

(h) the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000. failing which the entire application monies shall be refunded in accordance with the SEBI ICDR Regulations and timelines specified under other applicable laws. None of the Selling Shareholders shall be liable to reimburse our Company for any interest paid by it on behalf of the Selling Shareholders on account of any delay with respect to Allotment of the respective portion of the Offered Shares offered by such Selling Shareholder in the Offer for Sale, or otherwise.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMs, BEING ICICI SECURITIES LIMITED, AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDERS IS RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND FOR THE EQUITY SHARES BEING OFFERED BY IT IN THE OFFER FOR SALE, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2026, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus and the Prospectus, as applicable, with the RoC in terms of the Companies Act.

Disclaimer from our Company, our Directors, and the BRLMs

Our Company, the Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website at www.bsstmx.com/ or the respective websites of our Promoters, members of our Promoter Group, or of the Selling Shareholders, would be doing so at his or her own risk.

It is clarified that the Selling Shareholders is providing information in this Draft Red Herring Prospectus only in relation to itself as the Selling Shareholders and the Offered Shares, and the Selling Shareholders, including its, trustees, settlors and beneficiaries, accepts and/or undertakes no responsibility for any statements made or undertakings provided, including without limitation, any statement made by or in relation to our Company or its business, other than those specifically undertaken or confirmed by it as a Selling Shareholders, in relation to itself and the Offered Shares in this Draft Red Herring Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided in the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholders (to the extent the information pertains to such Selling Shareholders and its Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, trustees, members, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, designated partners, officers, agents, trustees, members, affiliates, employees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group company, trustees, members, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, trustees, members, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Equity Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer in respect of Jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, India.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), NBFC-SI or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds (subject to applicable law) and permitted pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares in the Offer in any jurisdiction, including India.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares offered in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being

offered and sold only outside the United States in 'offshore transactions' in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

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.

Disclaimer clause of BSE Limited

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by the BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of National Stock Exchange of India Limited

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI.

If our Company does not allot Equity Shares pursuant to the Offer within three Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate as may be prescribed by the SEBI. For avoidance of doubt, each Selling Shareholder, shall be, severally and not jointly, liable to reimburse only to the extent of its respective portion of the Offered Shares, as required under Applicable Law, provided that none of the Selling Shareholders shall be responsible to pay such interest unless such delay is caused directly and solely by an act or omission of such Selling Shareholder in relation to its respective portion of the Offered Shares, and in such cases the Company shall be responsible to pay such interest.

Each of the Selling Shareholders, severally and not jointly, undertake to provide such reasonable assistance as may be reasonably requested by our Company, to the extent such assistance is required from such Selling Shareholders in relation to itself and its respective portion of the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of each our Directors, our Promoter, our Promoter Group, our Company Secretary and Compliance Officer, the BRLMs, Bankers to our Company, Statutory Auditors, legal counsel to our Company as to Indian law, the Registrar to the Offer, Independent Chartered Accountant, industry report provider, practicing company secretary, independent chartered engineer, have been obtained; and consents in writing of the the Syndicate Members, Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank, Refund Bank and Monitoring Agency to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus as required under Section 32 of the Companies Act and such consents shall not be withdrawn up to the time of filing of the Prospectus with the RoC under Section 26 the Companies Act.

Experts to the Offer

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

(i) Our Company has received written consent dated September 30, 2026, from ARSK & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act, read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent applicable and in their capacity as the Statutory Auditors, and in respect of (i) their examination report dated September 26, 2026 on our Restated Financial Information; and (ii) their report dated September 30, 2026, on the statement of possible special tax benefits available to our Company and Shareholders; included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

(ii) Our Company has received written consent dated September 30, 2026, from S.G. Kankani & Associates, Company Secretaries, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the practicing company secretary, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(iii) Our Company has received written consent dated September 30, 2026, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

(iv) Our Company has received written consent dated September 30, 2026, from Prakash Upadhyay, independent chartered engineer (the "**ICE**"), to include his name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered engineer, in respect of his certificate in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues during the last five years

There have been no public issues, including any rights issues undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

Capital issues by our Company and listed Group Company, subsidiaries or associates in the preceding three years

Except as disclosed in "*Capital Structure – Notes to Capital Structure*" on page 87 our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our Company does not have any group company, subsidiary or associate company.

Commission or brokerage on previous issues in the last five years

Since this is the initial public offering of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues pursuant to the SEBI ICDR Regulations in the five years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* Objects – Public/ rights issue of listed subsidiaries

As on date of the Draft Red Herring Prospectus, our Company does not have any subsidiary. **Stock market data of the Equity Shares**

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Price information of past issues handled by the Book Running Lead Managers

ICICI Securities Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Turtlemint Fintech Solutions Limited^^	8,826.70	152.00	June 29, 2026	134.90	-19.84% [+0.16%]	-42.61% [-3.36%]	NA*
2	Laser Power & Infra Limited^^	7,420.00	214.00	July 16, 2026	250.00	+41.54% [+1.22%]	NA*	NA*
3	SBI Funds Management Limited^^	97,953.21	574.00(1)	July 21, 2026	613.30	-3.49% [-0.45%]	NA*	NA*
4	INDO-MIM Limited^^	38,121.15	485.00(2)	July 30, 2026	700.00	+78.89% [-0.58%]	NA*	NA*
5	Juniper Green Energy Limited^^	18,000.00	225.00(3)	August 06, 2026	245.00	+17.82% [-3.00%]	NA*	NA*
6	Tempsens Instruments (India) Limited^^	6,500.00	300.00	August 28, 2026	634.00	+77.02% [-4.28%]	NA*	NA*
7	Manipal Payment and Identity Solutions Limited^^	8,050.00	339.00	September 17, 2026	330.00	NA*	NA*	NA*
8	Karamtara Engineering Limited^^	8,750.00	254.00	September 17, 2026	320.00	NA*	NA*	NA*
9	Hero Motors Limited^	10,000.00	84.00	September 23, 2026	82.10	NA*	NA*	NA*
10	National Stock Exchange of India Ltd^	2,25,615.74	1,785.00(4)	September 24, 2026	1,800.00	NA*	NA*	NA*

** Data not available*
^ BSE as designated stock exchange
^^ NSE as designated stock exchange

(1) Discount of ₹ 54 per equity share offered to eligible employees. All calculations are based on Issue price 574.00 per equity share.
(2) Discount of ₹ 45 per equity share offered to eligible employees. All calculations are based on Issue price of 485.00 per equity share.
(3) Discount of ₹ 21 per equity share offered to eligible employees. All calculations are based on Issue price of 225.00 per equity share.
(4) Discount of ₹ 170 per equity share offered to eligible employees. All calculations are based on Issue price of 1,785.00 per equity share.

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited*

Financial Year	Total number of IPOs	Total amount of funds raised (₹ million)	Number of IPOs trading at discount - 30th calendar days from listing			Number of IPOs trading at premium - 30th calendar days from listing			Number of IPOs trading at discount - 180th calendar days from listing			Number of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2026-27*	12	4,46,543.01	-	-	2	2	1	3	-	-	-	-	1	-
2025-26	22	5,70,175.06	-	-	11	3	2	6	-	3	5	8	1	5
2024-25	23	6,47,643.15	-	-	5	4	8	6	-	3	5	6	4	5

** This data covers issues up to YTD.*

Notes:
1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.

3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.

Motilal Oswal Investment Advisors Limited

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current financial year) overseen by Motilal Oswal Investment Advisors Limited:

S. No.	Issue name	Designated stock exchange	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	National Stock Exchange of India Limited^	BSE	2,25,615.74	1,785.00	September 24, 2026	1,800.00	Not applicable	Not applicable	Not applicable
2.	LCC Projects Limited	BSE	4,271.41	146.00	September 17, 2026	191.90	Not applicable	Not applicable	Not applicable
3.	Rentomojo Limited**	NSE	12,555.67	404.00	September 17, 2026	482.45	Not applicable	Not applicable	Not applicable
4.	Manipal Payment & Identity Solutions	NSE	8,050.00	339.00	September 17, 2026	330.00	Not applicable	Not applicable	Not applicable
5.	Glass Wall Systems (India) Limited	NSE	4,278.90	182.00	September 16, 2026	190.10	Not applicable	Not applicable	Not applicable
6.	Lumino Industries Limited	NSE	7,000.00	82.00	September 03, 2026	110.00	Not applicable	Not applicable	Not applicable
7.	Symbiotec Pharmalab Limited*	BSE	17,570.00	988.00	September 01, 2026	978.20	Not applicable	Not applicable	Not applicable
8.	Augmont Enterprises Limited	NSE	8,250.00	788.00	August 31, 2026	961.00	Not applicable	Not applicable	Not applicable
9.	Molbio Diagnostics Ltd##	BSE	9,396.96	807.00	August 17, 2026	980.00	68.70% [- 4.79%]	Not applicable	Not applicable
10.	Lohia Corp Limited$$	NSE	11,012.85	425.00	July 30, 2026	461.00	32.96% [-0.58%]	Not applicable	Not applicable

Source: www.nseindia.com and www.bseindia.com

Notes:

1. The S&P CNX NIFTY or S&P BSE SENSEX is considered as the benchmark index, depending upon the designated stock exchange.

2. Price is taken from NSE or BSE, depending upon designated stock exchange for the above calculations.

3. The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th days.

4. Not applicable – Period not completed.

^ A discount of ₹ 170 per equity share was provided to eligible employees bidding in the employee reservation portion.

*** A discount of ₹ 20 per equity share was provided to eligible employees bidding in the employee reservation portion.*

** A discount of ₹ 90 per equity share was provided to eligible employees bidding in the employee reservation portion.*

A discount of ₹ 76 per equity share was provided to eligible employees bidding in the employee reservation portion.

$$ A discount of ₹ 40 per equity share was provided to eligible employees bidding in the employee reservation portion.

2. Summary statement of price information of past issues handled by Motilal Oswal Investment Advisors Limited:

Financial Year	Total number of IPOs	Total funds raised (₹ millions)	Number of IPOs trading at discount on as on 30th calendar days from listing date			Number of IPOs trading at premium on as on 30th calendar days from listing date			Number of IPOs trading at discount as on 180th calendar days from listing date			Number of IPOs trading at premium as on 180th calendar days 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%
2026-2027	14	4,20,983.02	-	-	2	1	2	1	-	-	-	-	-	-
2025-2026	21	4,92,981.69	-	1	5	3	7	5	1	3	4	3	3	5
2024-2025	7	1,08,359.23	-	-	2	1	-	4	-	1	1	-	1	4

The information for each of the financial years is based on issues listed during such financial year.
Notes: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.
Data for number of IPOs trading at premium/ discount taken at closing price on NSE or BSE on the respective date, depending upon the designated stock exchange.

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Managers, as set forth in the table below

S. No.	Name of the BRLM	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Motilal Oswal Investment Advisors Limited	www.motilaloswal.com

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, 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 BRLMs.

All Offer related grievances, other than those of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders), date of ASBA Form, and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgement Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

In terms of SEBI ICDR Master Circular, 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 within three months of the date of listing of the Equity Shares with the concerned SCSB. 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.

Separately, pursuant to the SEBI ICDR Master Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/ withdrawn/ deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation/withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted/ partially Allotted applications	1. ₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations. For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular, see "*General Information – Book Running Lead Managers*" on page 79.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Disposal of investor grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSBs in case of ASBA bidders for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. 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 shall obtain authentication on the SEBI SCORES platform and has complied with the SEBI Circular number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, as amended, in relation to redressal of investor grievances through SCORES. Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Our Company has appointed Himanshu Pandey, as the Company Secretary and Compliance Officer of our Company. See "*General Information – Company Secretary and Compliance Officer*" on page 79.

Our Company has also constituted a Stakeholders' Relationship Committee to resolve the grievances of the security holders of our Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends and issue of new/duplicate certificates. See "*Our Management – Stakeholders' Relationship Committee*" on page 284.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of this Draft Red Herring Prospectus.

Other confirmations

Any person connected with the Offer shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer.

Exemption from complying with any provisions of securities laws, if any, granted by Securities and Exchange Board of India

Our Company has not sought any exemption from complying with any provisions of securities laws as on the date of this Draft Red Herring Prospectus.

SECTION VIII - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Draft Abridged Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. For details in relation to Offer expenses are specified in "*Objects of the Offer – Offer-related expenses*" on page 110.

Ranking of the Equity Shares

The Equity Shares being issued, offered, Allotted and transferred pursuant to the Offer shall be subject to the applicable laws including provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of Articles of Association*" on page 461.

Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations, the dividend distribution policy of the Company, any guidelines or directives that may be issued by the GoI in this respect and other applicable law. All dividends, if any, declared by our Company after the date of Allotment (pursuant to transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 297 and 461, respectively.

Face value, Floor Price, Price Band and Offer Price

The face value of the Equity Shares is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLMs, in compliance with the SEBI ICDR Regulations, and advertised in all editions of the English national daily newspaper [●], all editions of the Hindi national daily newspaper [●], and [●] editions of the Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company in compliance with the SEBI ICDR Regulations, 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.

At any given point of time, there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- the right to receive dividend, if declared;
- the right to attend general meetings and exercise voting rights, unless prohibited by law;
- the right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- the right to receive offers for rights shares and be allotted bonus shares, if announced;
- the right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- the right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including rules framed by RBI; and
- such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of Articles of Association*" on page 461.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and the Registrar to the Offer:

- tripartite agreement dated January 13, 2025, entered into amongst our Company, NSDL and Registrar to the Offer; and
- tripartite agreement dated June 23, 2026, entered into amongst our Company, CDSL and Registrar to the Offer.

Employee Discount

Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount (net of Employee Discount, if any), at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid.

Market lot and Trading lot

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares of face value of ₹ 10 each, subject to a minimum Allotment of [●] Equity Shares of face value of ₹ 10 each. For the method of Basis of Allotment, see "*Offer Procedure*" on page 436.

Joint holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The competent courts/authorities of Mumbai, Maharashtra, India and Raigarh, Chhattisgarh, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "– *Bid/ Offer Programme*" on page 427.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our 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 dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

Bid/ Offer Programme

EVENT	INDICATIVE DATE
BID/OFFER OPENS ON[(1)]	[●]
BID/OFFER CLOSES ON[(2)(3)]	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for anchor investors)/ unblocking of funds from ASBA account[*]	On or about [●]
Allotment of Equity Shares/ Credit of Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

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

[(2)] Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIB one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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

[*] In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds. Further, in terms of circulars prescribed by SEBI from time to time, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB. The RIBs, Eligible Employees bidding under the Employee Reservation Portion for up to ₹ 0.50 million and individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The above timetable, other than the Bid/ Offer Closing Date, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs. Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change due to any revised circulars issued by the SEBI to this effect.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date, or such other period as prescribed by the SEBI, the timetable may be subject to change due to various factors, such as extension of the Bid/ Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder, severally and not jointly, confirms that it shall extend reasonable assistance as required by our Company and the BRLMs in relation to itself and its respective portion of the Offered Shares to facilitate the process of 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 prescribed under the applicable law.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the Registrar to the Offer on a daily basis as per the format prescribed in the SEBI ICDR Master Circular and the SEBI RTA Master Circular. To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/ batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

SEBI *vide* circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory basis, subject to 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.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. The BRLMs shall be the nodal entity for any issues arising out of the public issuance process.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in the depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/or the Registrar. Our Company and/or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

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

Bid/Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/ Offer Closing Date	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RII and Eligible Employees Bidding in the Employee Reservation Portion, other than QIBs and NIIs	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 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 Investors[#]	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date

Bid/Offer Period (except the Bid/ Offer Closing Date)	
Upward or downward Revision of Bids or cancellation of Bids by RIIs and Eligible Employees Bidding in the Employee Reservation Portion [*]	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

[*] *UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.*
[#] *QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/ Offer Closing Date, the Bids shall be uploaded until:

(a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and

(b) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs and Eligible Employees Bidding in the Employee Reservation Portion.

On Bid/ Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Investors and Eligible Employees Bidding in the Employee Reservation Portion, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

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, and are advised to submit their Bids no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 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 will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price, subject to minimum 105% of the Floor Price.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days, in compliance with the SEBI ICDR Regulations.

Any revision in Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, the Selling Shareholders, to the extent applicable, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and SEBI ICDR Master Circular. If there is a delay beyond two days, our Company and every Director of our Company who is an officer in default, to the extent applicable, shall pay interest at the rate of 15% per annum or such other amount as prescribed under applicable law.

Subject to applicable law, in the event of under-subscription in the Offer, the Equity Shares will be allotted in the following order: (i) such number of Equity Shares comprising 90% of the Fresh Issue, or such other number as required to comply with the minimum subscription to be received in the Offer under applicable law, will be Allotted prior to the sale of Equity Shares in the Offer for Sale; (ii) next all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer will be Allotted in proportion to their respective Offered Shares; and (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the remaining 10% of the Fresh Issue.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. Under subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company in consultation with the BRLMs and subject to applicable law, and the Designated Stock Exchange. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Each of the Selling Shareholders shall reimburse any expenses and interest incurred by our Company on its behalf for any delays in making refunds as required under the Companies Act, the UPI Circulars and any other applicable law, provided that such Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder and any expenses and interest shall be paid solely to the extent of its portion of the Offered Shares.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoters' Contribution under the SEBI ICDR Regulations and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 86, and except as provided in our Articles and the SEBI ICDR Regulations, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Description of Equity Shares and Terms of Articles of Association*" at page 461.

Option to receive Equity Shares in dematerialized form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription, as prescribed under Regulation 45 of the SEBI ICDR Regulations, is not fulfilled. Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue and the Selling Shareholders reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their respective portion of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements

were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% p.a. of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law; and; (ii) the final RoC approval of the Prospectus after it is filed and/ or submitted with the RoC and the Stock Exchanges. 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.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 10,000.00 million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 8,000.00 million by our Company and an Offer of Sale of up to [●] Equity Shares aggregating up to ₹ 2,000.00 million by the Selling Shareholders. The Offer comprises Employee Reservation Portion of [●] Equity Shares of face value of ₹ 10 each and a Net Offer of up to [●] Equity Shares of face value of ₹ 10 each. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. For details, see "*The Offer*" on page 68.

Our Company, in consultation with the BRLMs may consider a Pre-IPO Placement aggregating up to ₹ 1,600.00 million, as may be permitted under applicable law, as its discretion, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by the Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Fresh Issue. Details of the Pre-IPO Placement, if undertaken, shall be included in the Red Herring Prospectus and Prospectus and shall be reported to the Stock Exchanges within 24 hours of such transactions, in accordance with Regulation 54 of the SEBI ICDR Regulations. We may utilize the proceeds from the Pre-IPO Placement towards the objects of the Offer prior to completion of the Offer. Prior to the completion of the Offer and if the Pre-IPO Placement is undertaken, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(1) and Regulation 31 of the SEBI ICDR Regulations.

Particulars	Eligible Employees[#]	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment / allocation* [(2)]	Up to [●] Equity Shares of face value ₹ 10 each	Not more than [●] Equity Shares of face value ₹ 10 each	Not less than [●] Equity Shares of face value ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than [●] Equity Shares of face value ₹ 10 each available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer size available for Allotment / Allocation	The Employee Reservation Portion shall constitute up to [●]% of the post-Offer paid-up Equity Share capital of our Company.	Not more than 50% of the Net Offer size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will 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 balance Net 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, or the Net Offer less allocation to QIB Bidders and Retail Individual Investors was available for allocation, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors.	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Investors
Basis of Allotment / allocation if respective	Proportionate[#]; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible	Proportionate as follows (excluding the Anchor Investor Portion):	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion	The allotment to each Retail Individual Investor shall not be less than the

Particulars	Eligible Employees[#]	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
category is oversubscribed[*]	Employee shall not exceed ₹0.20 million (net of Employee Discount, if any). In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 0.20 million, subject to total Allotment to an Eligible Employee not exceeding ₹ 0.50 million.	(a) Up to [●] Equity Shares of face value ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above (c) Up to 60% of the QIP portion (of up to [●] Equity Shares of face value ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which 40% shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and (ii) 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, Life Insurance Companies and Pension Funds, as applicable, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Any under-subscription in the Life Insurance Companies and Pension Funds category specified in (ii) above may be allocated to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations.	shall not be less than the minimum application size and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in Schedule XIII of the SEBI ICDR Regulations subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investor shall not be less than the minimum Non-Institutional Investor bid 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 SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 436.	minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure*" on page 436.
Minimum Bid	[●] Equity Shares of face value ₹ 10 each	[●] Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹ 0.20 million	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹ 0.50 million less Employee Discount, if any	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the Anchor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 0.20 million
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Share thereafter			
Trading Lot	One Equity Share of face value of ₹ 10 each			
Who can apply[(3)(4)(5)(6)]	Eligible Employees	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta),	Resident Indian individuals, Eligible NRIs and HUFs (in

Particulars	Eligible Employees[#]	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
		commercial banks, Mutual Funds, eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250.00 million, pension funds with minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies, in accordance with applicable laws including FEMA Rules.	companies, corporate bodies, scientific institutions societies, trusts, FPIs who are individuals, corporate bodies and family offices, which are recategorized as category II FPIs (as defined in the SEBI FPI Regulations) and registered with SEBI.	the name of the karta).
Terms of Payment	**In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding^	ASBA only (including UPI Mechanism for Bids up to ₹0.5 million)	ASBA only (excluding the UPI Mechanism) except for Anchor Investors	ASBA only (including UPI Mechanism for Bids up to ₹0.5 million)	ASBA only (including the UPI Mechanism)

* *Assuming full subscription in the Offer*

^ *Anchor Investors are not permitted to use the ASBA process. Further, SEBI vide the SEBI ICDR Master Circular has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

(1) *Our Company may, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion was up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof was permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received at or above the price at which allocation is made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

(2) *This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer is available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion is available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion is available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Net Offer was made available for allocation to Non-Institutional Investors, of which (a) one-third portion was reserved for applicants with application size of more than ₹ 0.20 million and up to ₹1.00 million; and (b) two-thirds portion was reserved for applicants with application size of more than ₹1. 00 million, provided that the unsubscribed portion in either of such sub-categories was allocated to applicants in the other sub-category of Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Net Offer is available for allocation to RII in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain the name*

of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

(4) Full Bid Amount is 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 Confirmation of Allotment Note. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

(5) Bids by FPIs with certain structures as described under "Offer Procedure – Bids by FPIs" on page 444 and having the same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) have been proportionately distributed.

(6) Bidders will be required to confirm and shall be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

[#]Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹0.50 million. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹0.20 million. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹0.20 million, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹0.50 million(net of Employee Discount, if any). Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. The undersubscribed portion, if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

[##]Our Company, in consultation with the BRLMs, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees Bidding in the Employee Reservation Portion, subject to necessary approvals as may be required, and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date.

Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. The Bids by FPIs with certain structures as described under "*Offer Procedure – Bids by FPIs*" on page 444 and having same PAN will be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) will be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "*Terms of the Offer*" on page 425.

Eligible Employees bidding in Employee Reservation Portion must ensure that the maximum Bid Amount does not exceed ₹ 0.50 million (net of employee discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 0.20 million (net of employee discount, if any). Only in the event of an under-subscription in the Employee Reservation Portion post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 0.20 million (net of employee discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of employee discount, if any). Further an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple bids subject to applicable limits.

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. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by the SEBI and the UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

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 Confirmation of Allocation Note and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; (xiii) price discovery and allocation; (xiv) designated date; and (xv) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) ("**AV Circular**") has introduced the disclosure of audiovisual presentation of disclosures made in offer documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by finfluencers.*

*The 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 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has 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 RIIs 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 until June 30, 2019*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs) issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.*

Further, SEBI vide its 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, the SEBI RTA Master Circular, read with the SEBI ICDR Master Circular, consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for RTAs. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application size are up to ₹ 0.50 million shall use the UPI Mechanism and provide their UPI ID in the Bid cum Application Form for bidding through Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus. The SEBI ICDR Master Circular has consolidated and rescinded

the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations. The SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus to the extent required under the SEBI ICDR Regulations Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law at a uniform rate of ₹100 per day or 15% per annum of the application amount for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/ unblocking of funds.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/Offer Opening Date.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. The SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Further, our Company, the Selling Shareholders and the BRLMs 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 and do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus, and the Prospectus. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which (i) 33.33 per cent shall be reserved for domestic mutual funds ; and (ii) 6.67 per cent shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price and any under-subscription in (ii) above may be allocated to domestic mutual funds. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance 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. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors and not less than 35%

of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital subject to valid Bids being received at or above the Offer Price, net of Employee Discount.

Subject to applicable laws and valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories on proportionate basis, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post-Offer paid-up Equity Share capital of our Company.

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.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar ID and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022 dated March 30, 2022 and CBDT circular no. 3 of 2023 dated March 28, 2023, and any subsequent press releases in this regard.

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 the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company has appointed the Sponsor Banks to act as a conduit between the Stock Exchanges and National Payments Corporation of India ("NPCI") in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, inter alia, has enhanced the per transaction limit from ₹0.20 million to ₹0.50 million for applications using UPI in initial public offerings

Phased implementation of UPI for Bids by RIIs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

(a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary and use his

/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the physical ASBA Form by an UPI Bidder through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II till further notice.

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 ₹0.50 million, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, 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 issues opening on or after September 1, 2023, and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer will be made under UPI Phase III of the UPI Circular (on mandatory basis). The Offer will be advertised in all editions of [●], a widely circulated English national daily newspaper and in all editions of [●], a widely circulated Hindi national daily newspaper and in [●] editions of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located) each with wide circulation on or prior to the Bid/ Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLMs will be required to compensate the concerned investor.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 0.20 million and up to ₹ 0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Syndicate, Sub-Syndicate Members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for application made by UPI Bidders using the UPI mechanism may be released to the remitter banks (SCSBs) only after such banks make an application to the BRLMs with a copy to the Registrar, and such application shall be made only after (i) unblocking of application amounts in the bank accounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer bidding process.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Further, pursuant to the SEBI ICDR Master Circular, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a syndicate member;

(ii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

(a) The Designated Intermediaries may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Offer, subject to applicable laws.

(b) On the Bid / Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges' platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm for Retail Individual Bidders and 4:00 p.m. for NII and QIB on the Bid / Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid / Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

(d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs.

All ASBA Bidders (other than Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders 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 NIIs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

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 or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

For all IPOs opening on or after September 1, 2022, as specified in the SEBI ICDR Master Circular, all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Retail Individual Investors, QIBs and NIIs and also for all modes through which the applications are processed.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis(1)	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions(1)	[●]
Anchor Investors(2)	[●]
Eligible Employees Bidding in the Employee Reservation Portion(3)	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application Forms and Abridged Prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered Office.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/ Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/ Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). NSE circular dated July 22, 2022, with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Member(s), RTA and Depository Participants shall submit Syndicate ASBA bids above ₹ 0.50 million and NII & QIB bids above ₹ 0.20 million through SCSBs only

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE circular bearing reference number 20220803-40 and NSE circular bearing reference number 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI mandate requests for blocking of funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-

Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI ICDR Master Circular. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

Pursuant to NSE circular bearing reference number 25/2022 and BSE circular bearing reference no. 20220803-40, each dated August 3, 2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and Depository Participants shall continue till further notice;

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Investors categories and up to 5.00 p.m. for Retail Individual category on the initial public offer closure day;

(d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids;

(e) The Stock Exchanges shall display Offer demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States. Accordingly, the Equity Shares are being offered and sold outside of the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoter, Promoter Group, the Book Running Lead Managers, associates and affiliates of the Book Running Lead Managers and the Syndicate Member(s) and the persons related to Promoter, Promoter Group, Book Running Lead Managers and the Syndicate Members and Bids by Anchor Investors

The BRLMs and the Syndicate Members shall not be allowed to purchase/subscribe the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase/subscribe Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers;

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Managers; or

(v) Pension funds sponsored by entities which are associate of the Book Running Lead Managers.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Managers" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves 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, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSBs (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their NRE Account, or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their NRO Accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. Eligible NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant, provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by a NRI or an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 459.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules.

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 FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments in Equity Share Capital by a single FPIs or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital on a fully diluted basis. Further, in terms of the applicable FEMA Rules the total holding by each FPI or an investor group cannot exceed 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis, as applicable and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed 24.00% of the total paid-up Equity Share capital on a fully diluted basis, as applicable.

In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions specified under the FEMA Rules and as specified by the GoI from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments (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 if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("ODI") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder, including a QIB Bidder, should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus, read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus".

For example, an FPI must ensure that any Bid by a single FPI and/or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collectively, the "**FPI Group**") shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis. Any Bids by FPIs and/or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer equity share capital shall be liable to be rejected.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The SEBI AIF Regulations, as amended prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such

fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations as amended prescribe the investment restrictions on 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. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. 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, subject to the conditions prescribed by the SEBI. 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, subject to the conditions prescribed by the SEBI. 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, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules. For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 459.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in any entity, including its group entity, as per the Banking Regulation Act, 1949 and Master Direction –Reserve Bank of India (Commercial Banks –Undertaking of Financial Services) Directions, 2025, individually cannot exceed 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves as per the latest audited balance sheet or audited/unaudited balance sheet of the latest quarter, whichever is lower. Further, the aggregate equity investments made in all entities, including group entities and overseas investments, shall not exceed 20% of the bank's paid -up share capital and reserves as per the latest audited balance sheet or audited/unaudited balance sheet of the latest quarter, whichever is lower. However, a banking company may hold up to 20% (with or without investment by the bank) in the equity share capital of an entity without the prior approval of the RBI, provided that the bank's Capital to Risk-Weighted Assets Ratio ("**CRAR**") shall not be less than the minimum prescribed capital (including Capital Conversion Buffer) post the investment, and the bank should have reported net profit in each of the preceding two Fiscals. Additionally, the investments held under 'Held for Trading' category shall not require prior approval, subject to the limit stipulated under Section 19(2) of the Banking Regulation Act, 1949.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves.

A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circular nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares of face value of ₹ 10 each, and in multiples of [●] Equity Shares of face value of ₹ 10 each, thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 0.50 million (net of Employee Discount, if any). The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price provided that the Bid does not exceed ₹ 0.50 million (net of Employee Discount, if any).

However, Allotments to Eligible Employees in excess of ₹ 0.20 million (net of Employee Discount, if any) shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 0.50 million (net of Employee Discount, if any). Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).

b) The Bidder should be an Eligible Employee as defined. In case of joint bids, the first Bidder shall be an Eligible Employee.

c) Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion.

d) Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for Allotment under this category.

e) Eligible Employees can apply at Cut-off Price.

f) If the aggregate demand in this category is less than or equal to [●] Equity Shares of face value of ₹ 10 each, at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

g) Eligible Employee Bidding in the Employee Reservation Portion can also Bid under the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Eligible Employee can also apply under Retail Portion. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹2,00,000 (net of Employee Discount, if any) in the Employee reservation portion.

h) Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

i) As per the SEBI ICDR Master Circular, Eligible Employees Bidding in the Employee Reservation Portion must also Bid through the UPI mechanism.

j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion. If the aggregate demand in this category is greater than [●] Equity Shares of face value of ₹ 10 each, at or above the Offer Price, the allocation shall be made on a proportionate basis. Please note that any individuals who are directors, employees or promoters of (a) the BRLMs, Registrar to the Offer, or the Syndicate Members, or of the (b) 'associate companies' (as defined in the Companies Act, 2013, as amended) and 'group companies' of such BRLMs, Registrar to the Offer or Syndicate Members are not eligible to bid in the Employee Reservation Portion.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, as amended ("**IRDAI Investment Regulations**") based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies are entitled to invest only in other listed insurance companies and insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations, for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of (i) the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and (iii) such other approval as may be required by the Systemically Important NBFCs must be attached to the Bid-cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be prescribed by RBI from time to time.

Bids by Accredited Investors

In case of Bids made by accredited investors (as defined under Regulation 2(1)(ab) of the AIF Regulations, for the limited purpose of their investment in Angel Funds registered with SEBI, under the AIF Regulations), copies of: (i) certificate of accreditation by an accreditation agency as provided in Regulation 2(1)(ab) of the AIF Regulations, as applicable; and (ii) a certificate from a chartered accountant confirming the annual income of the accredited investors subject to the category of the accredited investor. However, a certificate of accreditation was not required to be obtained by the Central Government and the State Governments, developmental agencies set up under the aegis of the Central Government or the State Governments, funds set up by the Central Government or the State Governments, QIBs as defined under SEBI ICDR Regulations, Category I FPIs, sovereign wealth funds and multilateral agencies and any other entity as may be specified by SEBI from time to time, which were deemed to be an accredited investor. Failing this, our Company in consultation with the BRLMs reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law. Accredited investors participating in the Offer were required to comply with all applicable regulations, guidelines and circulars issued from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250.00 million, registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(c) Up to 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and up to 6.67% of the Anchor Investor Portion shall be reserved for Life Insurance Companies and Pension Funds, subject to valid Bids being received from domestic Mutual Funds, Life Insurance Companies and Pension Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. Any under-subscription in the reserved category specified in clause (ii) above may be allocated to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date and will be completed on the same day.

(e) Our Company in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and
- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to 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 will be made, is required to be made available in the public domain by the BRLMs before the Bid / Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 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, and such other period as may be prescribed by SEBI ICDR Regulations, 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, and such other period as may be prescribed by SEBI ICDR Regulations.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) nor our Promoters members of our Promoter Group shall apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

(k) 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 Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price, i.e, the Anchor Investor Offer Price and the difference amount shall not be refunded to the Anchor Investors.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Certain information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

The Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price, but prior to the filing of the Prospectus. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors and Eligible Employees bidding under the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period or withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only

4. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form (with maximum length of 45 characters) and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID (with maximum length of 45 character) and shall use only his / her own bank account which is linked to such UPI ID;

5. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their own bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI RTA Master Circular. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

12. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

13. The ASBA bidders shall ensure that bids above ₹ 0.50 million, are uploaded only by the SCSBs;

14. 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;

15. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

16. Ensure that you have funds equal or higher than to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

17. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

19. Ensure that the Demographic Details are updated, true and correct in all respects;

20. 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;

21. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

22. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

25. 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;

26. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

27. In case of QIBs and NIIs (other than for Anchor Investor and UPI Bidder), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

28. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

29. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

30. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

31. Bids by Eligible NRIs for a Bid Amount of less than ₹0.20 million would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the non-institutional category for allocation in the Offer;

32. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Offer Closing Date;

35. Investors must ensure that their PAN is linked with Aadhaar ID and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

4. Do not Bid for a Bid Amount exceeding ₹ 0.20 million for Bids by Retail Individual Bidders and ₹ 0.50 million for Bids by UPI Bidders and Eligible Employees Bidding in the Employee Reservation Portion (net of employee discount, if any);

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "— *Bids by HUFs*" on page 444;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

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 physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for Physical Applications);

15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

16. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

17. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 0.50 million;

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

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, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors and Eligible Employees bidding in the Employee Reservation Portion can revise or withdraw their Bids until the Bid / Offer Closing Date;

22. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

24. 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;

25. 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);

26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

30. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and

31. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, see "*General Information – Book Running Lead Managers*" on page 79.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Rejection

In addition to the grounds for rejection of Bids as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

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. ASBA Form by the UPI Bidders by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIIs with Bid Amount of a value of more than ₹ 0.20 million (net of retail discount);

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs and by Non-Institutional Investors after 4:00 p.m. on the Bid/ Offer Closing and Bids by RIIs after 5:00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

16. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

17. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

In case of any pre-Offer or post Offer related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information – Company Secretary and Compliance Officer*" on page 79.

For helpline details of the BRLMs pursuant to the SEBI ICDR Master Circular, see "*General Information – Book Running Lead Managers*" on page 79.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% p.a. of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular (to the extent applicable) in relation to blocking / unblocking of funds.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLMs shall continue to coordinate with intermediaries involved in the said process.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Individual Investor category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investor shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in this regard in the SEBI ICDR Regulations.

The allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer and Price Band advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper and in all editions of [●], a widely circulated Hindi national daily newspaper and [●] edition of [●], a Bengali daily newspaper (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation. In the pre-Offer and Price Band advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"

(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the

Registrar to the Offer to facilitate collections from Anchor Investors.

Allotment Advertisement

The Allotment advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, before 9 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchanges, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from the Stock Exchanges is received post 9:00 p.m. IST on that date, then the Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of a widely circulated English national daily newspaper, [●], [●] editions of a widely circulated Hindi national daily newspaper, [●] and Bengali editions of a widely circulated Bengali daily newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located).

The information set out above is given for the benefit of the Bidders/Applicants. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Prospectus.

(b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Offer*" on page 425.

Undertaking by our Company

Our Company undertakes:

(i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

(iii) that if the Allotment is not made, refunds are not made to the Bidders or listing and trading approvals are not obtained within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days from the Bid / Offer Closing Date or such other time as may be prescribed;

(v) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

(vi) that where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vii) that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) that if our Company in consultation with the BRLMs, withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholders subsequently decide to proceed with the Offer thereafter;

(ix) that, Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees; and

(x) that our Company shall not have recourse to the Gross Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

(xi) Except for Equity Shares that may be allotted pursuant the Pre-IPO Placement, pursuant to exercise of options granted under the ESOP Schemes and the Equity Shares allotted pursuant to the Fresh Issue, no further issue of the Equity Shares shall be made till 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, under-subscription, etc. other than as disclosed in accordance with Regulation 56;

Undertakings by the Selling Shareholders

Each of the Selling Shareholders, severally and not jointly, undertakes the following in respect of itself as a Selling Shareholder, and its portion of the Offered Share:

(i) that it is the legal and beneficial owner of, and have clear and marketable title to the Offered Shares;

(ii) that its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulations 8 of the SEBI ICDR Regulations;

(iii) that it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(iv) that the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer;

(v) that it shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of its Offered Shares;

(vi) that it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement;

(vii) that it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought have been received;

(viii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactory; and

(ix) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to its Offered Shares.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"***Any person who –***

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

Utilisation 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted foreign investment is freely permitted in Indian companies without prior approval, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made.

The government bodies responsible for granting foreign investment approvals under the FDI Policy and FEMA are the concerned ministries or departments of the Government of India and the RBI. The Government has from time to time made policy pronouncements on FDI through press notes and press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) ("**DPIIT**"), issued the FDI Policy, which is effect from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020 ("**FDI Policy**"). The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular. For further details, see "*Key Regulations and Policies*" on page 254.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, 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 or fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 *vide* notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under the FEMA Rules prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period. These investment restrictions shall also apply to subscribers of 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).

On March 10, 2026, the Union Cabinet approved amendments to the Press Note framework introducing the revised policy and incorporating a formal definition and criteria for determining beneficial owner, aligned with the provisions of the Prevention of Money Laundering Rules, 2005, with the beneficial ownership test applied at the level of the non-land-bordering-country investor entity. Further, permitting investment proposals where entities from land-bordering countries hold non-controlling beneficial ownership of up to 10% through the automatic route, subject to applicable sectoral caps and compliance requirements which will be applicable to entities incorporated outside land-bordering countries that have beneficial owners from land-bordering countries holding below 10% non-controlling stake. Additionally, introducing a definitive 60-day timeline for processing investment proposals from land-bordering countries in specified critical manufacturing sectors, including capital goods, electronic capital goods, electronic components, polysilicon and ingot-wafer manufacturing, and the indicating that advanced battery components, rare earth permanent magnets and rare earth processing to be included in the list for expeditious decision.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see "*Offer Procedure*" on page 436. 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 transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract

the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2026 ("**FEMA NDI Rules**"), notified with effect from June 12, 2026, amended the FEMA NDI Rules to broaden certain investment and transfer provisions by replacing references to "Non-Resident Indian" or "Overseas Citizen of India" with "an individual person resident outside India including a Non-Resident Indian or Overseas Citizen of India", including in relation to investment by individual persons resident outside India in listed Indian companies and transfer of equity instruments or units held on a repatriation basis. Pursuant to these amendments, an individual person resident outside India holding equity instruments of an Indian company or units on a repatriation basis may transfer the same by way of sale or gift to any person resident outside India, subject to the FEMA NDI Rules. However, prior Government approval will be required where such investment or transfer results in the ownership or control of a listed Indian company being transferred to entities or citizens of a country which shares a land border with India, or where the beneficial owner of such investment is a citizen of any such country.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on pages 443 and 444, respectively.

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

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. The main provisions of the Articles of Association of our Company are detailed below. No material clause of the Articles of Association having a bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

As on the date of this Draft Red Herring Prospectus, the provisions of the Articles of Association of our Company are in compliance with the Companies Act.

INTERPRETATION

I. (A) APPLICABILITY OF TABLE F

1) Subject as herein after provided and in so far as these presents do not modify or exclude them the regulations contained in Table F of Schedule I of the Companies Act 2013 shall apply to the Company only so far as they are applicable to a public company, and to the extent not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

2) The regulations for the management of the Company and for the observance by the members thereto and their representatives shall subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by special resolution as prescribed or permitted by the Companies Act 2013 as amended from time to time be such as are contained in these Articles.

(B) DEFINITIONS AND INTERPRETATION

1. In these Articles-

(i) Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date on which the Articles become binding on the Company. In these Articles:

i. "Act" means the Companies Act, 2013 and any amendments, re-enactments or other statutory modifications thereof for the time being in force, including all rules, regulations, notifications and circulars made thereunder, to the extent notified and in force, including certain provisions of the Companies Act, 1956 as and where specified..

ii. "Annual General Meeting" shall mean the annual General Meeting held in accordance with Section 96 of the Act..

iii. "Articles of Association or Articles" means the articles of association of the Company as amended from time to time in accordance with the Act.

iv. "Beneficial Owner" shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act

v. "Board or Board of Directors" means the Board of Directors of the Company . as constituted from time to time and acting at a duly convened meeting in accordance with the provisions of the Companies Act, 2013, the rules made thereunder, and these Articles, and includes any adjournment thereof

vi. "Chairman Or Chairperson" means a Director designated as the Chairman or Chairperson of the Company by the Board of Directors for the time being.

vii. "Company" or "this company" shall mean B.S. SPONGE LIMITED.

viii. "Committees" shall mean a committee constituted in accordance with Act and other applicable regulations.

ix. "Debenture" shall include debenture stock, bonds, and any other securities of the Company, whether constituting a charge on the assets of the Company or not.

x. "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or reenactment thereof, including all the rules, notifications, circulars issued thereof and for the time being in force.

xi. "Depository" shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act and which has been granted a certificate of registration under Section 12(1A) of the Securities and Exchange Board of India Act 1992.

xii. "Director" shall mean any director of the company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.

xiii. "Dividend" shall mean dividend including the interim dividend and special dividend, as defined under the Act .

xiv. "Equity Share Capital" shall mean in relation to the Company, its equity share capital within the meaning of Section 43 of the Act, as amended from time to time .

xv. "Exchange" shall mean BSE Limited and National Stock Exchange of India Limited;

xvi. "General Meeting" shall mean a meeting of holders of Equity Shares, or any class thereof, and any adjournment thereof.

xvii. "Governmental Authority" means any governmental quasi-governmental statutory departmental regulatory or public body constituted by any statute Law regulation ordinance rule or bye-law or a tribunal or court of competent jurisdiction or other authority in any nation, state, city, locality or other political subdivision thereof

xviii. "Independent Director" shall mean an independent director as defined under the Act and under the SEBI Listing Regulations.

xix. "Law(s)" means any statute law, regulation, ordinance, rule, bye-law, judgment order, decrees, ruling, approval, directive, guidelines, policy, clearance requirement or other governmental restriction or any similar form of decision of or determination by or any interpretation policy or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question

xx. "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

xxi. "Managing Director" means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.

xxii. "Memorandum or Memorandum of Association" means the memorandum of association of the Company as may be altered from time to time.

xxiii. "Officer" shall have the meaning assigned thereto by the Act.

xxiv. "Ordinary Resolution" shall have the meaning assigned to it in Section 114 of the Act;

xxv. "Person" means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law.

xxvi. "Public Company" The Company is a public company limited by Shares within the meaning of sections 2(71) and 3(1)(a) the Act.

xxvii. "Register of Members" shall mean the register of shareholders to be kept pursuant to Section 88 of the Act and the register of Beneficial Owners pursuant to Section 11 of the Depositories Act in case of Shares held in a Depository.

xxviii. "Registrar" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

xxix. "Relatives" shall have the meaning assigned thereto by Section 2(77) of the Act

xxx. "Rules" shall mean the rules made under the Act and notified from time to time.

xxxi. "Secretary" or "Company Secretary" means company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980, as amended, who is appointed by the Company to perform the functions of a company secretary under the Act and these Articles.

xxxii. "Securities" means and includes equity Shares, scrips, stocks, bonds, debentures or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for equity Shares, and any other marketable securities as may be defined and specified under Securities Contract Regulation Act, 1956, as amended.

xxxiii. Shareholder(s) or Member(s) means the duly registered holder from time to time of the Shares of the Company and includes the subscribers to the Memorandum of Association and in case of Shares held by a Depository the beneficial owners whose names are recorded as such with the Depository.

xxxiv. "Special Resolution" shall have the meaning assigned thereto by the Act.

xxxv. "Transfer" shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value;

SHARE CAPITAL AND VARIATION OF RIGHTS

II. 1. AUTHORISED CAPITAL

(i) The authorised share capital of the Company shall be such amount divided into such class(es) denomination(s) and number of Shares in the Company as may from time to time be provided in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the Shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles, subject to the provisions of Applicable Law for the time being in force.

(ii) 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 power to re-classify consolidate and increase or reduce such capital from time to time and power to divide the share capital into other classes and to attach thereto respectively such preferential convertible deferred qualified or other special rights privileges conditions or restrictions and to vary modify or abrogate the same in such manner as may be determined by or in accordance with these Articles subject to the provisions of applicable Law for the time being in force.

2. (i) NEW CAPITAL PART OF THE EXISTING CAPITAL-Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new Shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer, and transmission voting and otherwise.

(ii) KINDS OF SHARE CAPITAL-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 Act and (b)Preference share capital non-convertible or convertible into Equity Shares as permitted and in accordance with the applicable laws from time to time.

3. (i) SHARES AT THE DISPOSAL OF THE BOARD OF DIRECTORS-Subject to the provisions of the Act, including Section 62 and these Articles the Shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue allot or otherwise dispose of the same or any of them to such person or employees (under an employee stock option scheme passed by a Special Resolution) in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit subject to the compliance with the provisions of the Act and with the sanction of the Company in the General Meeting to give to any person or employees the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board of Directors think fit and the Board of Directors may issue and allot Shares in the capital of the Company on payment in full or part payment for any property sold or transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares, or partly paid-up Shares and if so issued shall be deemed to be fully paid Shares after the consideration has been paid as the Board may deem fit.

(ii) Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

4. FURTHER ISSUE OF SHARES-

1. (a) Where the Board or the Company, as the case may be, proposes to increase the subscribed capital by the issue of further Shares by allotment, then such Shares shall be offered, subject to the provisions of Section 62 of the Act, and the relevant Rules thereunder, as applicable:

(i) to the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those Shares at that date, subject to the conditions mentioned in (ii) to (iv) below;

(ii) the offer aforesaid shall be made by notice specifying the number of Shares offered and limiting a time not being less than fifteen days (or such number of days as may be prescribed under the Act or the Rules made thereunder, or other applicable Law) and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders at least three days before the opening of the issue, or such other time as may be prescribed under applicable Law;

(iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) above shall contain a statement of this right;

(iv) after the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

(v) to employees under any scheme of employees' stock option subject to Special Resolution passed by the shareholders of the Company and subject to the Rules and such other conditions, as may be prescribed under applicable Law; or

(vi) to any persons, if authorized by a Special Resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, in accordance with applicable Law.

(b) Nothing in sub-clause (iii) of clause (1)(a) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the Shares compromised in the renunciation.

(c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loans raised by the Company to convert such Debentures or loans into Shares in the Company.

(d) Provided that the terms of the issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Members of the Company in a General Meeting.

(e) A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

(f) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, other applicable provisions of the Act and the Rules and to the extent applicable, any Listing regulations or guidelines.

2. ISSUES OF FURTHER SHARES NOTTO AFFECT RIGHTS OF EXISTING MEMBERS-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.

3. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES-Any application signed by or on behalf of an applicant for Shares in the Company followed by an allotment of any Shares therein shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members shall for the purpose of these Articles be a Member.

4. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT- The Board shall observe the restrictions as regards allotment of Shares to the public contained in the Act and other applicable Law and as regards return on allotments the Board shall comply with applicable provisions of the Act and other applicable Law.

5. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS-Every Member or his heirs' executors or administrators shall pay to the Company the portion of the capital represented by his Share or Shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with these Articles require or fix for the payment thereof.

5. 1) APPLICATION OF PREMIUM RECEIVED ON ISSUE OF SHARES- (a)Where the Company issues Shares at a premium whether for cash or otherwise a sum equal to the aggregate amount of the premium received on those Shares shall be transferred to a securities premium account and the provisions of the Act relating to reduction of Share capital of the Company shall except as provided in this Article apply as if the securities premium account were the paid-up capital of the Company. (b) Notwithstanding anything contained in clause (a) above the securities premium account maybe applied by the Company in accordance with the provisions of the Act.

2) VARIATION OF SHAREHOLDERS RIGHTS-(a) If at any time the share capital of the Company is divided into different classes of Shares the rights attached to the Shares of any class (unless

otherwise provided by the terms of issue of the Shares of that class)may subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up be varied with the consent in writing of such number of the holders of the issued Shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of that class as prescribed by the Act.(b) Subject to the provisions of the Act to every such separate meeting the provisions of these Articles relating to meeting shall mutatis mutandis apply.

3) PREFERENCE SHARES Subject to Section 55 and other provisions of the Act the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted to Equity Shares on such terms and in such manner as determined by the Board in accordance with the Act.

4) ISSUE OF SWEAT SHARES AND ESOPs (a) The Company may issue Shares at discounted price by way of sweat Equity Shares or in any other manner in accordance with the provisions of the Act or any other applicable Law.(b) The Company may issue Shares to employees including its Directors other than independent directors and such other persons as may be permitted under applicable Law under any employee stock option scheme employee stock purchase scheme or any other scheme if authorized by the Members in general meeting subject to the provisions of the Act the Rules and other applicable laws for the time being in force.

6. 1) ISSUE OF BONUS SHARES-The Company may issue bonus shares by way of capitalisation of profits or out of securities premium or otherwise in accordance with the Act and the Rules and other applicable provisions for the time being in force.

2) PAYMENTS OF INTEREST OUT OF CAPITAL- The Company shall have the power to pay interest out of its capital on so much of the Shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act and other applicable Laws.

3) AMALGAMATION-Subject to provisions of these Articles the Company may amalgamate or cause itself to be amalgamated with any other person firm or body corporate subject to the provisions of the Act and other applicable Laws.

4) REDUCTION OF CAPITAL The Company may by a Special Resolution as prescribed by the Act reduce in any manner and in accordance with the provisions of the Act (a) its share capital and /or(b) any capital redemption reserve account and/or (c) any securities premium account and/or(d) any other reserves as may be available.

5) DEBENTURES- TERMS OF ISSUE OF DEBENTURES OR OTHER SECURITIES -Any Bonds, Debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles at a discount premium or otherwise by the Company and may be issued and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company and on the condition that they or any part of them may be convertible into Equity Shares of any denomination. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in General Meeting accorded by a Special Resolution.

7. DEMATERIALISATION

(a) Notwithstanding anything contained in these Articles and subject to provisions of the Act and applicable Laws, the Company shall be entitled to dematerialize pursuant to the provisions of the Depositories Act its Shares Debentures and other securities and offer securities for subscription in dematerialised form in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act and the regulations issued thereunder and other applicable Law. No Share certificate(s) shall be issued for the Shares held in a dematerialised form.

(b) Subject to applicable provisions of the Act, the Company shall issue, hold the securities (including Shares) with a Depository in electronic form, in which event the rights and obligations of the parties concerned, and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

(c) All securities held by a Depository shall be dematerialised and be held in fungible form. Nothing contained in Section 88, 89 and 186 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

(d) Rights of Depositories and Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(iii) Every person holding Shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his securities, which are held by a Depository.

(e) The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of Members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(f) Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of hard drives.

(g) Transfer of Securities:

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of Shares or other securities where such Shares or securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(h) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant securities thereof to the Depository immediately on allotment of such securities.

(i) Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(j) Except as specifically provided in these Articles, the provisions relating to joint holders of Shares, calls, lien on Shares, forfeiture of Shares and transfer and transmission of Shares shall be applicable to shares held in Depository so far as they apply to Shares held in physical form subject to the provisions of the Depositories Act.

(k) Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Act and the Company in that behalf.

(l) Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

1. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED LOST ORDESTROYED- If any certificate of shares be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, 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 deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued on payment of Rs. 20 for each certificate. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under Section 46 of the Act and the rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of members against the name of the person, to whom it has been issued, indicating the date of issue. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other act or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to issue of certificates for any other Securities, including Debentures, of the Company.

2. UNDERWRITING BROKERAGE-COMMISSION FORPLACING SHARES DEBENTURES ETC.-(a)Subject to the provisions of the Act and other applicable Laws the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any Shares or Debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares or Debentures of the Company provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. (b)The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act. (c)The Company may also in any issue pay such brokerage as may be lawful. (d)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 in accordance with applicable law.

LIEN

8. The Company shall, subject to applicable Law, have a first and paramount lien upon:

every Share (not being a fully paid-up Share) and every Debenture (not being a fully paid-up Debenture) registered in the name of each Member (whether solely or jointly with others); and the proceeds of sale thereof, for all monies (whether presently payable or not) called or payable at a fixed time in respect of such Share or Debenture.

No equitable interest in any Share or Debenture shall be created upon the footing or condition that this Article will have full effect. on all Shares/ Debenture (not being fully paid Shares/ Debentures) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company. Unless otherwise agreed in writing, the registration of a transfer of any Share or Debenture shall operate as a waiver of the Company's lien (if any) on such Share or Debenture.

Provided that the Board may at any time declare any Share or Debenture to be wholly or in part exempt from the provisions of this Article.

The fully paid-up Shares and fully paid-up Debentures shall be free from all lien. In the case of partly paid-up Shares or Debentures, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such Shares or Debentures.

9. 1) LIEN TO EXTEND TO DIVIDENDS, BONUSES AND INTEREST The Company's lien, if any, on a Share or Debenture shall extend to all dividends, bonuses, interest or other monies payable and bonuses declared from time to time in respect of such Share or Debenture.

2) ENFORCING LIEN BY SALE The Company may sell, in such manner as the Board thinks fit, any Shares or Debentures 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 (14) 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 Debenture or to the person entitled thereto by reason of his death or insolvency.

No Member shall exercise any voting right in respect of any Shares registered in his name on which any calls or other sums presently payable by him to the Company have not been paid or in regard to which the Company has exercised any right of lien.

10. 1) VALIDITY OF SALE To give effect to any such sale, the Board may authorise some person to execute an instrument of transfer of the Shares or Debentures sold to the purchaser thereof.

The purchaser shall be registered as the holder of the Shares or Debentures comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares or Debentures be affected by any irregularity or invalidity in the proceedings relating to the sale. The remedy of any person aggrieved by the sale shall be in damages only and exclusively against the Company.

Upon any such sale, the existing certificate(s) in respect of the Shares or Debentures sold shall stand cancelled and become null and void. The Board shall be entitled to issue a new certificate(s) in lieu thereof to the purchaser or purchasers concerned.

2) VALIDITY OF COMPANY'S RECEIPT The receipt by the Company of the consideration (if any) given for the Share or Debenture on the sale thereof shall (if necessary, subject to the execution of an instrument of transfer or a transfer by the relevant system, as the case may be) constitute a good title to the Share or Debenture. The purchaser shall be registered as the holder of the Share or Debenture.

3) APPLICATION OF SALE PROCEEDS The proceeds of any such 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. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares or Debentures before the sale) be retained by the Company to be treated as capital reserve.

11. 1) OUTSIDERS' LIEN NOT TO AFFECT COMPANY'S LIEN In exercising its lien, the Company shall be entitled to treat the registered holder of any Share or Debenture as the absolute owner thereof. Accordingly, the Company shall not (except as ordered by a court of competent jurisdiction or unless required by applicable Law) be bound to recognise any equitable or other claim to or interest in such Share or Debenture on the part of any other person, whether a creditor of the registered holder or otherwise.

The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

2) PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES ETC. The provisions of these Articles relating to lien shall apply *mutatis mutandis* to any other securities, including Debentures of the Company, to the extent applicable.

CALLS ON SHARES

12. 1) BOARD'S RIGHT TO MAKE CALLS ON SHARES The Board may, subject to the provisions of the Act and any other applicable Law, from time to time make such calls as it thinks fit upon the Members in respect of any monies unpaid on the Shares held by them (whether on account of the nominal value of the Shares or by way of premium) and not made payable at fixed times by the conditions of allotment.

Provided that no call shall exceed one-fourth (1/4) 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. A call or a condition of allotment for payment of a call may be revoked or postponed or altered at the discretion of the Board.

The power to make calls on Shares shall not be delegated to any other person except with the approval of the Shareholders by a resolution passed in a General Meeting.

2) NOTICE FOR CALL Each Member shall, subject to receiving at least fourteen (14) 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.

(i) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call in respect of one (1) or more Members as the Board may deem appropriate in any circumstances.

13. The Board of Directors may, when making a call, by resolution determine the date on which such call shall be deemed to have been made, not being earlier than the date of the resolution making such call. Thereupon, the call shall be deemed to have been made on the date so determined.

If no such date is determined, the call shall be deemed to have been made on the date when the resolution authorising such call was passed at the meeting of the Board. A call may be required to be paid in instalments.

14. 1) LIABILITY OF JOINT HOLDERS FOR -A CALL The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

2) CALLS TO CARRY INTEREST-If a member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at ten (10) per cent per annum or at such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

15. 1) DUES DEEMED TO BE CALLS 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 Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, such sum becomes payable.

2) EFFECT OF NON-PAYMENT OF SUMS In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest, expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

16. 1) PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST The Board may, subject to the provisions of the Act, including Section 50 of the Act, if it thinks fit: (a) agree to and receive from any Member willing to advance the same, all or any part of the monies due upon any Shares held by him beyond the sums actually called for; and (b) upon all or any of the monies so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding twelve per cent (12%) per annum (unless the Company in General Meeting shall otherwise direct) as may be agreed upon between the Board and the Member paying the sum in advance.

Such interest shall be payable until the monies would, but for such advance, become presently payable.

Nothing contained in this Article shall confer on the Member: (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the monies so paid by him, until the same would, but for such payment, become presently payable. The Board may at any time repay the amount so advanced.

2) MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY Any money (if any) which the Board shall, on the allotment of any Shares, require or direct to be paid by way of deposit, call or otherwise in respect of any Shares allotted by them shall, immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee and shall be paid by him accordingly.

3) MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his Share or Shares

which may for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner as the Board shall, from time to time and in accordance with these Articles, require or fix for the payment thereof.

17. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES ETC.-The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including Debentures of the Company to the extent applicable.

TRANSFER OF SHARES

18. 1) TRANSFERS AND REGISTER OF TRANSFERS

(a) Shares or other securities of any Member shall be freely transferable, subject to the provisions of the Act and these Articles. Any contract or arrangement between two or more persons in respect of the transfer of securities shall be enforceable as a contract.

(b) The Company shall keep a Register of Transfers and shall fairly and distinctly enter therein particulars of every transfer or transmission of any Shares. The Company shall use the common form of transfer as prescribed under the Act and Rules.

(c) Notwithstanding anything contained in the Act or these Articles, where the Shares or other securities are held with a Depository, the records of beneficial ownership may be served by such Depository on the Company by electronic mode or by delivery of floppies, discs, or any other electronic means as may be permitted by Law.

(d) The Company shall not be required to maintain a Register of Transfers for entering particulars of transfers and transmissions of Shares or other securities held in dematerialised form.

2) ENDORSEMENT OF TRANSFER In respect of any transfer of Shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company.

Alternatively, the Board may direct the issue of a fresh share certificate in lieu of and in cancellation of the existing certificate in the name of the transferee.

19. 1) INSTRUMENT OF TRANSFER

(a) The instrument of transfer of any Share shall be in writing and all the provisions of the Act, including Section 56 of the Act, and the Rules made thereunder shall be duly complied with in respect of all transfers of Shares and registration thereof. The Company shall use the common form of transfer as prescribed under the Act in all cases. In the case of transfer of Shares held in dematerialised form where no certificates have been issued, the provisions of the Depositories Act shall apply.

(b) The Board may decline to recognise any instrument of transfer unless: (i) the instrument of transfer is duly executed by or on behalf of both the transferor and the transferee and is in the form as prescribed in the Rules made under sub-section (1) of Section 56 of the Act; (ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates (if any) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (iii) the instrument of transfer is in respect of only one class of Shares.

(c) No fee shall be charged for registration of a transfer, transmission, probate, succession certificate, letters of administration, certificate of death or marriage, power of attorney, or any similar document.

2) EXECUTION OF TRANSFER INSTRUMENT Every instrument of transfer shall be executed by or on behalf of both the transferor and the transferee. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the Register of Members in respect thereof.

3) CLOSING OF REGISTER OF TRANSFERS AND MEMBERS Subject to compliance with the Act, including Section 91 of the Act, and other applicable Laws, the Board shall be empowered, on giving not less than seven (7) days' previous notice (or such other period as may be prescribed), to close/suspend the Register of Members, the Register of Transfers, and the register of Debenture holders at such time or times and for such period or periods not exceeding thirty (30) days at a time and not exceeding an aggregate of forty-five (45) days in each year, as it may deem expedient.

20. 1) DIRECTORS MAY REFUSE TO REGISTER TRANSFER Subject to the provisions of these Articles and Sections 58 and 59 of the Act or any other Law for the time being in force, the Board may, whether in pursuance of any power of the company under these Articles or otherwise decline or refuse to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in or debentures of the Company. The Board shall provide sufficient cause for such refusal within a period of thirty (30) days from the date on which the instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company.

The Company shall, within a period of thirty (30) days from the date on which the instrument of transfer or the intimation of transmission was delivered to it, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Company has a lien on the Shares. Transfer of Shares or Debentures shall not be refused on the ground of the proposed lot size.

2) TRANSFER OF PARTLY PAID SHARES Where, in the case of partly paid Shares, an application for registration is made by the transferor alone, the transfer shall not be registered unless the Company gives notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

3) TITLE TO SHARES OF DECEASED MEMBERS In case of the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or legal representative(s) where he was a sole holder, shall be the only person(s) recognised by the Company as having any title to his interest in the Shares.

21. TRANSFERS NOT PERMITTED No Share shall in any circumstances be transferred to any infant insolvent or a person of unsound mind except fully paid Shares through a legal guardian.

TRANSMISSION OF SHARES

22. TRANSMISSION OF SHARES

(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 under sub-Article (i) above 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.

(iii) Subject to the provisions of the Act and these Articles, any person becoming entitled to Shares in consequence of the death, or insolvency of any Member or by any other lawful means (other than by a transfer in accordance with these Articles) may, with the consent of the Board (which it shall not be under any obligation to give) and upon producing such evidence as the Board thinks sufficient to establish his entitlement or the character in respect of which he proposes to act under this Article, elect to:

(a) be registered himself as the holder of the Shares; or (b) have some person nominated by him and approved by the Board registered as the holder of the Shares; or (c) make such transfer of the Shares as the deceased or insolvent Member could have made.

(iv) 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.

(v) If the person so becoming entitled elects to be registered himself as the holder of the Share, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(vi) If he elects to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions contained in these Articles. Until he does so, he shall not be freed from any liability in respect of the Shares.

(vii) All limitations, restrictions and provisions of these Articles 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.

23. RIGHTS ON TRANSMISSION

(i) A person becoming entitled to a Share by reason of the death or insolvency of the holder shall, subject to the Board's right to retain such dividends or other monies, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share.

(ii) However, 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.

(iii) Provided that the Board may at any time give notice requiring any such person to elect either: (a) to be registered himself as the holder of the Share; or (b) to transfer the Share.

(iv) If the notice is not complied with within ninety (90) days from the date of the notice, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of such Share until the requirements of the notice have been complied with.

24. (i) SHARE CERTIFICATES TO BE SURRENDERED -Before the registration of a transfer the certificate or certificates of the Share or Shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

25. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of any person having or claiming any equitable right, title or interest in the said Shares. This shall apply notwithstanding that the Company may have had notice of such equitable rights, title or interest.

The Company shall not be bound by or required to regard, attend to, or give effect to any notice which may be given to it of any equitable rights, title or interest, nor shall the Company be under any liability whatsoever for refusing or neglecting to do so, even though it may have been entered or referred to in some book of the Company.

Provided that the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board in its absolute discretion thinks fit.

26. TRANSFER AND TRANSMISSION OF DEBENTURES-The provisions of these Articles shall mutatis mutandis apply to the transfer of or the transmission by Law of the right to any securities including Debentures of the Company.

LOCK-IN OF EQUITY SHARES IN CONNECTION WITH THE INITIAL PUBLIC OFFERING OF THE COMPANY

(i) Notwithstanding anything to the contrary contained in these Articles, where any Equity Share held by persons other than promoters are required to be locked-in under Regulation 17 of the SEBI ICDR Regulations and such lock-in cannot be created or recorded by Depositories for any reasons whatsoever including where such Equity Shares are (i) subject to pledge; or (ii) under "freeze balance" or "safekeep balance", latest by a day prior to the commencement of the Lock-in Period, the Company shall have the power to issue instructions to the Depositories, directing them to record

such Equity Shares as "non-transferable" for the duration of the applicable lock-in period. The aforementioned Equity Shares shall be treated as locked-in for the Lock-in Period as specified under the SEBI ICDR Regulations.

(ii) In the event of invocation of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so transferred or received by the pledgee upon such invocation shall be automatically locked-in and shall remain under lock-in, in the account of the pledgee, for the balance Lock-in Period.

(iii) In the event of release of the pledge of such Equity Shares by the pledgee, whether in whole or in part, the Equity Shares so released be automatically locked-in and shall remain under lock-in, in the account of the pledgor, for the balance Lock-in Period.

(iv) Notwithstanding anything contained in these Articles, provisions of this Article shall override any other provisions in these Articles relating to the transfer and transmission of Shares during the applicable Lock-in Period.

(v) Notwithstanding anything to the contrary contained in these Articles, Equity Shares held by promoters shall be locked-in as per the provisions of the Regulation 16 of the SEBI ICDR Regulations and pledged in accordance with Regulation 21 of the SEBI ICDR Regulations.

For the purposes of the above Articles, (a) "Lock-in Period" means the period, in case of an initial public offering, for which the entire pre-issue capital of the Company held by persons other than the promoters is locked-in, in accordance with Regulation 17 of the SEBI ICDR Regulations; and (b) "SEBI ICDR Regulations" shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements, Regulations, 2018, as amended or re-enacted or replaced from time to time.

FORFEITURE OF SHARES

27. BOARD TO HAVE A RIGHT TO FORFEIT SHARES- If a Member fails to pay any call or instalment of a call or any money due in respect of any share on or before 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 or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

28. 1) NOTICE FOR FORFEITURE The notice referred to above shall: (a) name a further day (not being earlier than the expiry of fourteen (14) days from the date of service of the notice) and a place or places at which the call or instalment, together with any interest and expenses, shall be paid; 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.

If the requirements of any such notice are not complied with, any Share in respect of which the notice has been given may, at any time thereafter and before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

1. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any Shares, nor any part payment or satisfaction thereof, nor the receipt by the Company of a portion of any money which may from time to time be due from any Member in respect of any Shares (either by way of principal or interest), nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the forfeiture of such Shares as herein provided.

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable Law.

2. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY Any Share forfeited in accordance with these Articles shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board thinks fit.

3. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS When any Share has been forfeited, notice of the forfeiture shall be given to the defaulting Member. An entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members. However, no forfeiture shall be invalidated by any omission or neglect or failure to give such notice or to make such entry as aforesaid.

29. 1) MEMBER TO BE LIABLE EVEN AFTER FORFEITURE A person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares. However, notwithstanding the forfeiture, he shall remain liable to pay, and shall 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.

All such monies shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit (but without being under any obligation to do so), enforce the payment of the whole or any portion of the monies due without any allowance for the value of the Shares at the time of forfeiture or waive payment in whole or in part.

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.

2) EFFECT OF FORFEITURE The forfeiture of a Share shall involve the extinction, at the time of forfeiture, of all interest in and all claims and demands against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as are expressly saved by these Articles.

30. 1) CERTIFICATE OF FORFEITURE 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.

Such declaration and the receipt of the Company for the consideration, if any, given for the Share on any sale, re-allotment or disposition thereof shall constitute a good title to such Share. The person to whom any such Share is sold or disposed of shall be registered as the holder of such Share and shall not be bound to see to the application of the purchase money. His title to such Share shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

2) TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES The Company may receive the consideration, if any, given for the Share on any sale, re-allotment 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.

The transferee shall thereupon be registered as the holder of the Share. 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, re-allotment or disposal of the Share.

31. 1) VALIDITY OF SALES Upon any sale made after forfeiture or for enforcing a lien in purported exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold. After the purchaser's name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person.

2) CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the Share certificate(s), if any, originally issued in respect of the relative Shares shall (unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect. The Board shall be entitled to issue a duplicate Share certificate(s) in respect of the said Shares to the person(s) entitled thereto.

3) BOARD ENTITLED TO CANCEL FORFEITURE The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such terms and conditions as it thinks fit.

32. (i) A duly verified declaration in writing that the declarant is a Director, the Manager, or the Secretary of the Company and that a Share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

(i) 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.

(ii) The transferee shall thereupon be registered as the holder of the Share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

33. 1) SUMS DEEMED TO BE CALLS The provisions of these Articles 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.

2) PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES ETC. The provisions of these Articles relating to forfeiture of Shares shall apply *mutatis mutandis* to any other securities, including Debentures of the Company, to the extent applicable.

ALTERATION OF CAPITAL

34. 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.

35. (i) The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any Share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

(ii) The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

36. CONVERSION OF SHARES INTO STOCK AND RECONVERSION INTO SHARES

The Company may, in General Meeting, by an Ordinary Resolution, convert any fully paid-up Shares into stock and reconvert any stock into fully paid-up Shares of any denomination.

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 Articles as and subject to which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. The Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the Shares from which the stock arose;

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the Shares from which the stock arose. However, 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 Articles of the Company as are applicable to paid-up Shares shall apply to stock, and the words "Share" and "Shareholder" / "Member" shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by applicable Laws-

(a) it shares capital;

(b) any capital redemption reserve account or

(c) any share premium account.

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its Shares in respect of Share Capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its Shares, cancel paid up Share Capital which is lost or is unrepresented by available assets; or (iii) either with or without extinguishing or reducing liability on any of its Shares, pay off any paid up Share Capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its Share Capital and of its Shares accordingly.

CAPITALISATION OF PROFITS

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve –

(a) that it is desirable to capitalize 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.

(i) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision below, 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 or any other permissible 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 Article.

39. POWER OF DIRECTORS FOR DECLARATION OF BONUSISSUE

(i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-

(a) make all appropriations and applications of the undivided profits/ reserves resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other Securities, 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 or other Securities to which they may be entitled upon such capitalization, 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

capitalized, 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

40. Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own Shares or other specified Securities.

GENERAL MEETINGS

41. 1) ANNUAL GENERAL MEETINGS - (a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year. (b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act and other applicable Laws.

2) EXTRAORDINARY GENERAL MEETINGS - All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meeting. The Board may whenever it thinks fit call an Extraordinary General Meeting. 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.

3) EXTRAORDINARY MEETINGS ON REQUISITION – The Board shall on the requisition of Members convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

42. 1) NOTICE FOR GENERAL MEETINGS

Save as permitted under the Act, a General Meeting of the Company may be called by giving not less than clear twenty-one (21) days' notice in such manner as is prescribed under the Act specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings. Members may participate in General Meetings through such modes as permitted by applicable Laws.

2) SHORTER NOTICE ADMISSIBLE Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty-one (21) days.

3) CIRCULATION OF MEMBERS' RESOLUTIONS The Company shall comply with the provisions of the Act as to giving notice of resolutions and circulating statements on the requisition of Members.

4) SPECIAL AND ORDINARY BUSINESS (a) Subject to the provisions of the Act, all business transacted at an Annual General Meeting shall be deemed special, with the exception of:

(i) declaration of any dividend;

(ii) consideration of the financial statements and the reports of the Board of Directors and the Auditors;

(iii) appointment of Directors in place of those retiring; and

(iv) appointment of and fixing the remuneration of the Auditors.

(v) In the case of any other meeting, all business shall be deemed special.

(vi) In the case of special business, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

5) QUORUM FOR GENERAL MEETINGS The quorum for General Meetings shall be as provided in Section 103 of the Act. No business shall be transacted at any General Meeting unless the requisite quorum is present at the time when the meeting proceeds to business.

6) TIME FOR QUORUM AND ADJOURNMENT Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting a quorum is not present, the meeting: if called upon the requisition of Members, shall be cancelled; and in any other case, shall stand adjourned to the same day in the next week (not being a National Holiday) at the same time and place, or to such other day and at such other time and place as the Board may determine.

If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall constitute the quorum and may transact the business for which the meeting was called.

PROCEEDINGS AT GENERAL MEETINGS

43. (i) No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.

(i) CHAIRMAN OF GENERAL MEETING- The Chairman of the Board of Directors shall preside as chairman at every General Meeting of the Company.

(ii) ELECTION OF CHAIRMAN-Subject to the provisions of the Act if at any meeting the Chairman is not present within fifteen (15) minutes after the time appointed for holding the meeting or is unwilling to act as chairman the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair then the Members present shall choose a Member to be the chairman thereof on a show of hands.

44. BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR IS VACANT - No business shall be discussed at any General Meeting except the election of the Chairman whilst the chair is vacant. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under Article 44(1) shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll and such other person shall be the Chairman for the rest of the meeting.

45. 1) VOTING AT MEETING- At any General Meeting a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting whose decision shall be final and conclusive.

2) DECISION BY POLL If a poll is duly demanded in accordance with the provisions of the Act it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

46. CASTING VOTE OF CHAIRMAN- In case of equal votes whether on a show of hands or on a poll the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

47. PASSING OF RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding anything contained in these Articles, the Company may, and in the case of resolutions relating to such business as is notified under the Act to be passed by postal ballot, shall get any resolution passed by means of a postal ballot instead of transacting the business in a General Meeting of the Company.

(b) Where the Company decides to pass any resolution by postal ballot, it shall follow the procedure as prescribed under the Act and the Rules made thereunder.

(c) If a resolution is assented to by the requisite majority of the Shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

(d) The Company shall cause minutes of the proceedings of every General Meeting of any class of Members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by applicable Law and kept by making, within thirty (30) days of the conclusion of every such meeting or passing of resolution by postal ballot, entries thereof in books kept for that purpose with their pages consecutively numbered.

There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting: (i) is or could reasonably be regarded as defamatory of any person; (ii) is irrelevant or immaterial to the proceedings; or (iii) is detrimental to the interests of the Company.

ADJOURNMENT OF MEETING

48. Subject to the provisions of the Act, the Chairperson of a General Meeting may, with the consent of the 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.

No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting.

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

49. VOTING RIGHTS OF MEMBERS -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 holding Equity Shares and present in person shall have one (1) vote. (b) On a poll every Member holding Equity Shares shall have voting rights in proportion to his share in the paid-up equity share capital of the Company. A Member may exercise his vote at a meeting by electronic means in accordance with the Section 108 of the Act and shall vote only once

50. VOTING BY JOINT-HOLDERS -In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders .

51. (i) VOTING BY MEMBER OF UNSOUND MIND-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 legal guardian may on a poll vote by proxy.

52. VOTES IN RESPECT OF SHARES OF DECEASED OR INSOLVENT MEMBERS ETC.-Subject to the provisions of the Act and other provisions of these Articles any person entitled under the transmission clause as specified in Article 77 to any Shares may vote at any General Meeting in respect thereof as if he was the registered holder of such Shares provided that at least forty eight (48) hours before the timing of holding the meeting or adjourned meeting as the case may be at which heshe proposes to vote heshe shall duly satisfy the Board of his/her right to such Shares unless the Board shall have previously admitted his/her right to vote at such meeting in respect thereof. Several executors or administrators of a deceased Member in whose name any Share is registered shall for the purpose of this Article be deemed to be Members registered jointly in respect thereof.

53. NO RIGHT TO VOTE UNLESS CALLS ARE PAID-No Member shall be entitled to vote at any General Meeting either personally or by proxy unless all calls or other sums presently payable by such Member have been paid or in regard to which the Company has lien and has exercised any right of lien.

54. EQUAL RIGHTS OF MEMBERS- Any Member whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other Members of the same class.

55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

56. Proxy

1. Subject to the provisions of the Act and these Articles, any Member entitled to attend and vote at a General Meeting may do so either personally or by his constituted attorney or by another person as his proxy on his behalf for that meeting.

2. INSTRUMENT OF PROXY An instrument appointing a proxy shall be in the form as prescribed under Section 105 of the Act.

The instrument appointing a proxy shall be in writing:

- under the hand of the appointer or of his attorney duly authorised in writing; or
- if the appointer is a body corporate, either under its common seal (if any) or under the hand of an officer or attorney duly authorised in writing by it.

Any person, whether or not he is a Member of the Company, may be appointed as a proxy.

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 must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time fixed 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 twenty-four (24) hours before the time appointed for the taking of the poll. In default, the instrument of proxy shall not be treated as valid.

57. 1) VALIDITY OF PROXY: 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 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 registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

2) CUSTODY OF THE INSTRUMENT Any instrument of appointment of proxy deposited as aforesaid shall remain permanently in the custody of the Company or for such time as the Board may determine.

58. REPRESENTATIVE OF CORPORATE MEMBERS

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company.

The person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he/she represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

BOARD OF DIRECTORS

59. (i) Unless otherwise determined by General Meeting by Special Resolution the number of Directors shall not be less than three and not more than 15 and at least one (1) Director shall be resident of

India in the previous year, including all kinds of Directors. The Company shall appoint such number of women and independent directors as may be required by the applicable laws to the Company.

(i) The first Directors of the Company were:

(1) Shri Parmeshwar Das Agarwal

(2) Shri Parmanand Agarwal

(3) Shri Radha Kishan Agarwal

(4) Shri Sanjay Agarwal

(ii) SHARE QUALIFICATION NOT NECESSARY- Subject to applicable Law any person whether a Member of the Company or not may be appointed as Director and a Director shall not be required to hold any qualification Shares in the Company.

ADDITIONAL DIRECTOR-

(iii) Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a person as an Additional Director, provided that the number of Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the Act.

(iv) Such person shall hold office only up to 3 months from the date of his/her appointment of or upto the date of the next Annual General Meeting (As per LODR)the Company but shall be eligible for appointment being regularised by the Shareholders at that meeting, subject to the provisions of the Act.

ALTERNATE DIRECTOR-

(a) The Board may appoint a person, not being a person holding any alternate directorship for any other Director in the Company, as an Alternate Director to act for a director (hereinafter referred to as the Original Director) during his absence from India for a period of not less than three months.

Provided that such person proposed to be appointed as an Alternate Director is not a person who has failed to get appointed as a Director in a General Meeting.

No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act and other applicable Laws.

(b) An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

If the term of office of the Original Director is determined before he returns to India, the automatic re-appointment of a retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

NOMINEE DIRECTOR-

(i) Subject to the provisions of the Act, so long as any monies remain owing by the Company to financial institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any non-banking financial company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies or financial institutions hold or continue to hold debentures /Shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "Corporation") so provides, the Corporation may, in pursuance of the provisions of any Applicable Law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as "Nominee Director(s)") on the

Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

60. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

(i) Subject to the provisions of the Act and these Articles, if the office of any Director appointed by the Company in General Meeting is vacated before his/her term of office expires in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. Such appointment shall be subsequently approved by the Members in the immediate next General Meeting, in accordance with applicable Law.

The person so appointed shall hold office only up to the date up to which the Director in whose place he/she is appointed would have held office if it had not been vacated.

REMUNERATION OF DIRECTORS

(ii) (a) A Director (other than a managing director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any Committee thereof attended by him/her, in addition to his/her travelling, boarding, lodging and other expenses incurred.

(iii) The remuneration of Directors, including Managing Director and/or Whole-time Director, may be paid in accordance with and subject to the applicable provisions of the Act.

(iv) (b) The Board of Directors may allow and pay or reimburse to any Director who is not a bona fide resident of the place where a meeting of the Board or of any Committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling and out-of-pocket expenses (including hotel expenses).

(v) (c) The Managing Director and Whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company, subject to the applicable provisions of the Act.

(vi) (d) The Board may pay all expenses incurred in setting up and registering the Company.

REMUNERATION FOR EXTRA SERVICES Subject to the provisions of the Act, remuneration for services rendered by a Director which are of a professional nature shall not be included as part of the remuneration paid to him/her as a Director.

61. CONTINUING DIRECTORS' MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board. However, if and so long as their number is reduced below the quorum fixed by the Act or these Articles, the continuing Directors or Director may act only for the purpose of:

- increasing the number of Directors to such quourum; or
- summoning a General Meeting of the Company,

and for no other purpose.

VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated in the circumstances enumerated under the Act.

62. ROTATION AND RETIREMENT OF DIRECTORS

1. Save as otherwise expressly provided in the Act and these Articles, not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and shall be appointed by the Company in General Meeting.

For the purposes of this Article, the total number of Directors shall not include Independent Directors appointed on the Board of the Company.

2. Subject to the above, at the Annual General Meeting of the Company to be held every year, one-third of such of the Directors as are liable to retire by rotation for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third, shall retire from office.

The Directors so retiring shall be eligible for re-election.

63. RETIRING DIRECTORS' ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election. The Company, at the Annual General Meeting at which a director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

WHICH DIRECTOR TO RETIRE

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment. As between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

64. REMOVAL OF DIRECTORS -Removal of any Director before the expiration of his/her period of office shall be in accordance with the provisions of the Act the Listing Regulations (to the extent applicable) and other applicable Laws.

65. 1) DIRECTORS NOT LIABLE FOR RETIREMENT BY ROTATION

(i) The Company in General Meeting may, when appointing a person as a Director, declare that his/her continued presence on the Board of Directors is of advantage to the Company and that his/her office as Director shall not be liable to be determined by retirement by rotation for such period or until the happening of any event or contingency as may be set out in the said resolution.

1. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

(i) A Director of the Company may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise. No such Director shall be accountable for any benefits received as a director or member of such company, subject to compliance with the applicable provisions of the Act.

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office after giving him a reasonable opportunity of being heard and may, by an Ordinary Resolution, appoint another person instead. Provided that an Independent Director re-appointed for second term under the provisions of the Act shall be removed by the Company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

PROCEEDINGS OF THE BOARD

66. MEETINGS OF THE BOARD

a. The Board of Directors shall meet at least once in every three (3) months with a maximum gap of one hundred and twenty (120) days between two (2) meetings of the Board of Directors for the conduct of business, adjourn and otherwise regulate its meetings and proceedings, as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the Chairman of the Board.

b. The Chairman may, at any time, and the Secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of a Director shall, at any time, summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at their address registered with the Company, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting and in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at

least one Independent Director, if any. The notice of each meeting of the Board shall include (i) the date and time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

67. PROCEEDINGS OF THE BOARD

1. QUESTIONS AT BOARD MEETINGS HOW DECIDED - Subject to the provisions of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

2. QUORUM - Subject to the provisions of Section 174 of the Act and other applicable Law, the quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two (2) Directors, whichever is higher.

   The participation of the Directors by video conferencing or other audio visual means shall also be counted for the purposes of quorum.

   Where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors (i.e., the number of Directors who are not interested) present at the meeting, being not less than two (2), shall be the quorum during such time.

   For the purposes of this Article:

   "Total strength" of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting (i.e., after deducting the number of Directors, if any, whose places are vacant at the time).

   "Interested Director" means any Director whose presence cannot, by reason of applicable provisions of the Act, be counted for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on the concerned matter or resolution.

3. ADJOURNED MEETING Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine.

4. ELECTION OF CHAIRMAN OF THE BOARD The Board may elect a Chairman of its meetings and determine the period for which he/she is to hold office.

   If no such Chairman is elected, or if at any meeting the Chairman is not present within five (5) minutes after the time appointed for holding the meeting, the Directors present may choose one among themselves to be the Chairman of the meeting.

68. POWERS OF DIRECTORS

1. (a) The Board may exercise all such powers of the Company and do all such acts and things as are not by the Act or any other applicable Law or by the Memorandum or by these Articles required to be exercised by the Company in a General Meeting.

   This power is subject nevertheless to these Articles, to the provisions of the Act or any other applicable Law, and to such regulations (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in a General Meeting. However, no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

   (b) 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.

2. DELEGATION OF POWERS

   (a) 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.

(b) 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.

69. (a) Subject to the requirements prescribed under the Act, the Listing Regulations, and any other applicable Laws, a Committee may elect a Chairman of its meetings. If no such Chairman is elected, or if at any meeting the Chairman is not present within five (5) minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the Chairman of the Committee meeting.

(b) Subject to the requirements prescribed under the Act, the Listing Regulations, and any other applicable Laws, the quorum for a meeting of a Committee may be fixed by the Board of Directors.

70. 1) QUESTIONS HOW DETERMINED

(a) A Committee may meet and adjourn as it thinks fit.

(b) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

1. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE All acts done by any meeting of the Board or of a Committee thereof, or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, or that his or their appointment had terminated, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

71. RESOLUTION BY CIRCULATION

No resolution shall be deemed to have been duly passed by the Board or a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or members of the committee, as the case may be, at their addresses registered with the Company, in India by hand delivery or by post or by courier, or through such electronic means, as prescribed under the Act, and has been approved by a majority of the Directors or members, who are entitled to vote on the resolution. Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board. A resolution passed in accordance with Section 175(1) of the Act shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register. The Board may (subject to the provisions of the said Section) make and vary such regulations as it may think fit in respect of the keeping of any such register.

72. BORROWING POWERS

(i) (a) Subject to the provisions of Sections 73, 179 and 180 of the Act, these Articles and other applicable Laws, the Board may, from time to time, at its discretion, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company in such manner and upon such terms and conditions in all respects as it thinks fit.

(ii) In particular, the Board may raise or secure such monies by the issue of bonds, debentures (perpetual or otherwise, including debentures convertible into shares of this Company or any other company) or perpetual annuities, or by promissory notes, or by receiving deposits and advances with or without security, or by mortgage, pledge or charge of the whole or any part of the property, assets or revenue of the Company (present or future), including its uncalled capital, by special assignment or otherwise, or by transfer or conveyance of the same absolutely or in trust. The Board may also give lenders powers of sale and other powers as may be expedient and may purchase, redeem or pay off any such securities.

(iii) Provided however that the moneys to be borrowed, together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), shall not, without the sanction of the Company by a Special Resolution at a

General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves and securities premium.

(iv) Every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(v) (a) The Directors may, by resolution at a meeting of the Board, delegate the power to borrow money (otherwise than on debentures) to a Committee of Directors, the Managing Director, or any other person permitted by applicable Law, within the limits prescribed.

(vi) (a) To the extent permitted under applicable Law and subject to compliance with the requirements thereof, the Board shall be empowered to grant loans to such entities at such terms as it may deem appropriate and in the interest of the Company.

73. 1) REGISTERS-The Company shall keep and maintain at its registered office or at any other place in India as may be permitted by the Act and Rules all statutory registers including register of charges register of members register of debenture holders register of any other security holders the register and index of beneficial owners and annual return register of loans guarantees security and acquisitions register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may unless otherwise prescribed decide and in such manner and containing such particulars as prescribed by the Act and the Rules.

74. MANAGING DIRECTOR(S) AND/OR WHOLE-TIME DIRECTORS

Subject to the provisions of the Act and these Articles (including Article 111):

(a) The Board shall have power to appoint from time to time, in accordance with applicable Laws, one or more of their Directors to be Managing Director(s) or Whole-time Director(s) of the Company for such term, at such remuneration and upon such terms and conditions as the Board may think fit.

Provided that, if permitted under applicable Law, an individual can be appointed or re-appointed or continue as Chairman of the Company as well as Managing Director or Chief Executive Officer of the Company at the same time.

(b) The Board may from time to time resolve that there shall be one or more Managing Director(s) and/or Whole-time Director(s).

(c) In the event of any vacancy arising in the office of a Managing Director and/or Whole-time Director, the vacancy shall be filled by the Board of Directors, subject to the approval of the Members as required under applicable Law.

(d) If a Managing Director and/or Whole-time Director ceases to hold office as Director, he/she shall *ipso facto* and immediately cease to be a Managing Director/Whole-time Director.

(e) The Managing Director shall not be liable to retirement by rotation as long as he/she holds office as Managing Director.

(f) Notwithstanding anything contrary contained in the Articles of Association and in accordance with the Applicable Law, the Board of Directors shall have the power to appoint the same individual to hold and occupy both the positions, of the Chairman and of the Managing Director or chief executive officer (CEO), in the Company.

75. POWERS AND DUTIES OF MANAGING DIRECTOR / WHOLE-TIME DIRECTOR

The Managing Director(s) and/or Whole-time Director(s) shall, subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable by the Board of Directors under these Articles as the Board may think fit and confer upon them.

The Board may confer such powers for such time and to be exercised in such manner as it may think expedient. The Board may confer such powers either collaterally with or to the exclusion of, or in substitution for, all or any of the powers of the Board of Directors in that behalf. The Board may from time to time revoke, withdraw, alter or vary all or any of such powers.

The Managing Director(s) and/or Whole-time Director(s) shall exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's directions.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

76. Subject to the provisions of the Act –

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the Chairperson of the Company as well as the Managing Director or chief executive officer of the Company at the same time.

(iii) A provision of the Act or these Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer

THE SEAL

77. SEAL HOW AFFIXED-The Board may provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and in the presence of at least one Director and of the company secretary or such other person duly authorised by the Board of Directors or a committee of Directors who shall sign every instrument to which the seal is so affixed in his presence. The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Board or any other person duly authorised for the purpose. Provided that if the Company does not have a common seal, it may authorise any person, either generally or in respect of any specified matters, as its attorney to execute other deeds on its behalf in any place either in or outside India, in compliance with the provisions of Section 22 of the Act.

DIVIDENDS AND RESERVE

78. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS the company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

79. INTERIM DIVIDENDS- Subject to the provisions of the Act the Board may from time to time pay to the Members such interim dividends of such amount on such class of Shares and at such times as it may think fit and as appear to it to be justified by the profits of the Company.

80. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

(a) Where any amount is paid in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared. .

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "B.S. Sponge Limited- Unpaid Dividend Account"

No unpaid or unclaimed dividend shall bear interest as against the Company.

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act, subject to the provisions of the Act and the Rules, and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.

(d) The Company shall, within a period of ninety (90) days of making any transfer of an amount as stated above to the unpaid dividend account, prepare a statement containing the names, their last known addresses, and the unpaid dividend to be paid to each person. The Company shall place it on the website of the Company (if any) and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be prescribed.

If any default is made in transferring the total amount referred to in sub-article (b) or any part thereof to the unpaid dividend account of the Company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account at the rate of twelve per cent (12%) per annum. The interest accruing on such amount shall ensure to the benefit of the members of the Company in proportion to the amount remaining unpaid to them.

(e) All Shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company in the name of the Investor Education and Protection Fund, subject to the provisions of the Act and the Rules.

(f) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by applicable Law.

(g) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

81. DIVISION OF PROFITS

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.

However, 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.

No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of this Article as paid on the Share.

DIVIDENDS TO BE APPORTIONED

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.

However, 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.

82. RESERVE FUNDS

(a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves. Such reserves shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends.

Pending such application, the reserves may, at the like discretion of the Board, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may from time to time think fit.

(b) 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) DEDUCTION OF ARREARS-Subject to the Act no Member shall be entitled to receive payment of any interest or dividend in respect of his Share or Shares whilst any money may be due or owing from him to the Company in respect of such Share or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money if any presently payable by him to the Company on account of the calls or otherwise in relation to the Shares of the Company.

84. RECEIPT OF JOINT HOLDER: Any one of two or more joint holders of a share may give effective receipts for any dividend's, bonuses, or other monies payable in respect of such share.

85. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or 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.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

The Company shall not be liable for any cheque or warrant lost in transmission or for any dividend lost to the Member or person entitled thereto by the forged endorsement of a cheque or warrant or the fraudulent recovery thereof by any other means.

86. DIVIDENDS NOT TO BEAR INTEREST

No dividend shall bear interest against the Company.

TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of Shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

ACCOUNTS

87. ACCOUNTS

1. WHERE BOOKS OF ACCOUNTS TO BE KEPT - The books of account shall be kept at the registered office of the Company or at such other place in India as the Board thinks fit, in accordance with the applicable provisions of the Act.

2. INSPECTION BY DIRECTORS The books of account and books and papers of the Company or any of them shall be open to the inspection of Directors in accordance with the applicable provisions of the Act.

3. INSPECTION BY MEMBERS The Board of Directors or any Committee thereof 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 and documents and registers of the Company or any of them shall be open to the inspection of the Members. No Member (not being a Director) shall have any right of inspecting any account or books or documents or registers of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

4. AUDITORS Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties, etc. of the Auditors (whether Statutory or Internal Auditor) shall be in accordance with the provisions of the Act and the Rules made thereunder.

5. 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 Laws or authorised by the Board or by the company in general meeting.

SERVICE OF DOCUMENTS AND NOTICES

A. MEMBERS TO NOTIFY ADDRESS IN INDIA Each registered holder of Shares from time to time shall notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

B. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS If a Member has no registered address in India and has not supplied to the Company any address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

C. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS A document may be served by the Company on the persons entitled to a Share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased or assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled. Until such an address has been so supplied, the document may be served in any manner in which the same might have been served as if the death or insolvency had not occurred.

6. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS Subject to the provisions of the Act and these Articles, notice of General Meetings shall be given: (a) to the Members of the Company as provided by these Articles; (b) to the persons entitled to a Share in consequence of the death or insolvency of a Member; (c) to the Directors of the Company; and (d) to the Auditors for the time being of the Company.

(i) Provided that in case of Members who are joint holders, notice shall be given to the joint holder who is first named on the Register of Members.

7. NOTICE BY ADVERTISEMENT Subject to the provisions of the Act, any document required to be served or sent by the Company on or to the Members or any of them and not expressly provided for by these Articles shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the registered office is situated.

8. NOTICE BY ELECTRONIC MEANS Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly where a Member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address without acknowledgement due. The Company shall provide each Member an opportunity to register his email address and change therein from time to time with the Company or the concerned Depository.

9. MEMBERS BOUND BY DOCUMENT SERVED TO PERSON FROM WHOM TITLE IS DERIVED Every person who by the operation of Law, transfer or other means whatsoever shall become entitled to any Shares shall be bound by every document in respect of such Share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he/she derived his/her title to such Share.

(i) Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Secretary (if any) or officer as the Board may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

88. 1) Winding up when necessary will be done in accordance with the provisions of Chapter XX of the Act and other applicable Law.

(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.

(iv) Any person who is or has been a Director or manager, their liability shall be in accordance with the provisions of the Act.

INDEMNITY

89. INDEMNITY

1. DIRECTORS AND OTHERS RIGHT TO INDEMNITY Subject to the provisions of the Act and other applicable Law, every Director and Officer of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which such Director, Manager, Company Secretary or officer may incur or become liable to by reason of any contract entered into or act done by him/her in his/her capacity as such Director, Manager, Company Secretary or officer, including in relation to defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour or in which he/she is acquitted or in which relief is granted to him/her by the court or the Tribunal.

2. NOT RESPONSIBLE FOR ACTS OF OTHERS Subject to the provisions of the Act: (a) No Director, Manager, Company Secretary or officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his/her part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his/her office or in relation thereto, unless the same happens through his/her own willful act or default. (b) Without prejudice to the generality of the foregoing, it is hereby expressly declared that any filing fee payable or any document required to be filed with the Registrar of Companies in respect of any act done or required to be done by any Director or other officer by reason of his/her holding the said office shall be paid and borne by the Company.

3. INSURANCE The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

4. GENERAL POWER Wherever in the Act it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

5. OVERRIDING EFFECT OF LAW At any point of time from the date of adoption of these Articles, if these Articles are or become contrary to the provisions of the Act, the Rules, the Listing Regulations and any other applicable Laws, the provisions of the Act, the Rules, the Listing Regulations and other applicable Laws shall prevail over these Articles to such extent. The Company shall at all times discharge all of its obligations as prescribed under applicable Laws from time to time.

OTHERS

90. SECRECY-

Every manager, auditor, trustee, member of a Committee, officer, servant, agent, accountant or other Persons employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bona fide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by Applicable Laws and except so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act and other applicable Laws or framework/ policies maintained by the Company in compliance with applicable Law.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been executed, entered into or to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are, or may be deemed, material, will be attached to the copy of the Red Herring Prospectus to be filed with the RoC. Copies of the contracts, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office, from 10.00 a.m. to 5.00 p.m. on Working Days and will also be available on the website of our Company at www.bsstmx.com/initial-public-offer, from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such documents or 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 contained in the Companies Act and other relevant laws.

Material contracts to the Offer

1. Offer Agreement dated September 30, 2026, entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated September 30, 2026, entered into among our Company, the Selling Shareholders and Registrar to the Offer.

3. Cash Escrow and Sponsor Banks Agreement dated [●], 2026 entered into among our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, Bankers to the Offer and the Registrar to the Offer.

4. Share Escrow Agreement dated [●], 2026 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●], 2026 entered into among the Members of the Syndicate, our Company, the BRLMs, the Selling Shareholders and the Registrar to the Offer.

6. Monitoring Agency Agreement dated [●], 2026 entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●], 2026 entered into among our Company, the Selling Shareholders, and the Underwriters.

Material documents in relation to the Offer

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.

2. Certificate of incorporation dated June 12, 2000, issued by the Registrar of Companies, West Bengal.

3. Fresh Certificate of incorporation dated September 9, 2026, issued by the Registrar of Companies, Central Processing Centre, in the name of B.S. Sponge Limited pursuant to the conversion of our Company from private to public company.

4. The resolution of our Board dated September 16, 2026, approving the Offer and other related matters.

5. The resolution of our Shareholders' dated September 16, 2026, authorising the Fresh Issue.

6. Resolution of our Board dated September 30, 2026, taking on record the consent of the Selling Shareholders to participate in the Offer for Sale.

7. The resolution of our Board dated September 30, 2026, taking on record and approving this Draft Red Herring Prospectus.

8. Resolution of our Board dated September 30, 2026, approving this Draft Abridged Prospectus.

9. Resolution dated September 30, 2026, passed by the Audit Committee of our Company approving the KPIs.

10. Consent dated September 30, 2026, from our Statutory Auditors, ARSK & Associates, Chartered Accountants, with firm registration number 315082E, to include their name as required under Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section

2(38) of the Companies Act, 2013 to the extent applicable and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated September 26, 2026, on the Restated Financial Information; and (ii) the report dated September 30, 2026, on the statement of special tax benefits available to our Company and Shareholders included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and "consent" does not represent an "expert" or "consent" within the meaning under the U.S. Securities Act.

11. Written consent dated September 30, 2026, from the Independent Chartered Accountant, S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

12. Written consent dated September 30, 2026, from M/s S.G. Kankani & Associates, Company Secretaries, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the practicing company secretary, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

13. Written consent dated September 30, 2026, from the independent chartered engineer, namely, Prakash Upadhyay, independent chartered engineer, to include their name as required under section 26 of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act to the extent and in their capacity as the independent chartered engineer, in respect of their certificate in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

14. Consent letters dated September 28, 2026, from each of the Selling Shareholders, authorising their participation in the Offer.

15. The examination report dated September 26, 2026, of the Statutory Auditors on the Restated Financial Information, included in this Draft Red Herring Prospectus.

16. Report issued by the Statutory Auditors dated September 30, 2026, on the statement of special tax benefits available to our Company and Shareholders under the direct and indirect tax laws in India.

17. Certificate dated September 30, 2026, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to the Basis of Offer price.

18. Certificate dated September 30, 2026, from S K Patodia & Associates LLP, Chartered Accountants, with firm registration number 112723W/W100962, with respect to our key performance indicators.

19. Valuation reports dated August 14, 2025 and September 12, 2026, respectively, issued by Rajeeb Sarkar, a registered valuer holding registration number IBBI/RV/08/2019/12455 issued by Insolvency and Bankruptcy Board of India, in connection with the revaluation of freehold land held by the Company.

20. Copies of annual reports of our Company as of and for the Fiscals 2026, 2025 and 2024.

21. Written consents of Bankers to our Company, the Book Running Lead Managers, Registrar to the Offer, Banker(s) to the Offer, Legal Counsel to our Company, Syndicate Members, Directors, Promoters, Chief Financial Officer and Company Secretary and Compliance Officer to act in their respective capacities.

22. The report titled "*Steel intermediaries and Steel products*" dated September 2026 prepared and issued by CRISIL Intelligence and commissioned and paid for by our Company pursuant to an engagement letter with CRISIL Intelligence dated June 10, 2026 exclusively for the purposes of the Offer.

23. Consent letter dated September 30, 2026, issued by CRISIL Intelligence with respect to the report titled "*Steel intermediaries and Steel products*" dated September 2026.

24. Tripartite agreement dated January 13, 2025, among our Company, NSDL and Registrar to the Offer.

25. Tripartite agreement dated June 23, 2026 among our Company, CDSL and the Registrar to the Offer.

26. Due diligence certificate dated September 30, 2026, addressed to SEBI from the BRLMs.

27. In-principle listing approvals dated [●] and [●], from BSE and NSE, respectively.

28. SEBI observation letter bearing reference number [●] and dated [●].

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Parmanand Agarwal
Chairman, Non-Executive and Non-Independent Director
DIN: 00585415

Place: Raigarh
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Ashish Agarwal
Managing Director
DIN: 01218609

Place: Raipur
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Richhi Agarwal
Whole-time Director
DIN: 03041292

Place: Raipur
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Bijay Kumar Agarwal
Whole-time Director
DIN: 03505035

Place: Raigarh
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Mazhar Hussain Arif
Independent Director
DIN: 00095056

Place: Mumbai
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Prem Sagar Mishra
Independent Director
DIN: 07379202

Place: Raipur
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Deepali Soni
Independent Director
DIN: 06738006

Place: Raipur
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

_____

Pooja Sadhwani
Independent Director
DIN: 11943845

Place: Kolkata
Date: September 30, 2026

DECLARATION

I hereby confirm, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines or regulations issued by the Government of India and the rules, guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement, disclosure or undertaking made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act, each as amended, or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements, disclosures and undertakings made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY CHIEF FINANCIAL OFFICER

_____

Chandan Kumar Sinha

Place: Kolkata
Date: September 30, 2026

DECLARATION

I, Parmanand Agarwal, hereby confirm that all the statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholders, and my respective portion of the Offered Shares are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY PROMOTER SELLING SHAREHOLDER

_____

Parmanand Agarwal

Place: Raigarh
Date: September 30, 2026

DECLARATION

I, Ashish Agarwal, hereby confirm that all the statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholders, and my respective portion of the Offered Shares are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY PROMOTER SELLING SHAREHOLDER

_____

Ashish Agarwal

Place: Raipur
Date: September 30, 2026

DECLARATION

I, Sulochana Agarwal, hereby confirm that all the statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to myself, as a Selling Shareholders, and my respective portion of the Offered Shares are true and correct. I assume no responsibility for any other statements, disclosures and undertakings, including any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY PROMOTER GROUP SELLING SHAREHOLDER

_____

Sulochana Agarwal

Place: Raigarh
Date: September 30, 2026