



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

DRAFT RED HERRING PROSPECTUS

Dated: September 22, 2026
Please read Sections 26 & 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue



NEXA DEFENCE (I) LIMITED (Formerly Known as Nexa Defence (I) Private Limited)

Corporate Identity Numbers: U41002MH2025PLC442318

Registered office	Contact Person	Email and telephone	Website
Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India	Ms. Sonam Sharma (Company Secretary and Compliance Officer)	Email: cs@nexaindia.com Tel No.: +91 8356822430	https://nexaindia.com/

PROMOTERS OF OUR COMPANY

MR. JYOTHI KUMAR NANNAT AND MS. SUNITHA J KUMAR

DETAILS OF THE ISSUE

Type	Fresh issue size (in ₹ lakhs)	Offer for sale size (No. of shares)	Total issue size	Eligibility & Share reservation among QIB, NIIs & Individual Investors
Fresh issue	Upto 33,64,000 Equity Shares aggregating to ₹ [●] Lakhs	Not Applicable	Upto 33,64,000 Equity Shares aggregating to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229 (2) and 253 (1) and 253 (2) 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 Issue on page 388. For details of share reservation among NIIs and Individual Investors, see "Issue Structure" on page 415.

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION PER EQUITY SHARE – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price as determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis of Issue Price" on page 127, 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 investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 25 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, 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.

LISTING

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

DETAILS OF THE BOOK RUNNING LEAD MANAGER

Name and Logo	Contact Person	Email and Telephone
 Diggi Corporate Advisors Private Limited	Mr. Tarun Dhandh/Mr. Keshav Roy	Email: smeipo@diggiadvisors.com Tel. No: +918097987119

DETAILS OF THE REGISTRAR TO THE ISSUE

Name and Logo	Contact Person	Email and Telephone
 Bigshare Services Private Limited	Mr. Babu Rapheal	Email: ipo@bigshareonline.com Tel. No: +91 22 6263 8200

BID/ISSUE PERIOD

Anchor Investor Bidding Date: [●] *	Bid/Issue Opens On: [●] *	Bid/Issue Closes On**: [●] ^
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* Our Company, in consultation with BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

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

^The UPI Mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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NEXA DEFENCE (I) LIMITED
(Formerly Known as Nexa Defence (I) Private Limited)

Corporate Identity Numbers: U41002MH2025PLC442318

Our Company was incorporated as a Private Limited Company in the name of “Nexa Defence (I) Private Limited”, under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 07, 2025 issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a special resolution passed by the shareholders of our company in the Extraordinary General Meeting held on December 15, 2025, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Nexa Defence (I) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on February 06, 2026, by the Registrar of Companies, Central Processing Centre. Subsequently, our Company acquired the sole proprietorship firm of Mr. Jyothi Kumar Nannat i.e. “M/s. Nexa Mumbai”, pursuant to a Business Transfer Agreement dated February 9, 2026 along with assets and liabilities of the proprietorship concerns as going concern in terms of the business transfer agreement with effect from March 31, 2026. For further details of our Company, please refer to chapter titled “History and certain corporate matters” beginning on page 236 of this Draft Red herring Prospectus.

Registered Office: Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India

Telephone No: +91 8356822430; Website: <https://nexaindia.com/>; E-Mail: cs@nexaindia.com

Contact Person: Ms. Sonam Sharma (Company Secretary and Compliance Officer)

PROMOTERS OF THE COMPANY: MR. JYOTHI KUMAR NANNAT, MS. SUNITHA J KUMAR

DETAILS OF THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 33,64,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF NEXA DEFENCE (I) LIMITED (“OUR COMPANY” OR “THE ISSUER”) FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO [●]% AND [●]%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND, THE EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL DAILY NEWSPAPER, [●], ALL EDITIONS OF THE HINDI NATIONAL DAILY NEWSPAPER, [●], AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE THE REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NSE EMERGE FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (Ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of 1 (One) Working Day, subject to the Bid/Issue Period not exceeding 10 (Ten) Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue 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 BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis (“Anchor Investor Portion”). 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price 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) (“Net QIB Portion”). Further, 5.00% 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs (b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b) may be allocated to applicants in the other sub-category of non-institutional investors and not less than 35.00% of the Net Issue shall be available for allocation to the Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (except Anchor Investors) are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see “Issue Procedure” on page 421 of this Draft Red Herring Prospectus.

All potential investors (except Anchor Investors) shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page no. 421 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price as determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in “Basis for Issue Price” on page 127, 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 investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to section titled “Risk Factors” appearing on page 25 of this Draft Red Herring Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, 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.

LISTING

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

PUBLIC COMMENTS

This Draft Red Herring Prospectus has been filed on the NSE Emerge Platform of NSE and is open for Public Comments for a period of 21 days till 5:00 p.m. from the date of Filing of this Draft Red Herring Prospectus with the Designated Stock Exchange. All comments on this Draft Red Herring Prospectus are to be sent through post or email to the kind attention of the Compliance Officer of our Company. Please note that all comments by post must be received by the Issuer by 5:00 p.m. on the 21st day from the date on which this Draft Red Herring Prospectus is hosted on the website of the Designated Stock Exchange. All comments received on this Draft Red Herring Prospectus will be suitably addressed prior to filing of the Prospectus with the ROC.

BOOK RUNNING LEAD MANAGER



Diggi Corporate Advisors Private Limited

Address: 1309, Corporate Annex Sonawala Road, Goregaon East, Mumbai, Maharashtra - 400063

Telephone: +91-8097987119

E-mail: smeipo@diggiadvisors.com

Investor grievance: compliance@diggiadvisors.com

Contact Person: Mr. Tarun Dhandh/Mr. Keshav Roy

Website: www.diggiadvisors.com

SEBI Registration Number: INM000013332

CIN: U64990MH2022PTC382904

REGISTRAR TO THE ISSUE



Bigshare Services Private Limited

Address: S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai-400093, Maharashtra, India

Telephone: +91 22 6263 8200

Email: ipo@bigshareonline.com

Investor grievance: investor@bigshareonline.com

Contact Person: Mr. Babu Rapheal

Website: <https://www.bigshareonline.com/>

SEBI Registration Number: INR000001385

CIN: U99999MH1994PTC076534

BID/ISSUE PERIOD

Anchor Investor Bidding Date: [●] *

Bid/Issue Opens On: [●] *

Bid/Issue Closes On:** [●] ^

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

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

^The UPI Mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, 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, 2013, the SEBI (ICDR) Regulations, the Securities Contract (Regulation) Act, 1956 ("SCRA"), the Depositories Act or the rules and regulations made thereunder. Further, the Issue 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, terms used in "Basis for Issue Price", "Statement of Special Tax Benefits", "Industry Overview", "Our Business", "Key Industry Regulations and Policies", "Restated Financial Information", "Outstanding Litigation and Material Development" and "Description of Equity Shares and Terms of the Articles of Association" on pages 127, 137, 141, 183, 226, 270, 377 and 462 respectively, of this Draft Red Herring Prospectus shall have the meaning ascribed to such terms in those respective sections.

CONVENTIONAL OR GENERAL TERMS

Term	Description
"Company", "our Company", "the Company", "the Issuer", "NDIL"	Nexa Defence (I) Limited, a company incorporated under the provision of Companies Act, 2013, having its registered office at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India
"we" or "us" or "our"	Unless the context otherwise indicates or implies, references to "we", "us", "our" and "Company" refer to Nexa Defence (I) Limited together with the proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely, Nexa Mumbai. However, for the purposes of the Restated Financial Statements, references to such terms shall mean Nexa Defence (I) Limited for the period ended June 30, 2026, Fiscal 2026 and Fiscal 2025 (from Incorporation to March 31, 2025), and the proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely, Nexa Mumbai, for the period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, as applicable.
"Promoters/Our Promoters"	The Promoters of our Company being Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar
"Promoter Group"	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations.
"you", "your" or "yours"	Prospective Investors/Bidder in this Issue.

Company Related Terms

Term	Description
"Articles of Association" or "AoA" or "Articles"	Unless the context otherwise requires, refers to the Articles of Association of Nexa Defence (I) Limited as amended from time to time.
"Audit Committee"	The Audit Committee of our Board of Director is constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and as described in " Our Management –Committee of the Board in accordance with the SEBI Listing Regulations–Audit Committee " starting from page 241 of this Draft Red Herring Prospectus.
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, M/S YKC & Company Chartered Accountants.

Term	Description
“Bankers to the Company”	Bankers to the Company are ICICI Bank.
“Board or “Board of Directors” or “our Board”	The board of directors of our Company, as constituted from time to time. For further details, please see “ <i>Our Management – Board of Directors</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Companies Act”	The Companies Act, 1956 and/or the Companies Act, 2013 as amended from time to time.
“CIN”	Corporate Identification Number of our Company is U41002MH2025PLC442318
“Chairman and Managing Director”	Chairman and Managing Director of our Board, being Mr. Jyothi Kumar Nannat. For further details, see “ <i>Our Management – Board of Directors</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Chief Financial Officer” or “CFO”	The Chief Financial Officer of our Company, being Mr. Abhay Jain. For further details, see “ <i>Our Management – Key Managerial Personnel and Senior Management Personnel</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Company Secretary and Compliance Officer”	The Company Secretary and Compliance Officer of our Company, being Ms. Sonam Sharma. For further details, see “ <i>Our Management – Key Managerial Personnel and Senior Management Personnel</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Corporate Social Responsibility Committee” or “CSR Committee”	Corporate Social Responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “ <i>Our Management – Committee of the Board- Corporate Social Responsibility Committee</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Central Registration Centre (CRC)”	The Central Registration Centre is an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services for companies and LLPs in line with global best practices. For details, please refer to https://www.mca.gov.in/content/mca/global/en/help-faq/faqs/crc.html
“Depositories Act”	The Depositories Act, 1996, as amended from time to time.
“Director(s)”	The director(s) on the Board as appointed from time to time.
“DIN”	Director Identification Number.
“Equity Shares”	The equity shares of our Company of face value of ₹ 10/- each unless otherwise specified in the context thereof.
“Equity Shareholders”	Persons/ Entities holding Equity Shares of Our Company
“Executive Director(s)”	Executive director(s) on the Board of Directors of our Company. For further details of the Executive Directors, see “ <i>Our Management</i> ” starting from page 241 of this Draft Red Herring Prospectus.
“Fugitive Economic Offender”	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
“Group Company(ies)”	In terms of Regulation 2(1)(t) of the SEBI ICDR Regulations, the term “group companies” includes companies with which there were related party transactions as per applicable accounting standards, and any other companies as considered material by the Board as per the Materiality Policy, in accordance with the resolution dated September 08, 2026, passed by the Board. For details of our Group Company, see “ <i>Our Group Companies</i> ” on page 265 of this Draft Red Herring Prospectus.
“Independent Director(s)”	Non-executive and Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” on starting from page 241 of this Draft Red Herring Prospectus.
“Indian AS”	Indian Accounting Standards
“ISIN”	International Securities Identification Number, being INE2VF601012.
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in “ <i>Our Management – Key Managerial Personnel and Senior</i>

Term	Description
	Management Personnel ” starting from page 241 of this Draft Red Herring Prospectus.
“MD” or “Managing Director”	The Managing Director of our Company, being Mr. Jyothi Kumar Nannat. For further details, please see “ Our Management – Board of Directors ” starting from page 241 of this Draft Red Herring Prospectus.
“Materiality Policy”	The policy was adopted by our Board on September 08, 2026, for identification of: (a) outstanding material litigation proceedings; (b) material Group Company(ies); and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, Draft Abridged Prospectus, the Red Herring Prospectus, Abridged Prospectus and Prospectus.
“MOA” or “Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended from time to time.
“Non-Residents”	A person resident outside India, as defined under FEMA, 1999.
“Nomination and Remuneration Committee”	The nomination and remuneration 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 - Committee of the Board in accordance with the SEBI Listing Regulations – Nomination and Remuneration Committee ” starting from page 241 of this Draft Red Herring Prospectus.
“Non-Executive Director(s)”	A non-executive Director appointed as per the Companies Act, 2013 and the Listing Regulations. For further details of our Non-Executive Directors, see “ Our Management – Board of Directors ” starting from page 241 of this Draft Red Herring Prospectus.
“NSE Emerge/NSE SME”	Emerge Platform of National Stock Exchange of India Limited for Listing of Equity Shares Issued under Chapter IX of SEBI (ICDR) Regulations.
“NRIs / Non-Resident Indians”	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
“Promoters”	The Promoters of our Company being Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar
“Promoter Group”	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ Our Promoters and Promoter Group ” on page 259 of this Draft Red Herring Prospectus.
“Registered Office”	The registered office of the Company is situated at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India
“Registrar of Companies” or “RoC”	Registrar of Companies, Mumbai II.
“Restated Financial Statements” or “Restated Financial Information”	The Restated Financial Statements of our Company comprise the Restated Statement of Assets and Liabilities as at June 30, 2026 and March 31, 2026 and March 31, 2025, the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the three-month period ended June 30, 2026 and the Fiscal years ended March 31, 2026 and March 31, 2025 (from Incorporation to March 31, 2025), together with the Summary Statement of Significant Accounting Policies and other explanatory information. For presentation and disclosure purposes, the Restated Statement of Profit and Loss for Fiscal 2026 has been presented on a combined basis, comprising the financial results of Nexa Defence (I) Limited and the proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely, “Nexa Mumbai”, after elimination of inter-se transactions between them, to provide an appropriate and comparable presentation of the financial performance of the business. The Restated Financial Statements also comprise the Restated Statement of Assets and Liabilities of the proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely “Nexa Mumbai”, as at March 31, 2026, prior to the Business

Term	Description
	Transfer Agreement, and as at March 31, 2025 and March 31, 2024, and the Restated Statement of Profit and Loss and Restated Statement of Cash Flows for the Fiscal years ended March 31, 2026, March 31, 2025 and March 31, 2024. The Restated Financial Statements have been prepared in accordance with the requirements of sub-section (1) of Section 247 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 Institute of Chartered Accountants of India (“ICAI”), as amended from time to time. For details, see “Restated Financial Information” on page 270 of this Draft Red Herring Prospectus.
“Senior Management” or “Senior Management Personnel” or “SMP”	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in “ Our Management –Key Managerial Personnel and Senior Management Personnel ” starting from page 241 of this Draft Red Herring Prospectus.
“Shareholders” or “members”	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares from time to time.
“Stakeholders Relationship Committee”	The stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, guidelines issued by RBI from time to time and as described in “ Our management-- Committee of the Board in accordance with the SEBI Listing Regulations- Stakeholders Relationship Committee ” starting from page 241 of this Draft Red Herring Prospectus.
“Whole-time Director(s)”	Whole-time director(s) of our Company, as described in “ Our Management- Board of Directors ” starting from page 241 of this Draft Red Herring Prospectus.

Issue Related Terms

Term	Description
“Abridged Prospectus”	Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
“Acknowledgement Slip”	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
“Act” or “the Act”	The Companies Act, 2013, as Amended from time to time, and any previous laws.
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
“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(s)”	A successful Bidder to whom the Equity Shares are Allotted.
“Anchor Investor(s)”	A Qualified Institutional Buyer, who applies under the Anchor Investor Portion with a minimum Bid of ₹ 200 lakhs in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus.
“Anchor Escrow Account(s)” or “Escrow Account(s)”	Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
“Anchor Investor Allocation Price”	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company in consultation with the BRLM, during the Anchor Investor Bidding Date.
“Anchor Investor Application Form”	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.

Term	Description
“Anchor Investor Bid/Issue Period” or “Anchor Investor Bidding Date”	The day, being 1 (one) Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, and allocation to Anchor Investors shall be completed.
“Anchor Investor issue Price”	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company in consultation with the BRLM.
“Anchor Investor Pay-in Date”	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 (two) Working Days after the Bid/Issue Closing Date.
“Anchor Investor Portion”	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
“ASBA Account”	A bank account maintained by ASBA Bidders with an SCSB, as specified in the Bid cum Application Form in which funds will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
“ASBA Application Location(s)” or “Specified Cities”	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
“ASBA Bid”	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
“ASBA Bidders”	All Bidders except Anchor Investors.
“ASBA Form” or “Bid cum Application”	An application form (with or without UPI ID, as applicable), whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
“Banker(s) to the Issue”	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Issue Account Bank(s) and the Sponsor Bank(s), as the case may be.
“Basis of Allotment”	The basis on which the Equity Shares will be Allotted to successful Bidders under the Issue, as described in “ <i>Issue Procedure</i> ” on page 421 of this Draft Red Herring Prospectus.
“Bid”	An indication to make an Issue during the Bid/Issue Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto, in accordance with the SEBI ICDR Regulations and the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
“Bid Amount”	In relation to each Bid, the highest value of the Bids as indicated in the Bid cum Application Form and in the case of Retail Individual Bidders, Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of such Bid in the Issue.
“Bid cum Application Form”	The Anchor Investor Application Form or the ASBA Form, as the case may be.

Term	Description
“Bid Lot”	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.
“Bid/Issue 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 notified in [•] all editions of (a widely circulated English national daily newspaper, [•] and editions of [•] (a widely circulated Hindi national daily newspaper and being the regional language of [•] where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations. Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the website of the BRLM and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations.
“Bid/Issue 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 notified in all editions of English national daily newspaper [•]and [•]Hindi national daily newspaper and [•] daily newspaper (Marathi being the regional language of [•], where our Registered Office is located) each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
“Bid/ Issue Period”	Except in relation to bids by the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bid/ Issue period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
“Bidder” or “Investor” or “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 and includes an Anchor Investor.
“Bidding”	The process of making a Bid.
“Bidding Centers” or “Collection Centers”	Centers at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
“Book Building Process”	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
“Book Running Lead Manager” or “BRLM”	The book running lead manager to the Issue, being Diggi Corporate Advisors Private Limited.
“Broker Centers”	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange at www.nseindia.com .
“Business Day”	Monday to Friday (except public holidays).

Term	Description
“CAN” or “Confirmation of Allocation Note”	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
“Cap Price”	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized 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 Agreement”	Agreement dated [•] entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars.
“Client ID”	Client identification number maintained with one of the Depositories in relation to dematerialised account.
“Collecting Depository Participant” or “CDP”	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars and as per the list available on the websites of BSE and NSE.
“Collecting Registrar and Share Transfer Agents/ CRTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
“Cut-off Price”	Issue Price, authorized by our Company in consultation with the BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders 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, wherever applicable.
“Designated Branches”	Such branches of the SCSBs which will collect the ASBA Forms used by the ASBA Bidders and a list of which is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, or any such other website as may be prescribed by the SEBI.
“Depository(ies)”	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
“Depository Participant” or “DP”	A depository participant as defined under the Depositories Act.
“Designated CDP Locations”	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIBs only ASBA Forms with UPI. 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 website of the Stock Exchange (www.nseindia.com).
“Designated Date”	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
“Designated Intermediary(ies)”	An SCSB’s with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Issue and share transfer

Term	Description
	agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
“Designated RTA Locations”	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective website of the Stock Exchange (www.nseindia.com .)
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
“Designated Stock Exchange”	Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)
“DP ID”	DP ID Depository Participant’s identity number.
“Draft Red Herring Prospectus” or “DRHP”	This Draft Red Herring Prospectus dated September 22, 2026, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
“Electronic Transfer of Funds”	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
“Eligible FPIs”	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
“Eligible NRI(s)”	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
“Eligible QFI(s)”	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
“Equity Shares”	Equity Shares of our Company of face value of Rs. 10/- each.
“Escrow Account(s)”	Account(s) to be opened with the Escrow Collection Bank and in whose favor the Anchor Investors will transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
“Escrow Collection Bank(s)” or “Anchor Escrow Bank”	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being Axis Bank Limited.
“FII” or “Foreign Institutional Investors”	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
“First or Sole Bidder” or “Applicant”	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 thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
“Foreign Venture Capital Investors” or “FVCI”	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
“Foreign Portfolio Investor” or “FPI”	A Foreign Portfolio Investor who has been registered pursuant to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.

Term	Description
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
“Fresh Issue” or “Issue”	The fresh issue of up to 33,64,000 Equity Shares of ₹ 10/- each at ₹ [●]/- per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs.
“Fugitive Economic Offender”	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
“General Information Document” or “GID”	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 suitably modified and updated pursuant to, among others, the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the BRLM.
“GIR Number”	General Index Registry Number
“Gross Proceeds”	The Gross Proceeds of the Fresh Issue which will be available to our Company
“Individual Investors/ Individual Bidders/ Individual Applicants”	Individual investors, who apply for a minimum application size of two lots, provided that the minimum application size shall be above ₹ 2,00,000/-. (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
“Individual Investors’ Portion”	The portion of the Net Issue being not less than 35% of the Net Equity Shares which shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations.
“IPO”	Initial Public Offering
“Issue Agreement”	Agreement dated September 08, 2026, entered between our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
“Issue Price”	The final price at which Equity Shares will be Allotted to successful Bidders other than Anchor Investors in terms of the Draft Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Draft Red Herring Prospectus.
“Issue Proceeds”	The proceeds of the Fresh Issue which shall be available to our Company. For details about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” on [●] of this Draft Red Herring Prospectus.
“Lot Size”	Lot Size for the Issue being [●]
“Listing Agreement”	Unless the context specifies otherwise, this means the SME Equity Listing Agreement to be signed between our Company and the Emerge Platform of National Stock Exchange of India Limited.
“Market Maker” or “Designated Market Maker”	Member Brokers of NSE who are specifically registered as Market Makers with the NSE (Emerge platform). In our case, [●], is the sole Market Maker.
“Market Making Agreement”	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
“Market Maker Reservation Portion”	The reserved portion of Upto [●] Equity Shares of ₹10/- each at a price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
“Mobile Applications”	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int_mId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under ‘Annexure [●]’ for the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.
“Mutual Fund Portion”	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.

Term	Description
“Mutual Funds”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“Net Issue”	The Issue (excluding the Market Maker Reservation Portion) of [•] equity Shares of face value of ₹ 10/- each at a price of ₹ [•] per Equity Share (the “Issue Price”), including a share premium of ₹ [•] per equity share aggregating to ₹ [•] lakhs.
“Net Proceeds”	The Issue Proceeds received from the Issue excluding Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue related expenses, see “Issue Related Expenses” on page 106 of this Draft Red Herring Prospectus.
“Net QIB Portion”	The portion of the QIB Portion less the number of Equity Shares of face value of ₹ 10/- each allocated to the Anchor Investors.
“Non-Institutional Portion”	The portion of the Issue being not less than 15% of the Issue comprising [•]* Equity shares available for allocation to Non-institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (a) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more than two lots and up to such lots equivalent to not more than ₹ 10 lakhs; and (b) two-thirds of such portion shall be reserved for Bidders with application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders <i>*Subject to finalization of Basis of Allotment.</i>
“Non-Institutional Investors” or “Non-Institutional Bidders” or “NIIs” or “NIBs”	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 2 lakhs (but not including NRIs other than Eligible NRIs).
“Non-Resident Indians” or “NRI(s)”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“OCB” or “Overseas Corporate Body(ies)”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
“Person(s)”	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
“Price Band”	Price band of a minimum price of ₹ [•] per Equity Share (Floor Price) and the maximum price of ₹ [•] per Equity Share (Cap Price) including any revisions thereof. The Price Band, and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/ Issue Opening Date, in all editions of [•], an English national daily newspaper and all editions of [•] a Hindi National daily newspaper and [•], and being the regional language of [•], where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website.
“Pricing Date”	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
“Proprietorship concern”	“Nexa Mumbai”, a proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat
“Prospectus”	Prospectus dated [•] to be filed with the RoC for this Issue on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at

Term	Description
	the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
“Public Issue Account”	Bank account to be opened with the Public Issue Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
“Public Issue 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 Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being Axis Bank Limited.
“QIB Category” or “QIB Portion”	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue consisting of [•]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). <i>*Subject to finalization of Basis of Allotment</i>
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus dated [•] to be issued by our Company in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue including any addenda or corrigenda thereto.
“Refund Account(s)”	The account opened with the Refund Bank, 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 bank(s) which is/are a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account(s) will be opened, in this case being [•].
“Registered Brokers”	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership either NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on the website of the Stock Exchange.
“Registrar Agreement”	The agreement dated September 08, 2026 entered between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE
“Registrar to the Issue” or “Registrar”	Registrar to the Issue, in this case being Bigshare Services Private Limited.
“Reserved Category(ies)”	Categories of persons eligible for making application under reservation portion.
“Reservation Portion”	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.
“Resident Indian”	A person resident in India, as defined under FEMA.
“Retail Portion”	The portion of the Net Issue being not less than 35% of the Net Issue comprising of [•]* Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price. <i>*Subject to finalization of Basis of Allotment</i>
“Retail Individual Investors” or “Retail Individual Bidders” or “RIBs”	Bidders (including HUFs and Eligible NRIs) who applies for minimum application size for two lots and whose Bid Amount for Equity Shares in the Issue is minimum ₹ 2 lakhs in any of the bidding options in the Issue (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).

Term	Description
“Revision Form”	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Portion 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. RIBs can revise their Bids during Bid /Issue period and withdraw their Bids until Bid / Issue Closing Date.
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time. 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 at 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. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time
“Specified Locations”	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
“Specified Securities”	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
“Sponsor Bank”	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchange and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [•].
“Stock Exchange”	Unless the context requires otherwise, refers to, Emerge Platform of National Stock Exchange of India Limited.
“Sub-Syndicate Members”	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
“Syndicate Agreement”	Agreement dated [•], entered into amongst our Company, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.

Term	Description
“Syndicate Members”	Intermediaries registered with the SEBI and permitted to carry out activities in relation to collection of Bids and as an underwriter, in this case [•].
“Syndicate or members of the Syndicate”	Together, the BRLM and the Syndicate Members and sub-syndicate members.
“Systemically Important Non-Banking Financial Company”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
“Transaction Registration Slip/TRS”	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
“Underwriters”	In our case, [•], is the sole Underwriter.
“Underwriting Agreement”	The agreement dated [•] entered between the Underwriters and our Company.
“UMO”	Unit of Measurements
“UPI”	Unified payments interface which is an instant payment mechanism, developed by NPCI.
“UPI Bidders”	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Bidders with an application size of more than ₹ 200,000 and up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5 lakhs shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
“UPI Circulars”	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular. No. SEBI/HO/CFD/TPD1 /CIR/P/2023/140 dated August 9, 2023 SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (to the extent that such circular pertains to the UPI Mechanism) and any subsequent circulars or notifications issued by SEBI in this regard, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
“UPI ID”	An ID created on the Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payment Corporation of India (NPCI).

Term	Description
“UPI Mandate Request” or “Mandate Request”	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
“UPI Mechanism”	The Bidding mechanism that is used by UPI Bidders to make Bid in the Issue in accordance with the UPI Circulars
“Wilful Defaulter”	A wilful defaulter as defined in Regulation 2(1)(III) of the SEBI ICDR Regulations.
“UPI PIN”	Password to authenticate UPI transaction.
“Working Day”	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/ Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/ Issue 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

Technical / Industry related terms

Term	Description
AAI	Airports Authority of India
AC	Alternating Current
AC/DC	Alternating Current / Direct Current
AI	Artificial Intelligence
ALH	Advanced Light Helicopter
AMC	Annual Maintenance Contract
AMCA	Advanced Medium Combat Aircraft
AS9100D	Aerospace Quality Management System Standard applicable to organisations involved in the design, development, production and servicing of aerospace products and services
ATE	Automatic Test Equipment
BTP	Build-to-Print, a business model under which products are manufactured in accordance with technical drawings and specifications provided by the customer
BTS	Build-to-Specification, a business model under which products are designed and manufactured based on customer-specified functional and performance requirements
CAD	Computer-Aided Design
CAGR	Compound Annual Growth Rate
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
cPCI	Compact Peripheral Component Interconnect
CPI	Consumer Price Index
CPSE	Central Public Sector Enterprise
CY	Calendar Year starting from January 01 and ending with December 31 of the same year
DAP	Defence Acquisition Procedure
DC	Direct Current
DGAQA	Directorate General of Aeronautical Quality Assurance
DGCA	Directorate General of Civil Aviation
DGQA	Directorate General of Quality Assurance
DPSU	Defence Public Sector Undertaking
DRDO	Defence Research and Development Organisation
FEA	Finite Element Analysis
FRE	First Revised Estimate

Term	Description
FY	Financial Year starting from April 01 and ending with March 31 of the following year
GDP	Gross Domestic Product
GeM	Government e-Marketplace
GPU	Ground Power Unit
GSE	Ground Support Equipment, comprising ground-based equipment used to support the operation, servicing, maintenance and handling of aircraft while on the ground
HAL	Hindustan Aeronautics Limited
HTT-40	Hindustan Turbo Trainer-40
IAF	Indian Air Force
ICAO	International Civil Aviation Organization
iDEX	Innovations for Defence Excellence
IMAP-2023	Indian Military Airworthiness Procedure, 2023
IMF	International Monetary Fund
IMTAR-21	Indian Military Technical Airworthiness Requirements, 2021
INR	Indian Rupee
ISO	International Organization for Standardization
JSS	Joint Service Specification
JVC	Joint Venture Company
LCA	Light Combat Aircraft
LCH	Light Combat Helicopter
LUH	Light Utility Helicopter
LXI	LAN eXtensions for Instrumentation
MOSPI	Ministry of Statistics and Programme Implementation
MRO	Maintenance, Repair and Overhaul
MSME	Micro, Small and Medium Enterprise
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PIB	Press Information Bureau
PIL	Positive Indigenisation List
PROI	Person Resident Outside India
PXI	PCI eXtensions for Instrumentation
R&D	Research and Development
RCS	Regional Connectivity Scheme
RF	Radio Frequency
SEBI	Securities and Exchange Board of India
SIPRI	Stockholm International Peace Research Institute
TR Module	Transmit/Receive Module
TReDS	Trade Receivables Discounting System
TTGE	Tools, Testers and Ground Equipment
UDAN	Ude Desh ka Aam Naagrik
USD	United States Dollar
VME	Versa Module Europa
VXI	VME eXtensions for Instrumentation
WEO	World Economic Outlook

Key Performance Indicators

KPI	Explanation
Financial metrics	
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and, in turn, helps to assess the overall financial performance of our Company and the volume of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Return on Equity/Return on Net Worth (%)	Return on Equity/Return on Net Worth (%) indicates how efficiently our Company generates profits from shareholders' funds / net worth.
Operational metrics	
Net worth	Net worth represents total shareholders' funds including reserves and surplus
No of Airforce Station served	It reflects the breadth of our customer base within the defence sector and our ability to service a diversified set of Airforce Stations, thereby reducing dependence on any single customer or establishment.
Average Revenue per Order (₹ in lakhs)	Reflects the average value of orders executed by us and is indicative of our ability to secure larger and higher-value contracts, which contributes to operational efficiency and optimal utilisation of resources.
Average revenue per state (₹ in lakhs)	Measures the depth of our operations and market penetration within each state in which we operate, as opposed to merely the geographical spread of our operations.
No of Customers Served	Tracks the extent of diversification of our customer base and is indicative of our ability to reduce customer concentration risk.
No of Repeated Customers	It reflects the extent to which our existing customers continue to engage us for repeat business and is indicative of customer satisfaction, quality of execution, and the strength of our customer relationships.
% of repeated Customer	This KPI reflects the proportion of our customer base comprising repeat customers relative to our total customer base during the relevant period, and is indicative of the sustainability and stability of our revenue base.
Average Revenue per Customer (₹ in lakhs)	This KPI reflects the average value derived from each customer relationship and is indicative of our ability to grow and deepen existing customer accounts over time.

Conventional and General Terms / Abbreviations

Term	Description
“₹” or “Rs.” Or “Rupees” or “INR”	Indian Rupees.
“A.Y.” or “AY”	Assessment Year.
“A/C”	Account.
“AGM”	Annual general meeting.
“AIF(s)”	An alternative investment fund as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“AS” or “Accounting Standard”	Accounting Standards as issued by the Institute of Chartered Accountants of India.
“Associate”	A person who is an associate of the issuer and as defined under the Companies Act, 2013.
“Authorized Dealers”	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000.
“Bn” or “bn”	Billion.
“CAGR”	Compound Annual Growth Rate.
“Category I FPI”	FPIs registered as “Category I foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“Category II FPI”	FPIs registered as “Category II foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“CCI”	Competition Commission of India.

Term	Description
“CDSL”	Central Depository Services (India) Limited.
“CIN”	Corporate Identity Number.
“Companies Act, 1956”	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
“Companies Act, 2013” or “Companies Act”	Companies Act 2013, as amended read with rules, regulations, clarifications and modifications thereunder.
“COVID-19”	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020.
“Consolidated FDI Policy”	The extant consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time.
“Control”	Control as defined under the Takeover Regulations, and the term “Controlled” shall be construed accordingly.
“Copyright Act”	Copyright Act, 1957.
“CSR”	Corporate Social Responsibility.
“CY”	Calendar year.
“Debt to Equity Ratio”	Debt equity ratio is calculated as total borrowings divided by total equity.
“Depositories Act”	The Depositories Act, 1996.
“Depository”	A depository registered with under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
“DIN”	Director Identification Number.
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act.
“DPIIT”	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (<i>formerly Department of Industrial Policy and Promotion</i>), GoI.
“DP ID”	Depository Participant’s identity number.
“EBITDA”	Earnings before interest, taxes, depreciation and amortisation excluding other income.
“EBITDA Margin”	EBITDA Margin is the percentage of EBITDA divided by revenue from operations.
“EGM”	Extraordinary general meeting.
“EPS”	Earnings per share.
“Euro” or “EUR”	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community.
“FCNR”	Foreign currency non-resident account.
“FDI”	Foreign direct investment.
“FDI Circular”	The Consolidated Foreign Direct Investment Policy bearing DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
“FEMA”	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
“FEMA Non-Debt Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended.
“Financial Year” or “Fiscal” or “fiscal year”	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
“FPIs”	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations.
“Fugitive Economic Offender”	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018.
“FVCI”	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI.
“GDP”	Gross Domestic Product.

Term	Description
“GIR Number”	General index registration number.
“GoI” or “Government”	Government of India.
“GST”	Goods and services tax.
“HUF(s)”	Hindu Undivided Family(ies).
“IAS Rules”	Companies (Indian Accounting Standards) Rules, 2015, as amended.
“ICAI”	Institute of Chartered Accountants of India, New Delhi.
“ICSI”	The Institute of Company Secretaries of India.
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board.
“IMF”	International Monetary Fund.
“Income Tax Act”	Income-tax Act, 1961, read with the rules framed thereunder.
“Income Tax Rules”	Income-tax Rules, 1962, as amended.
“Ind AS”	The Indian Accounting Standards referred to in the Companies Act 2013 and Companies (Indian Accounting Standard) Rules, 2015, as amended.
“Indian GAAP”	Generally Accepted Accounting Principles in India.
“INR” or “Rupee” or “₹” or “Rs.”	In Rupee, the official currency of the Republic of India.
“Ind AS 24”	Indian Accounting Standard 24 issued by the ICAI.
“IRDAI”	Insurance Regulatory and Development Authority of India.
“Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
“IPC”	The Indian Penal Code, 1860.
“IPO”	Initial Public Offer.
“IPR”	Intellectual Property Rights.
“IRS”	U.S. Internal Revenue Service.
“IST”	Indian Standard Time.
“MCA”	The Ministry of Corporate Affairs, Government of India.
“Mn”	Million.
“Mutual Funds”	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“N.A.” or “NA”	Not Applicable.
“NACH”	National Automated Clearing House.
“NAV”	Net Asset Value.
“NEFT”	National Electronic Fund Transfer.
“Nexa Defence”	Nexa Defence (I) Limited
“Nexa Mumbai”	Proprietorship concern of our Promoter Mr. Jyothi Kumar Nannat
“NPCI”	National Payments Corporation of India.
“NRE accounts”	NRI Non-Resident External account.
“NRI” or “Non-resident Indian”	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an “Overseas Citizen of India” cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955.
“NRO accounts”	Non-Resident Ordinary accounts.
“NSDL”	National Securities Depository Limited.
“NSE”	National Stock Exchange of India Limited.
“NSE Emerge”	Emerge Platform of National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.

Term	Description
“P/E Ratio”	Price/Earnings Ratio.
“p.a.”	Per annum.
“PAN”	Permanent account number.
“PAT”	Profit after tax.
“PCB(s)”	Pollution Control Board(s).
“Provident Fund”	Provident fund for employees managed by the Employee’s Provident Fund Organisation in India.
“RBI”	Reserve Bank of India.
“Regulation S”	Regulation S under the U.S. Securities Act.
“RoC” or “Registrar of Companies”	Registrar of Companies, Mumbai II.
“RoNW”	Return on Net Worth.
“RTGS”	Real Time Gross Settlement.
“SCRA”	Securities Contract (Regulation) Act, 1956.
“SCRR”	The Securities Contracts (Regulation) Rules, 1957.
“SCSB”	Self-Certified Syndicate Bank.
“SCORES”	Securities and Exchange Board of India Complaints Redress System.
“SEBI”	Securities and Exchange Board of India established under Section 3 of the SEBI Act, as amended.
“SEBI Act”	Securities and Exchange Board of India Act, 1992, as amended.
“SEBI AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
“SEBI FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
“SEBI FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 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.
“State Government”	The government of a state in India.
“STT”	Securities transaction tax.
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
“TAN”	Tax deduction account number.
“TDS”	Tax deducted at source.
“U.S.” or “United States”	The United States of America, together with its territories and possessions, any state of the United States of America and the District of Columbia.
“U.S. Securities Act”	United States Securities Act of 1933, as amended
“VAT”	Value added tax.
“VCFs”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be.

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

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

All references to the “U.S.”, “US”, “U.S.A.” or “United States” are to the United States of America and its territories and possessions.

In this Draft Red Herring Prospectus, the terms “we”, “us”, “our”, “Our Company”, “the Company”, “NDIL”, “Nexa Defence (I) Limited” and, unless the context otherwise indicates or implies, refers to Nexa Defence (I) Limited

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”.

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

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in ₹ and Lakhs. Unless stated otherwise, the financial information presented in this Draft Red Herring Prospectus has been derived from the financial statements of our Company prepared and restated for the three-month period ended June 30, 2026 and the Fiscal years ended March 31, 2026 and March 31, 2025, and the restated financial information of the proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely “Nexa Mumbai”, for the Fiscal years ended March 31, 2026, March 31, 2025 and March 31, 2024, as applicable.

For the purposes of this Draft Red Herring Prospectus, the financial information has been restated and examined in accordance with the applicable provisions of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time. Pursuant to the Business Transfer Agreement dated February 9, 2026, with effect from March 31, 2026, our Company acquired the business of Nexa Mumbai on a going-concern basis, including its assets, liabilities and business operations. Accordingly, for the purposes of presenting the Restated Financial Information, the assets and liabilities of Nexa Mumbai transferred pursuant to the Business Transfer Agreement have been reflected in the financial position of our Company as at March 31, 2026, in accordance with the applicable accounting and regulatory requirements. Further, for the purpose of appropriately presenting the Restated Statement of Profit and Loss and enabling comparability of revenue and profitability across the periods under review, our Company has presented a combined Restated Statement of Profit and Loss of Nexa Defence (I) Limited and Nexa Mumbai, after eliminating inter-company transactions between our Company and Nexa Mumbai in addition to Restated Statement of Profit and Loss. The combined Restated Statement of Profit and Loss has been presented to reflect the financial performance of the business on a comparable basis for the relevant periods. The Restated Financial Information, including the combined Restated Statement of Profit and Loss, has been prepared in accordance with applicable Indian GAAP, the Companies Act, 2013 and the SEBI ICDR Regulations and is included under the section titled “**Restated Financial Information**” beginning on page 270 of this Draft Red Herring Prospectus.

All the figures in this Draft Red Herring Prospectus have been presented in lakhs or in whole numbers where the numbers have been too small to present in lakhs unless stated otherwise. One lakh represents 1,00,000 and one million represents 1,000,000. Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (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. However, figures sourced from third-party industry sources may be expressed in denominations other than lakhs or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year or FY, unless stated otherwise, are to the 12 (twelve) months period ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year. Certain other financial information pertaining to our Group Companies are derived from their respective audited financial statements. Our Company was incorporated on March 7, 2025. Accordingly, the financial year of our Company for Fiscal 2025 commenced from March 7, 2025, being the date of incorporation, and ended on March 31, 2025.

There are significant differences between 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.

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

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics), as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 26, 183 and 360, respectively, of this Draft Red Herring Prospectus and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Financial Statement or non-GAAP financial measures as described below.

Currency and Units of Presentation

All references to “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India.

Unless otherwise stated, our Company has presented all numerical information in this Draft Red Herring Prospectus in “lakhs” units or in whole numbers where the numbers have been too small to represent in lakhs. One lakh represents 1,00,000 and 10 lakhs represents 10,00,000.

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

Exchange Rates

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

Unless otherwise stated, the following table sets forth, for the periods indicated, information with respect to the exchange rate between Rupee and US\$:

(in ₹)				
Currency	As on June 30, 2026	As on March 31, 2026	As on March 31, 2025	As on March 31, 2024
1 US\$	96.60	94.65	85.58	83.37

(Source: <https://www.rbi.org.in/scripts/referenceratearchive.aspx>)

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

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

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

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time (IST). Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Red Herring Prospectus are to a calendar year.

Disclaimer

The Equity Shares Issued in the Issue 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 issued 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 issued outside the United States in ‘offshore transactions’ in reliance on Regulation under the U.S. Securities Act and the applicable laws of the jurisdictions where such issues 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 issued, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Industry and Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft Red Herring Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titled “**Basis for Issue Price**” on [•] of the Draft Red Herring Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

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FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “can”, “could”, “goal”, “expect”, “estimate”, “intend”, “likely to”, “objective”, “plan”, “propose”, “project”, “shall”, “should”, “seek to”, “strive to”, “will”, “will achieve”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. 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 present plans, estimates and expectations.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in the incidence of any natural calamities and/or violence and changes in competition in the industries in which we operate.

For the reasons described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

We derive our entire revenue from customers operating in the Indian defence sector, and our business is significantly dependent on this sector and on India as a single geography. Any adverse developments affecting the Indian defence sector, or our inability to comply with the extensive regulatory framework applicable to it, could adversely affect our business, financial condition, results of operations and cash flows:

- *We derive our entire revenue from customers operating in the Indian defence sector, and our business is significantly dependent on this sector and on India as a single geography. Any adverse developments affecting the Indian defence sector, or our inability to comply with the extensive regulatory framework applicable to it, could adversely affect our business, financial condition, results of operations and cash flows*
- *Majority of our projects have been awarded through competitive bidding process. Failure to qualify for, complete or win new contracts could negatively impact our business, potentially affecting our financial condition, operational results, growth prospects, and cash flow stability.*
- *Our business is heavily dependent on tender-based order book and revenue from Government entities, public sector undertakings and defence establishments, accounting for approximately 80.20%, 96.09%, 96.55%, and 90.41% of our revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025, and 2024, respectively. However, delays or a lack of tenders from Government entities, along with adverse changes in Government policies, could materially impact our business through contract foreclosures, terminations, restructurings, or renegotiations, affecting our operations and financial performance.*
- *A significant portion of our revenue from operations is attributable to our top ten customers accounting for approximately 99.84%, 94.28%, 90.81% and 65.95% of our revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025, and 2024, respectively, and our business and profitability is dependent on our ability to win projects from such customers. Loss of one or more of our customers or reduction in their demand for our offerings could adversely affect our business, results of operations and financial conditions.*
- *Our Company has a limited operating history, having been incorporated recently and having acquired the running business of “Nexa Mumbai,” the sole proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, on a going concern basis, which may make it difficult for investors to evaluate our historical performance and future prospects.*
- *Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity, goodwill, business, financial condition and results of operations.*
- *We operate through our Registered Office and manufacturing facilities that are held by us on a leasehold basis. In the event we lose such leasehold rights, or are unable to renew them on commercially acceptable terms or at all, our business, results of operations, financial condition, cash flows and prospects may be adversely affected.*
- *Our Order Book may not be indicative of our future operating performance or financial results, as projects in our Order Book are subject to cancellations, modifications, delays, premature terminations and other uncertainties beyond our control.*

- *The markets in which we compete are characterized by sectors specific to the industries which we cater to, and their rapidly changing preferences in terms of technology and other related factors, including lower manufacturing costs. Accordingly, we may be affected by any disruptions in the industry, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.*
- *We are required to furnish bank guarantees and earnest money deposits in the ordinary course of our business, and any inability to arrange such guarantees, or invocation thereof, could adversely affect our cash flows, financial condition and business operations.*

For further discussion of factors that could cause the actual results to differ from the expectations, see “**Risk Factors**”, “**Industry Overview**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 25, 141, 183 and 359 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views 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 beliefs and assumptions, which in turn are based on currently available information. Although, we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the BRLM, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

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SECTION II – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we operate. Unless specified or quantified in the relevant risk factors below, we are not able to quantify the financial or other implications of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, reputation, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see “Our Business”, “Key Industries Regulations”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 183, 226, 270, 241 and 359, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of our Company and the terms of the Issue, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the consequences of investing in the Issue. Prospective investors should pay particular attention to the fact that the Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in various respects from that of other countries.

This Draft Red Herring Prospectus also contains forward looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors described below and elsewhere in this Draft Red Herring Prospectus. For details, see “Forward-Looking Statements” on page 23.

Unless the context otherwise requires, in this section, references to “our Company”, “we”, “us”, or “our”, “the Company”, “the Issuer”, “Nexa Defence” refers to Nexa Defence (I) Limited.

Unless the context otherwise requires, in this section, references to “Nexa Mumbai” refers to proprietorship firm of Mr. Jyothi Kumar Nannat, where Nexa Defence (I) Limited has acquired a business pursuant to a Business Transfer Agreement dated February 9, 2026 along with assets and liabilities of the proprietorship concerns as going concern in terms of the business transfer agreement with effect from March 31, 2026.

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “Aerospace & Defence Industry (GSE, Test Rigs, Test Benches and Test Equipment)” dated September 21, 2026, prepared and issued by Infomerics Analytics & Research Private Limited (“**Infomerics Report**” or “**Industry report**”), which has been commissioned and paid for by us exclusively in connection with the Issue for the purposes of understanding the industry in which we operate. The Infomerics Report will form part of the material documents for inspection, and a copy of the **Infomerics Report** is available on the website of the Company at <https://nexaindia.com/>. The data included herein include excerpts from the **Infomerics Report** and such excerpts may have been re-ordered by us for the purposes of presentation. There are no parts, data or information which may be relevant for the proposed Issue, from the **Infomerics Report**, that have been left out or changed in any manner. Unless otherwise indicated, all financial, operational, industry and other related information derived from the **Infomerics Report** and included herein with respect to any particular year, refers to such information for the relevant calendar year. For further details, please see risk factor no. 45 “This Draft Red Herring Prospectus contains information from third parties, including an industry report prepared and issued by Infomerics Analytics & Research Private Limited (“**Infomerics Report**”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.” Starting on page 52.*

Unless otherwise indicated or unless context requires otherwise, the financial information in this section has been derived from the Restated Financial Information. For further details, see “Restated Financial Information” on page 270. Our financial year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular financial year are to the 12 months ended March 31 of that year. The risk factors have been ordered on the basis of their materiality as deemed by us.

INTERNAL RISK

1. ***We derive our entire revenue from customers operating in the Indian defence sector, and our business is significantly dependent on this sector and on India as a single geography. Any adverse developments affecting the Indian defence***

sector, or our inability to comply with the extensive regulatory framework applicable to it, could adversely affect our business, financial condition, results of operations and cash flows.

Our business is substantially dependent on the design, development, manufacture, assembly, testing and supply of Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment to entities operating in the Indian defence sector, including government-owned defence and aerospace enterprises, defence research and development organisations, and various end-user organisations under the Ministry of Defence, Ministry of Home Affairs and other government departments and agencies. For further details of our customers, see “Our Business” beginning on page 183. We currently cater exclusively to the Indian market and Indian defence-related organisations, and do not have any operations, customers or order book outside India. Our business is entirely exposed to developments affecting India's defence sector, including a reduction in defence budgetary allocations by the Government of India, changes in Government procurement policy or priorities, delays in Government decision-making, geopolitical developments affecting India, or a slowdown in indigenisation or modernisation programs of the Ministry of Defence. Any such developments could reduce the volume of orders available to us, or result in delays, deferrals or cancellations of existing and prospective orders, any of which could adversely affect our business and results of operations. We cannot assure you that we will be able to diversify our customer base across sectors or geographies, or that any future diversification will be achieved in a timely manner or at all.

Further, the defence sector in which we operate is subject to extensive and evolving regulation, and our ability to design, manufacture and supply our products is contingent upon obtaining and maintaining various regulatory approvals, licenses, registrations and certifications, including under the Defence Acquisition Procedure (“DAP”) issued by the Ministry of Defence, Government of India, and certifications such as AS9100D, ISO 9001:2015, and approval from the Director General of Aeronautical Quality Assurance (“DGAQA”). For further details, see “Government and Other Approvals” beginning on page 383. Compliance with these requirements involves significant cost and management time, and we cannot assure you that we will be able to maintain existing approvals and certifications, or obtain renewals or fresh approvals in a timely manner or at all. Any actual or alleged non-compliance with applicable laws, regulations, quality standards, security protocols or contractual terms applicable to the defence sector could result in penalties, suspension or termination of contracts, disqualification or blacklisting from future tenders, or other regulatory or contractual action, any of which could materially and adversely affect our reputation, business, financial condition and results of operations.

2. Majority of our projects have been awarded through competitive bidding process. Failure to qualify for, complete or win new contracts could negatively impact our business, potentially affecting our financial condition, operational results, growth prospects, and cash flow stability.

A significant portion of our orders and revenue is obtained through participation in tenders and other competitive procurement processes issued by government entities, public sector undertakings, defence establishments. Project owners typically prescribe pre-qualification and eligibility criteria relating to technical capability, manufacturing capacity, quality certifications, financial standing and past experience, which prospective bidders must satisfy before being permitted to bid. We cannot assure you that we will continue to meet such pre-qualification criteria in the future, particularly for larger or more complex projects. If we are unable to pre-qualify on acceptable terms, or otherwise lack the credentials required by customers, we may lose the opportunity to bid for such projects, which could adversely affect our growth plans. For further details of our order procurement process, see “Our Business- Order Procurement and Customer Acquisition Process” beginning on page 183.

Even where we successfully pre-qualify, we cannot assure you that our technical and financial bids, once submitted, will be accepted. We spend considerable time, effort and resources in the preparation and submission of bids, and there can be no assurance that bids on which we have expended such resources will be awarded to us, or that awarded contracts will be on commercially favourable terms. Our results of operations and cash flows may accordingly fluctuate materially from period to period, depending on the timing and value of contract awards. The following table sets forth details of tenders/bids participated in and awarded to us, for the periods indicated:

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of tenders/bids participated	45	75	264	185	186
In Progress- under evaluations phase	15	5	-	-	-

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of tenders/bids participated- <i>Excluding under evaluations phase</i> (A)	30	70	264	185	186
Number of tenders/bids awarded (B)	10	20	53	40	58
Win ratio (%) ¹ (B/A)	33.33%	28.57%	20.08%	21.62%	31.18%
Value of tenders/bids awarded (₹ in lakhs)	587.34	1,740.52	1,472.22	5,703.92	1,031.10

Win ratio is calculated as the number of tenders/bids awarded to us out of Number of tenders/bids participated-excluding under evaluations phase during the relevant period.

Note: In Fiscal 2026 and three months period ended June 30, 2026, few projects are under evaluations phase which is showing under Total participated

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Our win ratio may vary from period to period on account of factors such as the number and nature of tenders floated by defence and other institutional customers during the relevant period, the intensity of competition, pricing pressure from competitors, changes in qualification or evaluation criteria, and our own capacity and technical readiness at the relevant time. There can be no assurance that our historical win ratio is indicative of our ability to win tenders in the future, and a decline in our win ratio could reduce the number of contracts awarded to us and adversely affect our revenue and growth prospects.

Further, we are subject to execution risks inherent in our business. Once a contract is awarded, delays in the receipt of raw materials or components, technical or engineering challenges, delays in customer inspections or approvals, or other factors beyond our control may result in delays in completion of the project. Failure to execute awarded contracts in accordance with the prescribed technical specifications, quality standards and delivery schedules could result in the levy of liquidated damages, forfeiture of performance security or earnest money deposits, termination of the contract, or disqualification from participating in future tenders of the relevant customer. We have, in the past, been subject to deductions of liquidated damages by customers, recovered directly from amounts payable to us, on account of delays in delivery and other contractual non-compliances. The details of such deductions for the periods indicated are set forth below:

Particulars	Nexa Defence		Combined (Nexa Defence and Nexa Mumbai)	Nexa Mumbai	
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Amount of liquidated damages deducted	-	-	39.29	81.69	60.88
Revenue from Operations	1,438.75	2,181.14	5323.92	2645.45	1893.82
% of revenue from operations for the relevant period	NA	NA	0.74%	3.09%	3.21%

Apart from the deductions disclosed above, we confirm that there have been no instances of forfeiture of performance security or earnest money deposits, blacklisting, or termination of contracts by any of our customers in three months period ended June 30, 2026, Fiscal 2026, Fiscal 2025, Fiscal 2024; however, we cannot assure you that such instances will not occur in the future. Our order book is also subject to modification, cancellation or premature termination at the discretion of our customers, and should not be considered indicative of our future revenue or results of operations. Given that a majority of our revenue is derived from contracts secured through competitive bidding, our inability to consistently qualify for, win and execute new contracts could result in a decline in our order book and revenue, and could materially and adversely affect our business, financial condition, results of operations, growth prospects and cash flow stability.

3. *Our business is heavily dependent on tender-based order book and revenue from Government entities, public sector undertakings and defence establishments, accounting for approximately 80.20%, 96.09%, 96.55%, and 90.41% of our revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025, and 2024, respectively. However, delays or a lack of tenders from Government entities, along with adverse changes in Government policies, could materially impact our business through contract foreclosures, terminations, restructurings, or renegotiations, affecting our operations and financial performance.*

Our business is heavily dependent on tender-based order book and revenue from Government entities, public sector undertakings and defence establishments, which accounted for approximately 80.20%, 96.09%, 96.55%, and 90.41% of our revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively. The following table sets forth our revenue from operations derived from tender-based and direct contract revenue from Government entities, public sector undertakings and defence establishments, for the periods indicated:

Sale Channels	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three month ended June 30, 2026	% of total revenue from operations	Fiscal 2026	% of total revenue from operations	Fiscal 2025	% of total revenue from operations	Fiscal 2024	% of total revenue from operations
Through tender based Participation	1,140.35	79.26%	4,670.71	87.73%	2,352.19	88.91%	1,071.40	56.57%
Single Tender Facility	-	0.00%	353.38	6.64%	1.25	0.05%	2.51	0.13%
Total from tender-based contracts	1,140.35	79.26%	5,024.09	94.37%	2,353.44	88.96%	1,073.91	56.71%
Direct Order from Customer ⁽¹⁾	298.40	20.74%	299.83	5.63%	292.01	11.04%	819.92	43.29%
Total Revenue from operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

¹ Direct Orders from Customers for the three-month period ended June 30, 2026 include revenue from back-to-back billing to M/s. Nexa Mumbai pursuant to the Business Transfer Agreement in relation to the transition of the outstanding order book. While the underlying work is undertaken by our Company, M/s. Nexa Mumbai raises invoices to the respective end customers, who are primarily sourced through tender-based procurement. Accordingly, such revenue has been classified under the "Direct Order" category based on the billing arrangement.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

The following table sets forth the contribution from our tender based order book and direct contract to our Order Book for the Fiscals and period indicated:

Particulars	Three Months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value
Tender-based contracts	3,777.85	69.27%	4,898.64	75.54%	3,977.25	76.47%	3,805.47	96.67%
Single Tender Order	1,510.88	27.70%	1,514.89	23.36%	1,084.75	20.86%	0.00	0.00%
Direct contracts	164.95	3.02%	71.35	1.10%	139.32	2.68%	130.94	3.33%
Total	5,453.69	100.00%	6,484.88	100.00%	5,201.33	100.00%	3,936.41	100.00%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Given this concentration, our business is significantly exposed to the pace and volume of tender activity undertaken by the Government of India and its instrumentalities. Any delay in the floating of tenders, a reduction in the number or value of

tenders issued, or a slowdown in Government procurement on account of budgetary constraints, changes in defence acquisition priorities, or administrative or policy-level delays, could reduce the opportunities available to us to bid for and secure new orders. We have no control over the timing, frequency or scale of tenders issued by our Government customers, and any prolonged reduction in tender activity could adversely affect our order book, revenue and growth prospects.

Further, our contracts with Government entities, public sector undertakings and defence establishments are subject to change in accordance with evolving Government policies, procurement procedures, budgetary priorities, and strategic or security considerations. Such changes could result in the foreclosure, termination, restructuring or renegotiation of existing contracts, or the imposition of revised commercial or technical terms, on terms less favourable to us. Government contracts may also, in certain circumstances, be terminated or modified at the discretion of the relevant Government entity, including on grounds of administrative convenience, changes in policy, or budgetary reallocation, without any corresponding right to compensation in our favour, or with compensation on terms prescribed unilaterally by such entity. We confirm that no such instance of foreclosure, termination, restructuring or renegotiation of our Government contracts has occurred in the past; however, we cannot assure you that our existing contracts with Government customers will not be foreclosed, terminated, restructured or renegotiated in the future, and any such event could materially and adversely affect our operations and financial performance.

4. ***A significant portion of our revenue from operations is attributable to our top ten customers accounting for approximately 99.84%, 94.28%, 90.81% and 65.95% of our revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025, and 2024, respectively, and our business and profitability is dependent on our ability to win projects from such customers. Loss of one or more of our customers or reduction in their demand for our offerings could adversely affect our business, results of operations and financial conditions.***

A significant portion of our revenue from operations is attributable to our top ten customers, accounting for approximately 99.84%, 94.28%, 90.81% and 65.95% of our total revenue from operations for the three months period ended June 30, 2026 and Fiscals 2026, 2025 and 2024, respectively, and our business and profitability is dependent on our ability to win projects from such customers. The following table sets forth the value of our revenue from operations attributable to our top three, top five and top ten customers, respectively, in absolute terms and as a percentage of our total revenue from operations, for the periods indicated:

Customer	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations
Top 1	937.22	65.14%	1,720.49	32.32%	1,180.24	44.61%	453.50	23.95%
Top 3	1,392.18	96.76%	4,351.61	81.74%	1,951.68	73.78%	802.92	42.40%
Top 5	1,429.07	99.33%	4,721.94	88.69%	2,179.12	82.37%	997.91	52.69%
Top 10	1,436.48	99.84%	5,019.64	94.28%	2,402.39	90.81%	1,249.05	65.95%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Note: *Our customers include entities operating in the aerospace & defence sectors, including Air Force stations, the Indian Army, the Indian Coast Guard, the Indian Navy, defence research organisations and Maharatna Central Public Sector Enterprises under the Ministry of Defence, Government of India. However, we have not obtained consent from the respective customers to disclose their actual names.*

While we have established long-standing relationships with several of our customers, the majority of our contracts are awarded through a competitive bidding process. As such, we are required to meet prescribed qualification criteria and submit commercially competitive bids to secure contracts. We cannot assure you that we will always qualify to participate in tenders, or that our bids, once submitted, will be successful. Any failure to qualify or secure projects through the bidding process may limit our ability to maintain existing customer relationships, adversely impact our revenue, and affect our business, financial condition, results of operations and cash flows. Our ability to retain existing customers and attract prospective customers also depends, among other factors, on the competitiveness of our pricing. If we are unable to appropriately adjust our pricing in response to market conditions, customer expectations, or competitive pressures, we may lose business

opportunities or face customer attrition, which could adversely affect our revenue growth, profitability and overall business operations.

There are a number of factors outside our control that may result in a customer's decision to discontinue awarding projects to us or prematurely terminate existing projects, including changes in the customer's strategic or procurement priorities, demand for price reductions, budgetary constraints, or broader market dynamics. If our existing customers do not award additional projects to us, or if we fail to expand the size of our business with them or diversify our customer base to reduce this concentration, our business, profitability and results of operations could be adversely affected.

5. *Our Company has a limited operating history, having been incorporated recently and having acquired the running business of “Nexa Mumbai,” the sole proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, on a going concern basis, which may make it difficult for investors to evaluate our historical performance and future prospects.*

Our Company was incorporated as “Nexa Defence (I) Private Limited” under the Companies Act, 2013, pursuant to a certificate of incorporation dated March 7, 2025, issued by the Registrar of Companies, Central Processing Centre (“RoC”), bearing Corporate Identification Number U41002MH2025PTC442318. Our Company was subsequently converted into a public limited company pursuant to a fresh certificate of incorporation dated February 6, 2026, issued by the RoC, and its name was changed to “Nexa Defence (I) Limited,” with the Corporate Identification Number changed to U41002MH2025PLC442318. Pursuant to a Business Transfer Agreement dated February 9, 2026, our Company took over the running business of “Nexa Mumbai,” a sole proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, with effect from March 31, 2026, on a going concern basis, including its assets, liabilities, employees, and customer and supplier relationships. M/s. Nexa Mumbai was in existence since Fiscal 2015 and was engaged in the design, development and manufacture of Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment for the aviation, aerospace and defence sectors. While the underlying business operations have been ongoing under the proprietorship structure for over a decade, our Company itself has a limited independent operating history. As a result, investors may find it challenging to evaluate our historical performance, future prospects and business viability based solely on our Company's own corporate track record. For further details, see “History and certain corporate matters” beginning on page 236 and “Our Business” beginning on page 183.

Further, our Memorandum of Association specifically includes the acquisition and takeover of the proprietorship business of Nexa Mumbai as one of the main objects of our Company, reflecting our intent to continue and expand the same line of business under the corporate structure. However, our financial results and operational metrics as a Company may not be directly comparable to those of the erstwhile proprietorship concern, on account of differences in legal structure, corporate governance, financial reporting standards, tax treatment, and strategic priorities. Our Restated Financial Information for periods prior to the effective date of the Business Transfer Agreement reflects the results of the proprietorship business of Nexa Mumbai, and prospective investors should note that our Company has not, in its own corporate capacity, operated through a complete business or economic cycle independent of the proprietorship business. Consequently, our future performance may fluctuate and differ materially from past trends, which could impact investor perception and the market price of our Equity Shares.

The transfer of the business undertaking, including its assets and liabilities, was undertaken on terms mutually agreed between our Company and our Promoter, as documented in the Business Transfer Agreement. Any dispute arising from the interpretation, execution or performance of this agreement, including in relation to the valuation, transfer or vesting of any asset, liability, contract, approval or employee, could adversely affect our business operations, financial condition and reputation. As of the date of this Draft Red Herring Prospectus, no such dispute has arisen between our Company and our Promoter in relation to the Business Transfer Agreement; however, we cannot assure you that no such dispute will arise in the future. Further, the transfer of certain contracts, approvals, licenses, registrations and certifications held by Nexa Mumbai may require actions such as novation, transfer, or fresh grant in the name of our Company, and we cannot assure you that all such transfers or fresh approvals have been or will be completed in a timely manner, or at all. For further details, see “Government and Other Approvals” beginning on page 383.

Further, as our Promoter, Mr. Jyothi Kumar Nannat, was the sole proprietor of Nexa Mumbai and continues to be our Promoter and Managing Director, there is a close alignment between our Promoter's interests and those of our Company in relation to the business transferred. While we believe this alignment supports continuity and a unified strategic approach to our business, our Company's performance remains closely linked to our Promoter's continued association with, and involvement in, our Company, and any discontinuation of such involvement, or any conflict of interest that may arise between our Promoter and our Company, could adversely affect our business, results of operations and financial position.

Further, pursuant to the Business Transfer Agreement, certain orders that were placed on, and remain in the name of, Nexa Mumbai prior to March 31, 2026 (being the effective date of the Business Transfer Agreement) continue to be invoiced to, and payments in respect thereof continue to be received by, Nexa Mumbai, as the relevant customers have not yet effected a formal novation or transfer of such orders in favour of our Company. With effect from March 31, 2026, our Company executes the underlying work relating to such pre-existing orders on a back-to-back basis for Nexa Mumbai, until completion of the relevant orders, following which such arrangement will cease. Our Promoter, Mr. Jyothi Kumar Nannat, has executed a non-compete agreement in favour of our Company, pursuant to which all business opportunities relating to our line of business are required to be undertaken solely through our Company, and Nexa Mumbai shall not undertake any new or external contracts, other than the back-to-back execution of such pre-existing orders, solely for and on behalf of our Company, until such orders are completed. The proprietorship of Mr. Jyothi Kumar Nannat will be closed/dissolved upon fulfilment of all such pre-existing orders. For further details, see “History and certain corporate matters ” on page 236.

We cannot assure you that all customers under such pre-existing orders will consent to, or complete, the novation or transfer of such orders in favour of our Company, or that they will do so within the anticipated timeframe. Until such transfer or novation is completed, our Company's revenue from these orders is realized through this back-to-back arrangement with Nexa Mumbai, rather than directly from the end-customer, and any delay, default, or dispute in respect of invoicing, collection, or performance under this arrangement including on account of Nexa Mumbai's inability to pass on amounts received, or any lapse in Nexa Mumbai's compliance obligations as the named contracting party could adversely affect our ability to realize revenue from such orders in a timely manner, or at all. Further, while our Promoter has undertaken not to compete with our Company and to route all business exclusively through our Company (other than the limited back-to-back execution described above), we cannot assure you that this arrangement will be free of disputes, or that the non-compete undertaking will be effectively enforced, and any breach thereof could adversely affect our business and results of operations.

6. *Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity, goodwill, business, financial condition and results of operations.*

Our business is working capital intensive, and hence, inventories and trade receivables form a major part of our current assets. For the three months period ended June 30, 2026 and for Fiscals 2026, 2025 and 2024, our inventories and trade receivables, on an aggregate basis, constituted approximately the following percentages of our total assets, as set forth in the table below:

Particulars	Nexa Defence				Nexa Mumbai			
	Three Months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Amount	% of Total Assets	Amount	% of Total Assets	Amount	% of Total Assets	Amount	% of Total Assets
Inventories	213.45	7.56%	425.85	25.98%	605.58	33.14%	497.04	32.08%
Trade Receivables	1522.58	53.93%	349.82	21.34%	295.65	16.18%	526.54	33.99%
Total	1736.03	61.49%	775.67	47.32%	901.23	49.33%	1023.58	66.07%

Our working capital requirements, and the extent of funds required to be blocked in inventory and trade receivables, are influenced by factors such as the nature and duration of our projects, procurement lead times for raw materials and components, the payment terms and credit periods extended to our customers, and the timing of collections from Customers, who may have longer payment cycles on account of internal approval processes. We cannot assure you that we will be able to manage our inventory levels efficiently, and any excess or obsolete inventory, whether on account of design changes, order cancellations, or changes in customer specifications, could result in write-downs or write-offs that adversely affect our profitability.

Similarly, we cannot assure you that our customers, including Government entities, public sector undertakings and defence establishments, will pay amounts owed to us within the stipulated credit period, or at all. Delays in the realization of trade receivables could adversely affect our cash flows and require us to rely on additional working capital borrowings, which would increase our finance costs. Further, payments from Government entities, public sector undertakings and defence establishments may be, and have been, subject to delays on account of regulatory scrutiny, internal approval processes, and procedural formalities, including in relation to the determination of achievement of contractual or technical milestones. Further, any deterioration in the credit quality of our customers, or a dispute regarding the quality, quantity or specifications of products delivered, could result in delays in payment, disputes, or provisioning for doubtful debts. In addition, our working capital requirements may increase in the future as we expand our operations and scale of business, and we cannot assure you

that we will have access to additional working capital facilities on commercially favourable terms, or at all, to fund such requirements. Any inability to effectively manage our inventory and trade receivables, or to realize amounts owed to us in a timely manner, could adversely affect our sales, profitability, cash flows, liquidity, goodwill, business, financial condition and results of operations.

7. *We operate through our Registered Office and manufacturing facilities that are held by us on a leasehold basis. In the event we lose such leasehold rights, or are unable to renew them on commercially acceptable terms or at all, our business, results of operations, financial condition, cash flows and prospects may be adversely affected.*

Our Registered Office and our manufacturing facilities, located at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India, and another manufacturing facility located at Plot No. 1055, Survey No. 114, Belavali, Panvel, Raigad, are held by us on a leasehold basis pursuant to lease/rent agreements entered into with the respective lessors. We do not own the premises on which our Registered Office and manufacturing facilities are situated. For further details, see “Our Business- Manufacturing Facilities” and “Properties” beginning on page 183.

Our lease agreements are for fixed terms and are subject to periodic renewal, and we cannot assure you that such leases will be renewed on terms favourable to us, or at all, upon expiry of their respective terms. Our lessors may also choose not to renew these agreements, or may seek to renegotiate the terms of renewal, including in relation to rent, escalation, or other commercial terms, which may not be acceptable to us. In addition, we cannot assure you that we will not experience any disputes with our lessors with respect to our leasehold rights, including in relation to the title of the lessors to the leased premises, compliance with the terms of the lease agreements, or other matters, which could affect our ability to continue to use such premises. As of the date of this Draft Red Herring Prospectus, we have not experienced any such instance of non-renewal or dispute in relation to our leasehold premises; however, we cannot assure you that such instances will not occur in the future.

If we are required to vacate our current premises for any reason, including on account of non-renewal, termination, or disputes relating to our leasehold rights, we would be required to identify and relocate to suitable alternate premises, which could result in significant costs, delays, and disruption to our manufacturing operations. Any such relocation could also require us to obtain fresh regulatory approvals, licenses, and certifications applicable to our operations, including in relation to our quality certifications and defence-related approvals, at the new location, which may take considerable time. Any disruption to our operations on account of loss of, or inability to renew, our leasehold rights over our Registered Office or manufacturing facilities could adversely affect our business, results of operations, financial condition, cash flows and prospects.

8. *Our Order Book may not be indicative of our future operating performance or financial results, as projects in our Order Book are subject to cancellations, modifications, delays, premature terminations and other uncertainties beyond our control.*

We have an consolidated Order Book of ₹5,453.69 lakh as on June 30, 2026, comprising awarded contracts, letters of award, and work orders for projects yet to be executed, either in full or in part. While our Order Book provides an indication of our current business pipeline and revenue visibility, it may not be representative of our future operating results, revenue, or profitability. The inclusion of a project in our Order Book typically occurs upon issuance of a letter of award, signing of a contract. Projects in our Order Book are, however, susceptible to various risks, including delays in project commencement, receipt of regulatory or customer approvals, availability of raw materials and components, or mobilization of resources. Our contracts with Government entities, public sector undertakings and defence establishments typically contain provisions permitting the customer to terminate the agreement prior to completion for reasons including, but not limited to, delay in performance, failure to meet contractual or technical obligations, changes in customer requirements, policy changes, budgetary constraints, or for administrative convenience at the discretion of the customer.

Further, projects may be subject to modification in scope, renegotiation of commercial terms, or termination due to changes in Government policy, customer priorities, or budgetary constraints. Projects awarded by Government entities, public sector undertakings and defence establishments are, in particular, exposed to risks of cancellation, deferment, or revision as a result of administrative decisions, budgetary re-allocations, changes in defence acquisition priorities, or strategic or security considerations. The following table sets forth details of our Order Book, for the periods indicated:

Particulars	Three Months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value	Order Book (in ₹ Lakh)	As a % of the Order Book value
Tender-based contracts	3,777.85	69.27%	4,898.64	75.54%	3,977.25	76.47%	3,805.47	96.67%
Single Tender Order	1,510.88	27.70%	1,514.89	23.36%	1,084.75	20.86%	0.00	0.00%
Direct contracts	164.95	3.02%	71.35	1.10%	139.32	2.68%	130.94	3.33%
Total	5,453.69	100.00%	6,484.88	100.00%	5,201.33	100.00%	3,936.41	100.00%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Consequently, significant deviations from estimated timelines, contract values, and execution schedules could occur, which may result in lower-than-expected revenue, increased costs, or reputational impact. Projects may be delayed beyond expected delivery schedules, impacting quarterly or annual revenue recognition, and scope or budgetary reductions may lower expected profitability, while terminations may result in unabsorbed costs, idle resources, or reputational harm. Certain of our contracts contain provisions for liquidated damages and other performance-linked penalties. If we experience significant deviations from estimated timelines, contract values, or execution schedules, we may be liable for such penalties or adverse revisions in contract value, which could adversely affect our revenue, profitability and reputation. For details of liquidated damages levied on us in the past, see risk factor no. 2 *“Majority of our projects have been awarded through competitive bidding process. Failure to qualify for, complete or win new contracts could negatively impact our business, potentially affecting our financial condition, operational results, growth prospects, and cash flow stability”* on page 26.

In the event of any premature termination of a project, we may not be able to recover amounts due to us for work already completed or costs incurred in anticipation of completing the project, and certain contracts may contain provisions limiting our right to claim compensation or recover costs upon such termination. Any such termination could result in financial losses, increased working capital requirements, and loss of anticipated revenue. While there have been no instances of premature termination of projects by our customers in Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months period ended June 30, 2026, any such event, if it were to occur in the future, could adversely affect our business, financial condition and results of operations.

Investors are accordingly cautioned that our disclosed Order Book is a dynamic indicator of potential business, and does not guarantee revenue conversion, nor should it be construed as a proxy for our future performance or cash flows. While there have been no material disruptions in the execution of projects forming part of our Order Book in Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months period ended June 30, 2026, any adverse impact on such projects in the future could materially and adversely affect our business, financial condition and future prospects.

9. ***The markets in which we compete are characterized by sectors specific to the industries which we cater to, and their rapidly changing preferences in terms of technology and other related factors, including lower manufacturing costs. Accordingly, we may be affected by any disruptions in the industry, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.***

Our products are designed to match the specifications of specific aircraft, helicopter and defence platforms and systems currently in service with our customers. As these platforms are upgraded, modernized or replaced over time, the specifications for associated ground support and test equipment change correspondingly, and our existing product designs and manufacturing processes may not remain aligned with such changes. We cannot assure you that we will be able to anticipate these shifts, or design, develop and certify updated products in a timely manner, or at all.

We compete with domestic and international manufacturers of Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment, some of whom may have greater resources or lower manufacturing costs than us. For further details, see “Our Business- Competition” on page 183. Our Indigenisation model is premised on developing domestic alternatives to previously imported equipment; any shift in customer or Government preference back towards imported alternatives, or increased domestic competition to indigenise similar products, could increase pricing pressure and adversely affect our order inflow.

We also depend, in part, on collaboration and technology transfer arrangements with foreign original equipment manufacturers to expand our capabilities. These arrangements are currently non-binding and at an early stage, and we cannot

assure you that they will result in definitive agreements or the anticipated business outcomes. For further details, see “Our Business - Strategic Partnership Agreements/MoUs” on page 183. Any disruption in the industries we cater to, on account of the foregoing or other factors, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

10. We are required to furnish bank guarantees and earnest money deposits in the ordinary course of our business, and any inability to arrange such guarantees, or invocation thereof, could adversely affect our cash flows, financial condition and business operations.

In terms of our contracts and the requirements of our Government, public sector undertaking and defence establishment customers, we are required to provide certain financial instruments, including bid security, advance security, performance bank guarantees, earnest money deposits (“EMDs”) and retention bank guarantees, in connection with our projects. We typically furnish bank guarantees to the relevant customer with whom the contractual arrangement has been entered into. These guarantees are generally required to be furnished within a few days of signing of the relevant contract, and remain valid up to approximately 1 to 2 years beyond the scheduled completion period, or as otherwise required under the specific contract, including through the defect liability period prescribed thereunder. The following table sets forth details of our outstanding bank guarantees, and EMDs, for the periods indicated:

	Nexa Defence		Nexa Mumbai	
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Bank guarantees issued	444.75	409.37	388.06	325.31
Earnest money deposits (EMDs) and other security deposits	12.66	12.61	10.34	0.36
Total	457.41	421.98	398.40	325.67

We may not be able to continue obtaining new bid, performance, retention or other bank guarantees in sufficient quantity or in a timely manner to match our business requirements, and our ability to do so is dependent on our creditworthiness and the continued willingness of our lenders to extend non-fund based limits to us, as well as our ability to provide sufficient collateral or margin money where required. If we are unable to furnish the bank guarantees or EMDs required under a tender or contract, our ability to participate in tenders or enter into new contracts could be limited, which could materially and adversely affect our business, results of operations and financial condition.

We may also be unable to fulfil our obligations under contracts entered into by us in relation to our ongoing projects, on account of factors beyond our control, which may result in a default under the relevant contract and consequent invocation of the bank guarantees, surety bonds or EMDs furnished by us. While there have been no instances, in the three months period ended June 30, 2026 and Fiscal 2026, Fiscal 2025 and Fiscal 2024, in which any bank guarantee, surety bond or EMD furnished by us has been invoked, we cannot assure you that such instances will not occur in the future, and any such invocation could adversely affect our cash flows, business and financial condition.

11. We may not be able to successfully manage the growth of our business if we are not able to effectively implement our growth strategies.

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. Our current growth strategies include (i) expanding and diversifying our product portfolio for the aviation, aerospace and defence sectors; (ii) venturing into larger, platform-level defence manufacturing programmes aligned with the Government of India's Atmanirbhar Bharat initiative; (iii) expanding our geographical presence and manufacturing facilities into newer regions, domestically and internationally; (iv) leveraging collaborations and technology transfer arrangements with foreign original equipment manufacturers; and (v) leveraging our defence sector experience to enter the commercial civil aviation market in India. For further details, see “Our Business- Our Business Strategies” on page 183.

Further, the execution of our growth strategies requires us to focus on business development initiatives, including participation in tenders, qualification for larger defence programmes, and pursuit of new customer relationships. We cannot assure you that our business development initiatives will yield results in the form of contract awards or nominated orders. In addition, if we raise additional funds for our growth through debt, our interest and debt repayment obligations will increase, and we may become subject to additional restrictive covenants. Further, our management may also change its view on the desirability of our current strategies, and any resultant change could put significant strain on our resources.

In addition, expansion into new geographic regions, and into the commercial civil aviation segment, will subject us to various challenges, including establishing new manufacturing infrastructure, obtaining relevant certifications and regulatory

approvals, and building relationships with customers with whom we do not have an existing track record. See also “Our Business- Our Business Strategies - Expansion of Geographical Presence and Manufacturing Facilities” and “Leveraging Our Defence Sector Experience to Enter the Commercial Civil Aviation Market” on page 183. If we are unable to successfully execute our growth strategies, our business, prospects, results of operations and financial condition could be adversely affected.

We cannot assure you that our growth strategies will be successful or gain acceptance among our target customers. Our ability to achieve our growth strategies will be subject to a range of factors, including our ability to identify market opportunities and demand within the aviation, aerospace and defence sectors, accurately assess the resources required for larger or new-segment projects, acquire new customers and increase orders from existing customers, innovate and develop new products to address evolving technical requirements, recruit and retain skilled engineering and technical personnel, improve operational efficiencies, maintain the certifications, approvals and registrations required to remain eligible for defence-related procurement, and maintain effective internal controls and compliance systems. Accordingly, our revenue from operations may be impacted by various factors, including increased competition and challenging macroeconomic conditions, and we may not always be able to maintain profitability in the future. If, for any reason, the benefits we realize from our growth strategies and expansion plans are less than anticipated, our business, results of operations, cash flows and financial condition may be adversely affected.

12. *For our business, we rely heavily on our Promoter, Mr. Jyothi Kumar Nannat, who is our Chairman and Managing Director, as well as our Key Managerial Personnel and Senior Management. Our business performance may be adversely affected by their departure, or by our failure to recruit or retain them.*

Our Promoter, namely Mr. Jyothi Kumar Nannat, who is our Chairman and Managing Director, is in charge of our day-to-day operations, strategy, and business expansion. He is also responsible for the execution of our business plan. It may be challenging to find a suitable replacement for our Promoter Director in a timely and economical manner if he is unable to continue in his current role. Further, our success depends substantially on the continued efforts of our Promoter Director, Key Managerial Personnel and Senior Management. For further details, see “Our Management” on page 241. Our future performance will depend largely on our ability to retain the continued service of our Promoter, Directors, Key Managerial Personnel, Senior Management and our workforce. If our Promoter, or one or more of our Directors, Key Managerial Personnel, Senior Management, or key employees are unable or unwilling to continue their services with us, we might not be able to replace them easily, in a timely manner, or at all, and our business, financial condition, and results of operations could be adversely affected. In the event of a shortage of skilled/unskilled personnel or work stoppages caused by disagreements with the workforce, our business, results of operations, cash flows, and financial condition could be adversely affected. While we have not experienced any major prolonged disruption in our business operations due to strikes, disputes, or other problems of a similar nature with our workforce during the three months period ended June 30, 2026 and the preceding three Fiscals, there can be no assurance that we will not experience any such disruption in the future.

13. *Our revenues and purchase are significantly concentrated in a limited number of geographies, which exposes us to business and financial risks*

Our revenues are significantly concentrated across a limited number of geographies, which exposes us to business and financial risks. For instance, during the three-month period ended June 30, 2026, Fiscal 2026, Fiscal 2025 and Fiscal 2024, Maharashtra alone contributed approximately 74.64%, 35.42%, 7.40% and 15.08%, respectively, of our total revenues, followed by Uttar Pradesh, which contributed approximately 12.04%, 24.81%, 37.09% and 25.79%, respectively, during the same periods. This demonstrates a significant dependence on a limited number of geographic regions for our revenues. Similarly, our purchases are also concentrated in a limited number of geographies, with Maharashtra and Karnataka together accounting for approximately 82.37%, 89.97%, 92.33% and 88.54% of our total purchases during the three-month period ended June 30, 2026, Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively, indicating a similar dependence on a limited number of geographic regions for our supply chain. For further details, please refer to the section titled “Our Business”.

Any adverse changes such as regulatory restrictions, economic downturns, local disruptions, transport or logistics constraints, or supply chain interruptions in these concentrated geographies could materially impact our revenues, our ability to procure raw materials or components, and our profitability. Moreover, such geographic concentration also creates a risk of pricing pressure, delays, or disruption on both the sales and procurement side, which may adversely affect our cash flows and operations. While we are working to diversify across regions on both our revenue and procurement sides, there can be no assurance that such efforts will succeed in reducing this concentration risk. Consequently, our reliance on a limited set of geographies for both revenue generation and purchases makes us vulnerable to fluctuations in demand, local market risks, and regional disruptions, which may adversely impact our business, financial condition, and prospects.

14. Our business is dependent on our ability to hire, integrate, train and retain qualified personnel, and any high rate of attrition among our employees, which is largely outside our control, could adversely affect our business, financial condition, results of operations and cash flows.

For the three-month period ended June 30, 2026 and Fiscal 2026, the attrition rate of employees of our Company was 3.18% and 4.76%, respectively. For the erstwhile proprietorship concern, Nexa Mumbai, the employee attrition rate was 10.06%, 9.68% and 11.36% for Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. If we are unable to hire, integrate, train and retain qualified personnel, or if we experience high attrition levels, which are largely outside our control, our business, financial condition, results of operations and cash flows could suffer. The following table sets forth details of our employee attrition, for the periods indicated:

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total number of employees at the beginning of the year (A)	42	0	79	45	43
Opening Adjustment related to employee transfer through BTA	65	0	0	0	0
Total Number of employee transfer to Nexa Defence from Nexa Mumbai before BTA (C)	-	41	41	-	-
Total number of employees at the end of the year (B)	144	42	59	79	45
Average number of employees during the year {D = [(A+B+C)/2]}	126	21	90	62	44
Number of employees who exited during the year (C)	4	1	9	6	5
Attrition rate of our employees (in %)* (C/D)	3.18%	4.76%	10.06%	9.68%	11.36%

*Attrition rate of the employees of our Company has been calculated by dividing the total number of employees who resigned during the relevant year by the total headcount of the average number of permanent employees.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Given the specialized and technical nature of our business, we require engineering, design, manufacturing, quality assurance and other skilled personnel with relevant experience in the aviation, aerospace and defence sectors. Competition for such qualified personnel within our industry is significant, and we may face difficulties in hiring and retaining employees on account of factors outside our control, including competition from other manufacturers and organizations in our sector, wage inflation, and the limited pool of personnel with relevant specialized skills and security clearances required for defence-related work. High attrition levels may result in loss of institutional knowledge, increased recruitment and training costs, and disruption to ongoing projects, particularly where departing employees are engaged in specialized design, engineering or quality functions.

We cannot assure you that we will be able to hire and retain adequate skilled personnel to replace those who leave our Company in a timely manner, or at all, or that our training programs will be adequate to prepare new employees to the level of proficiency required by our customers and contractual obligations. Any sustained increase in our attrition rate, or our failure to attract and retain qualified personnel, could adversely affect our operational efficiency, execution timelines, and our ability to meet the technical and quality requirements of our customers, and could adversely affect our business, financial condition, results of operations and cash flows.

Further, increased hiring by other aerospace, defence and engineering manufacturing companies, and increasing competition for skilled engineering and technical professionals within India, may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire. In addition, we compete for such skilled individuals not only with other companies in the aviation, aerospace and defence equipment industry, but also with companies in other engineering-intensive industries, such as automotive, industrial manufacturing, and general engineering services, among others. If we are not able to attract and retain skilled employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations, cash flows and financial condition may be adversely affected. High attrition rates among our technical and engineering personnel would increase our hiring, reskilling, upskilling and training costs, and could have an adverse

effect on our ability to complete existing contracts in a timely manner, meet customer specifications and quality requirements, and expand our business.

15. *We may not retain unrestricted rights over certain designs, drawings, specifications and other intellectual property developed for our customers, which may restrict our ability to reuse or commercialize such intellectual property.*

As part of our operations, we may undertake design, integration and assembly activities based on specific requirements, specifications and other technical parameters provided by our customers. Depending on the terms of the relevant contracts or purchase orders, certain designs, drawings, specifications, documents or other intellectual property developed specifically for a customer may be owned by or subject to the rights of such customer. Accordingly, our ability to independently reuse, modify, commercialize or otherwise exploit such intellectual property for other customers may be restricted.

Further, certain customer contracts may contain confidentiality, non-disclosure or other contractual restrictions in relation to customer-specific designs, specifications and technical information. Such restrictions may limit our ability to use certain elements developed or acquired in connection with a particular customer order for other engagements, even where such elements may have potential application elsewhere.

There can be no assurance that we will retain rights to reuse or commercialize all designs, drawings, specifications or other intellectual property developed in the course of executing customer orders, or that future contracts will permit such reuse. Any restrictions on our ability to reuse such intellectual property may require us to incur additional time and costs in developing or modifying solutions for other customers and may limit our ability to derive efficiencies from our previous development and integration activities.

Any such restrictions could adversely affect our ability to execute future orders, increase our development and execution costs and adversely affect our business, financial condition and results of operations.

16. *We are required to manufacture and assemble our products in accordance with specified standards and technical specifications prescribed by our customers, and any failure to meet such requirements, including in relation to quality assurance and materials used, could result in temporary blacklisting or cancellation of our vendor registration. We are also dependent on our raw material and component suppliers to ensure that materials, including electronic and electrical components, meet the technical specifications prescribed for our products.*

Our products are required to be manufactured and assembled in strict accordance with the technical specifications, drawings, quality standards and performance parameters prescribed by our customers, including under the Build-to-Print, Build-to-Specification and Indigenisation models. Supplying to our aerospace & defence sector customers requires us to be registered and maintain our status as an approved vendor, and, in certain cases, to hold security clearances and quality certifications, including from the Directorate General of Quality Assurance (“DGQA”) and other defence quality authorities, in addition to certifications such as AS9100D, ISO 9001:2015, and approval from the Director General of Aeronautical Quality Assurance (“DGAQA”). For further details, see “Our Business- Quality Control and Quality Assurance” on page 183. Any failure on our part to meet the prescribed technical specifications, quality standards, or performance requirements for our products whether on account of manufacturing defects, non-conforming materials, or process deviations -could result in rejection of products, imposition of penalties, temporary suspension or blacklisting from participating in future tenders, or cancellation of our registration as an approved vendor with the relevant customer or authority. We confirm that we have not faced any such instance of product rejection, penalty, blacklisting, or cancellation of vendor registration in Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months period ended June 30, 2026; however, we cannot assure you that such instances will not occur in the future, and any such event could materially and adversely affect our business, reputation and results of operations.

We are also dependent on our raw material and component suppliers to ensure that the materials supplied to us, including electrical and electronic components, conform to the technical specifications and quality standards prescribed for our products. We source a majority of our raw materials and components from suppliers located in India, and certain raw materials, components and equipment from suppliers located outside India, where required to meet specific technical, quality or performance requirements prescribed by our customers. For further details, see “Our Business -Procurement and Raw Materials” on page 183. We do not have long-term supply agreements with a majority of our suppliers, and we cannot assure you that our suppliers will consistently supply materials and components that conform to the technical specifications required for our products, or that we will be able to identify and qualify alternate suppliers in a timely manner in the event of any non-conformance, discontinuation of supply, or quality issue. Any failure by our suppliers to provide materials or components meeting the prescribed technical specifications could result in delays in production, rejection of finished products by our customers, and could adversely affect our ability to meet delivery timelines and quality requirements, thereby

exposing us to the risks of penalties, blacklisting, or cancellation of vendor registration described above. Accordingly, any of the foregoing could materially and adversely affect our business, financial condition, results of operations and prospects.

17. *The industry in which we operate requires significant working capital and capital expenditure, and our inability to obtain adequate financing on commercially acceptable terms and in a timely manner could adversely affect our business, financial condition and results of operations.*

The industry in which we operate requires participants to maintain adequate financial resources to meet working capital and capital expenditure requirements. Our funding requirements may increase due to, among other factors, increase in the cost of raw materials and components, higher operating expenses, expansion of manufacturing capacity, increase in order volumes, delays in realisation of receivables and other unforeseen business requirements.

The actual amount and timing of our future financing requirements may differ from our estimates due to, among other things, changes in market conditions, increase in input and operating costs, delays in customer payments, changes in customer requirements, expansion plans, unforeseen expenditure and changes in applicable regulatory requirements. To the extent our funding requirements exceed our available resources, we may be required to seek additional debt or equity financing.

Our ability to obtain additional financing on acceptable terms, or at all, will depend on various factors, including our financial condition, results of operations and cash flows, existing indebtedness, credit availability from banks and financial institutions, prevailing interest rates, general economic and capital market conditions and other factors beyond our control. Additional debt financing may increase our interest costs and repayment obligations and may subject us to additional restrictive covenants. Further, any additional equity financing may dilute the shareholding and earnings per Equity Share of our existing shareholders.

We cannot assure you that we will be able to obtain adequate financing on commercially acceptable terms and in a timely manner or at all. Any inability to obtain adequate financing when required may constrain our ability to meet our working capital and capital expenditure requirements and may adversely affect our business, cash flows, financial condition and results of operations.

18. *Our business requires significant working capital, and any variation in key assumptions could result in increased financing needs. Any inability to meet our working capital requirements or repay financial obligations could adversely affect our business, financial condition, results of operations, and cash flows.*

Our business operations are working capital intensive, primarily on account of the nature of our projects, which involve procurement of raw materials and components, manufacturing, assembly and testing of products, and other operating expenses that are incurred in advance. We are also required to maintain significant levels of inventory, and to extend credit to our customers, as further described in “Inventories and trade receivables form a major part of our current assets...” on page 31. In certain cases, we may also incur pre-bid expenses or resource mobilization costs in anticipation of tender awards that may not eventually materialize, thereby increasing our upfront capital exposure. Further, payment schedules under our contracts, particularly those with Government entities, public sector undertakings and defence establishments, may be back-ended or milestone-based, with limited or no advance payments, contributing to increased pressure on our liquidity and working capital cycles.

Our working capital requirements may also increase in the future if we secure larger or more complex projects, projects with longer design, development or execution timelines, or in cases where billing and collections are delayed due to administrative, regulatory, or customer-side issues, including delays in customer inspections or milestone certifications. Historically, the growth of our business has been dependent on substantial working capital. Details of our working capital, on a standalone basis, for the Fiscals and periods indicated, are set out below:

Particulars	Nexa Defence		Nexa Mumbai	
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Working capital (in ₹ lakh)	1,260.68	526.45	993.13	842.73
Working capital as (%) of total assets	44.66%	32.12%	53.73%	54.40%
Working capital as (%) of revenue from operations	87.62% ⁽¹⁾	9.89%	37.54%	44.50%

Note: For the three-month period ended June 30, 2026, Revenue from Operations has not been annualised. For Fiscal 2026, the combined Revenue from Operations of Nexa Defence and Nexa Mumbai has been considered, as the working capital amounts have already been combined in the books of Nexa Defence (I) Limited.

(1)Not Annualised

Our working capital requirements are funded through a combination of internal accruals, working capital borrowings, and other credit facilities. As of June 30, 2026, we had utilized working capital demand loans/facilities (fund based) from bank amounting to ₹636.97 lakh. For further details, see “Financial Indebtedness” on page 357. Any delay in collections, increase in working capital requirements as we scale our operations, or inability to access adequate financing on commercially acceptable terms, or at all, could constrain our ability to fund operations and meet our debt servicing obligations, and could adversely affect our business, financial condition, results of operations and cash flows.

19. Our contracts are generally short-term in nature and may be terminated by our customers upon the occurrence of specified events or non-fulfilment of contractual terms and conditions, which may adversely affect our business, operations and financial condition.’

We enter into contracts with our customers for the manufacture and supply of products, which are generally short-term in nature and are entered into for specific requirements of our customers. Certain of our contracts contain termination provisions pursuant to which the customer may terminate the contract upon declaration of specified events or in the event of any breach, non-compliance or non-fulfilment of the terms and conditions stipulated under the respective contracts.

Any failure or inability on our part to comply with the contractual requirements, specifications, delivery timelines or other terms and conditions may result in termination of the relevant contract. Further, termination of contracts may adversely affect our existing business relationship with such customers and our ability to secure future orders from them. Any significant termination of our contracts, or our inability to renew or secure new contracts, could adversely affect our order book, revenues and cash flows and may have a material adverse effect on our business, results of operations and financial condition.

20. Our marketing, sales and business development efforts may not be successful in securing new orders or expanding our customer base, which could adversely affect our business, financial condition and results of operations.

Our ability to secure new orders and maintain our order book depends, among other factors, on our sales, marketing and business development efforts, our ability to identify and respond to customer requirements, our relationships with existing and prospective customers and our ability to offer products meeting the required specifications, quality standards and delivery timelines.

We may incur costs towards marketing, business development and customer engagement activities, without any assurance that such efforts will result in new orders or generate corresponding revenues. Further, our ability to secure orders may be affected by competition, changes in customer requirements, procurement processes and tender conditions, pricing considerations and other factors beyond our control.

Our failure to effectively undertake sales and business development activities, maintain existing customer relationships or secure new customer orders may result in lower order inflows and adversely affect the utilisation of our manufacturing and operational resources. Any sustained decline in new orders or inability to maintain our existing customer relationships could adversely affect our business, financial condition and results of operations.

21. Bidding for a tender involves detailed project studies and cost estimations. Any inaccuracy in estimating such costs may reduce our expected returns and adversely affect our profitability.

Our participation in tenders and other competitive bidding processes requires us to undertake detailed project studies and cost estimations prior to submitting our bids, including in relation to the cost of raw materials, components and consumables, labour and manufacturing overheads, design and engineering effort, testing and certification costs, and other project-specific expenses. Our bids are based on our internal assessment of such costs at the time of submission, which may involve estimates regarding future price levels, availability of materials, and execution timelines, particularly given the time gap that may exist between submission of a bid and execution of the awarded contract.

Our contracts are typically entered into on a fixed-price or substantially fixed-price basis, and we generally bear the risk of any increase in the actual cost of execution over our original estimates. If our estimates prove inaccurate, whether on account of an increase in the price of raw materials or components, labour or overhead costs, or delays in execution, we may be

unable to recover such additional costs from our customers, and our profitability on the relevant contract could be adversely affected. We generally do not have the ability to pass on such cost increases to our customers, except to the limited extent permitted under applicable price escalation clauses, if any, in our contracts. We have not faced any material adverse impact on our profitability on account of such cost inaccuracies in three months period ended June 30, 2026, Fiscal 2026, Fiscal 2025 and Fiscal 2024, however, we cannot assure you that this will continue to be the case in the future. For further details, see “Our Business - Order Procurement and Customer Acquisition Process” on page 183.

We cannot assure you that our project studies and cost estimation processes will accurately reflect the actual costs of executing awarded projects, and any material inaccuracy in our cost estimates could adversely affect our margins. Any of the foregoing could adversely affect our business, results of operations, cash flows, profitability and financial condition.

22. *Our contingent liabilities may adversely affect our business, financial condition and results of operations.*

As of June 30, 2026, we had certain contingent liabilities and commitments, details of which are disclosed in the section titled “Restated Financial Information” on page 270 of this Draft Red Herring Prospectus. Such contingent liabilities may arise from, among other matters, claims, disputes, guarantees, statutory matters and other obligations that are dependent on the occurrence or non-occurrence of uncertain future events. Our contingent liabilities as per our Restated Financial Information for the Fiscals indicated are as follows:

Particulars	Three Months period ended June 30, 2026
Contingent Liability	444.75
Net Worth	981.20
% of Net Worth	45.33%

Most of our contingent liabilities have arisen in the ordinary course of our business. If any of these contingent liabilities materialise, or materialise to an extent higher than anticipated, we may be required to make payments or incur additional costs, which could adversely affect our cash flows, liquidity, business, financial condition and results of operations. There can be no assurance that our contingent liabilities will not increase or crystallise in the future.

For further details, please refer to the section titled “Restated Financial Information” on page 270 of this Draft Red Herring Prospectus.

23. *Some of our Group Companies and one of our Promoter Group entities are engaged in business activities that are similar or related to our business, which may result in potential conflicts, overlap in business opportunities or stakeholder confusion.*

Certain entities forming part of our Group Companies and Promoter Group are engaged, or are authorised to engage, in activities that are similar or related to the activities undertaken by our Company. Accordingly, there may be potential overlap in business opportunities, customers or other commercial interests between our Company and such entities. Any such conflict or overlap may adversely affect our business, financial condition, results of operations and prospects. For details of the business activities of our Group Companies and Promoter Group entities, see “Our Group Companies” and “Promoter and Promoter Group” on pages 265 and 259, respectively.

24. *We have experienced negative net cash flow from investing and financing activities in the past years and may continue to do so in future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.*

We had negative cash flows from our investing and financing activities as per the Restated Financial Information and the same are summarized as under:

(₹ in lakh)

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash flow from/ (used in) operating activities	(527.50)	(36.05)	1,130.72	267.51	(258.07)
Net cash flow from/ (used in) investing activities	26.49	(7.93)	(46.34)	(278.77)	(59.68)

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash flow from/ (used in) financing activities	803.84	32.98	(1,108.56)	(1.59)	351.48
Net increase/(decrease) in cash and cash equivalents	302.83	(11.00)	(24.18)	(12.85)	33.73

We may experience negative cash flows in the future as well. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. This situation may have an adverse effect on our cash flows, business, future financial performance and results of operations. For more information, see “Management's Discussion and Analysis of Financial Condition and Results of Operations” on page 359.

25. *Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company's business, financial condition, results of operation and cash flows.*

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions as indicated in the tables below, on a standalone basis, for the Fiscals and periods indicated:

Nexa Defence (I) Limited:

For the Three months period ended June 30, 2026:

Nature of payment	No. of employees as on the last day of the period	Paid
Employee state insurance	11	0.31
Provident fund	120	11.57
Professional tax	NA-Refer Note A	NA
Tax deducted at source on salary	2	5.16

For the Fiscal 2026:

Nature of payment	No. of employees as on the last day of the period	Paid
Employee state insurance	2	0.11
Provident fund	43	8.44
Professional tax	39	0.44
Tax deducted at source on salary	-	-

For erstwhile Proprietorship (Nexa Mumbai):

For the Fiscal 2026:

Nature of payment	No. of employees as on the last day of the period	Paid
Employee state insurance	4	0.70
Provident fund	11	6.68
Professional tax	79	1.61
Tax deducted at source on salary	23	3.06

For the Fiscal 2025:

Nature of payment	No. of employees as on the last day of the period	Paid
Employee state insurance	7	0.53
Provident fund	9	2.20
Professional tax	39	1.01

Nature of payment	No. of employees as on the last day of the period	Paid
Tax deducted at source on salary	14	-*

For the Fiscal 2024:

Nature of payment	No. of employees as on the last day of the period	Paid
Employee state insurance	3	0.39
Provident fund	5	1.72
Professional tax	45	1.07
Tax deducted at source on salary	13	-*

* The proprietorship concern has filed nil returns, and no tax has been deducted at source ("TDS") on salaries paid to its employees, as the salary income of such employees was below the applicable threshold for deduction of TDS.

Note A: The filing and payment of professional tax have been changed from a monthly basis to an annual basis with effect from April 2026.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

If we are unable to pay our statutory dues on time or in future, we could be subjected to penalties which could impact our financial condition and results of operations. We also have had instances of defaults/delay in the payment of certain statutory dues with respect to tax deducted at source, goods and services tax and professional tax. The below table sets forth the instances of delay in statutory dues paid, on a standalone basis, in the Fiscals and period indicated:

Nexa Defence (I) Limited

Fiscal/Period	GST		ESIC		TDS		Professional tax		EPF	
	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days
Three months period ended June 30, 2026	-	-	-	-	-	-	2	29-60 days	1	30
Delay for Fiscal 2026	1	5	-	-	-	-	-	-	-	-

Reasons for delay: Technical issues and administrative delays.

For erstwhile Proprietorship (Nexa Mumbai):

Fiscal/Period	GST		ESIC		TDS		Professional tax		EPF	
	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days	No. of instances	No. of days
Delay for Fiscal 2026	-	-	-	-	-	-	-	-	-	-
Delay for Fiscal 2025	-	-	-	-	-	-	-	-	-	-
Delay for Fiscal 2024	1	22	-	-	-	-	-	-	-	-

Reasons for delay: Technical issues and administrative delays.

There can be no assurance that such defaults/ delay may not arise in the future as well. This may lead to regulatory action from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

26. There have been instances of delays in filings of certain forms which were required to be filed as per the reporting requirements, as well as discrepancies in the forms submitted to the Registrar of Companies ("RoC"), in accordance with the Companies Act, 2013.

There have been certain instances of lapses and discrepancies in certain forms and the corresponding secretarial records filed by us with the Registrar of Companies (“RoC”) as per the provisions of the Companies Act, 2013, including missing attachments, typographical errors in resolutions, typographical errors in forms filed with the RoC, resolution or item numbers not mentioned in certain resolutions, and non-compliance with the requirements of the Companies Act, 2013 relating to the disclosure of information on name boards affixed at the Registered Office and corporate office of our Company. The details of the forms filed, along with the period of compliance, period of delay, and reasons for such delays, are set out below:

Sr. No.	Forms No.	Particulars of Forms	Number of days of delay	Additional Fees as per Challan
1	SH-7	Notice to Registrar of any alteration of share capital	18	5,362.90
2	DIR-12	Particulars of appointment of directors and the key managerial personnel and the changes among them	21	1000
3	MGT-14	Filing of Resolutions and agreements to the Registrar	18	1000
4	MGT-14	Filing of Resolutions and agreements to the Registrar	22	1000
5	MGT-14	Filing of Resolutions and agreements to the Registrar	21	1000
6	MGT-14	Filing of Resolutions and agreements to the Registrar	45	2400
7	MGT-14	Filing of Resolutions and agreements to the Registrar	43	2400
8	PAS-3	Return of Allotment	60	2400
9	ADT-3	Notice of resignation by the auditor	29	1200
10	MGT-14	Filing of Resolutions and agreements to the Registrar	43	1200
11	SH-7	Notice to Registrar of any alteration of share capital	4	2,419.35
12	ADT-1	Notice to the Registrar by company for appointment of auditor	13	60
13	DPT-3	Return of deposits	39	2400
14	MR-1	Return of appointment of managerial personnel	488	7200
15	MGT 7A	Abridged Annual Return for OPCs and Small Companies	3	0**
16	AOC-4	Form for filing financial statement and other documents with the Registrar	33	0**
17	MGT-14	Filing of Resolutions and agreements to the Registrar	1	0
18	AOC-4	Form for filing financial statement and other documents with the Registrar	4	400

****MCA Extended the Due date Filing to 31st January 2026**

Source: PCS Search Report issued by M/s S. Vaibhav & Co., Practising Company Secretaries, dated September 22, 2026.

We cannot assure you that the RoC or any other regulatory authority will not, in the future, take a different view of such lapses and discrepancies, or that we will not be subject to scrutiny, penalties, or other regulatory or adjudication proceedings in relation to the same. As of the date of this Draft Red Herring Prospectus, there are no penalties pending against our Company in relation to the foregoing instances, all applicable additional fees and costs in relation thereto having been duly paid and availed by our Company. Further, no proceeds of the Offer/Issue shall be utilized towards any penalty, fee, or other cost arising out of, or in relation to, any non-compliance referred to above. Any such action in the future could require us to incur additional costs and management time, and could adversely affect our reputation, business and financial condition. We have put in place, or intend to put in place, additional internal controls and processes to ensure timely and accurate compliance with our filing obligations under the Companies Act, 2013 in the future; however, we cannot assure you that similar instances will not recur.

27. Dependence on third-party OEMs for engines and other products exposes us to risks of cost escalation and procurement delays, which could adversely impact project timelines and business operations.

Certain of our products, including our Ground Power Units and Hydraulic Servicing Trolleys, require engines and certain other bought-out components that we do not manufacture in-house, and which we procure from third-party original equipment manufacturers (“OEMs”) and suppliers. Further, in respect of our Aircraft Recovery and Crash/Salvage Equipment, the base vehicle or chassis on which such equipment is mounted is procured directly from third-party vehicle manufacturers/suppliers, over which we exercise no control. For further details, see “Our Business- Procurement and Raw Materials” on page 183. We are dependent on such OEMs and vehicle suppliers to supply engines, vehicles/chassis and other components that meet the technical specifications required for our products, within the timelines required to meet our project schedules.

We do not have long-term supply agreements with a majority of these OEMs, and we cannot assure you that they will continue to supply us on commercially acceptable terms, or at all. Any increase in the price of engines or other bought-out components, whether on account of input cost inflation, currency fluctuations, or other factors affecting our OEMs, could increase our cost of production, and we may not always be able to pass on such increases to our customers under our fixed-price contracts. Any delay by our OEMs in supplying such engines or components, whether on account of their own production constraints, supply chain disruptions, or other factors outside our control, could delay our manufacturing and delivery schedules, exposing us to the risk of penalties or liquidated damages under our contracts with customers

28. There are certain outstanding legal proceedings involving our Company, Promoters, Directors, Key Managerial Personnel and Senior Management, and any adverse outcome in such proceedings could adversely affect our reputation, business, results of operations, cash flows and financial condition.

There are certain outstanding legal proceedings involving our Company, Promoters, Directors, Key Managerial Personnel (“KMP”) and Senior Management (“SMP”), including [criminal proceedings, civil proceedings, tax proceedings, and other regulatory proceedings], which are pending at different levels of adjudication before various courts, tribunals, and other authorities. For further details, see “Outstanding Litigation and Material Developments” beginning on page 377. A summary of such proceedings, and the amounts involved, to the extent quantifiable, is set out below:

Name of entity	Criminal proceedings	Tax proceedings**	Statutory or regulatory proceedings	Disciplinary actions by SEBI/ Stock Exchanges against our Promoters	Other material proceedings#	Aggregate amount involved* (₹ in lakh)
Company						
By our Company	Nil	Nil	Nil	NA	Nil	Nil
Against our Company	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By our Promoters	Nil	Nil	Nil	NA	Nil	Nil
Against our promoters	Nil	Nil	Nil	Nil	Nil	Nil
Directors (other than promoters)						
By our directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our directors	Nil	Nil	Nil	Nil	Nil	NIL
Key Managerial Personnel (“KMP”)						
By our KMP	1	Nil	Nil	Nil	1	30.92
Against our KMP	Nil	Nil	Nil	Nil	Nil	NIL
Senior Management Personnel (“SMP”)						
By our SMP	Nil	Nil	Nil	Nil	Nil	Nil
Against our SMP	Nil	Nil	Nil	Nil	Nil	NIL

*To the extent ascertainable and quantifiable

**As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Further, we cannot assure you that any of the outstanding legal proceedings involving our Company and our Promoters, Directors, Group Companies, Key Managerial Personnel and Senior Management will be settled in their favor, or that no

additional liability will arise out of these proceedings. Further, such proceedings could divert management time and attention and consume financial resources in their defense or prosecution. Further, an adverse outcome in these proceedings may affect our reputation, standing and future business, and could adversely affect our reputation, business, results of operations, cash flows and financial conditions.

29. *Discrepancies in name and KYC documents of Mr. Jyothi Kumar Nannat may result in regulatory scrutiny or additional compliance requirements*

There are certain discrepancies in the name and/or personal details of Mr. Jyothi Kumar Nannat, one of our Promoters/Directors, as appearing across his KYC documents, identity documents and/or other records. Such discrepancies primarily relate to differences in the manner in which his name and/or other personal particulars have been recorded in different documents.

However, he has given an affidavits, declarations and/or other supporting documents to clarify and substantiate such discrepancies. While we believe that such documents adequately establish his identity and explain the discrepancies, there can be no assurance that the relevant authorities will not require us or Mr. Jyothi Kumar Nannat to furnish additional documents, clarifications or take corrective measures in respect of such discrepancies.

Any adverse observation, regulatory action, penalty or other consequence arising in relation to such discrepancies, or any inability to satisfactorily establish the identity or particulars of Mr. Jyothi Kumar Nannat, may result in additional compliance requirements, costs and delays and could adversely affect our business, reputation, financial condition and results of operations.

30. *We rely on third-party design and engineering software solutions, and any failure, defect, or unavailability of such software could adversely affect our operations and financial condition.*

Our design and engineering functions are dependent on various third-party software applications, including AutoCAD, SolidWorks and CorelDraw, Mastercam which are used for 2D and 3D drafting, engineering drawings, and product design and development. For further details, see “Our Business” on page 183. We do not own or develop these software applications ourselves, and we are dependent on the relevant third-party licensors to make such software available to us on a continued basis, including through timely renewal of licenses, and to provide updates, patches and support as may be required.

Any disruption to our access to these software applications whether on account of expiry or non-renewal of licenses, technical failure, cyberattacks, or discontinuation of the software by the relevant licensor - could disrupt our design and engineering activities, and consequently, our ability to execute existing orders and participate in new tenders within the required timelines. We cannot assure you that we will be able to renew our existing software licenses on commercially acceptable terms, or that we will be able to migrate to alternate software solutions in a timely manner, or without additional cost, if required.

Further, any defect, error, or malfunction in the software used by us could result in inaccuracies in our product designs or engineering drawings, which may not be identified until a later stage of manufacturing or testing, potentially resulting in rejection of products, rework, delays, or increased costs. Any of the foregoing could adversely affect our business operations, financial condition, results of operations and cash flows.

31. *We have entered into related party transactions in the past and may continue to enter into such transactions in the future, which may involve potential conflicts of interest.*

We have entered into transactions with our related parties in the past and may continue to enter into such transactions in the ordinary course of our business. These transactions may include transactions relating to purchase of goods and services, sale of goods, purchase of business, remuneration, loans and advances, rent and other transactions. While such transactions are undertaken in accordance with applicable laws and approved by the appropriate authorities, there can be no assurance that such transactions will always be on terms that are favourable to us or that we would have been able to obtain similar terms in transactions with unrelated third parties.

The following table sets forth the details of our related party transactions, including such transactions as a percentage of our revenue from operations, for the periods indicated:

Nexa Defence (I) Limited

(₹ in lakh)

Particulars	Three-Month period ended June 30, 2026	Fiscal 2026	Fiscal 2025
Total related party transactions (net basis)	460.52	45.81	-
Revenue from operations	1,438.75	2,181.14	-
Total related party transactions as a % of revenue from operations	32.01%	2.10%	-

Nexa Mumbai

(₹ in lakh)

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total related party transactions (net basis)	537.25	62.46	131.55
Revenue from operations	5,500.07	2,645.45	1,893.82
Total related party transactions as a % of revenue from operations	9.77%	2.36%	6.95%

Combined Group (Nexa Defence & Nexa Mumbai):

(₹ in lakh)

Particulars	Three-Month period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Total related party transactions (net basis)	460.52	583.06	62.46	131.55
Revenue from operations	1,438.75	5,323.92	2,645.45	1,893.82
Total related party transactions as a % of revenue from operations	32.01%	10.95%	2.36%	6.95%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Note: RPT includes revenue from back-to-back billing to M/s. Nexa Mumbai pursuant to the Business Transfer Agreement in relation to the transition of the outstanding order book. While the underlying work is undertaken by our Company, M/s. Nexa Mumbai raises the corresponding invoice, and such amounts are reflected as related party transactions. "Total related party transactions" above is on a NET basis: for each related party / nature-of-transaction account, the net movement during the period (closing balance minus opening balance) is taken in absolute terms and summed across accounts.

It is likely that we will enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. Although all related party transactions that we may enter into post-listing, will be subject to audit committee and/or board or shareholder approval, as necessary under the Companies Act, 2013 and the SEBI Listing Regulations, and shall be in compliance with the applicable accounting standards, provisions of Companies Act, 2013, provisions of the SEBI Listing Regulations and other applicable laws, we cannot assure you that such transactions, if undertaken, individually or in the aggregate, will not have an adverse effect on our financial condition, cash flows and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.

32. Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.

In terms of applicable laws, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations (cumulatively, the "Approvals"). A majority of these Approvals are granted for a limited duration and are required to be periodically renewed. We cannot assure you that such Approvals will be issued or granted to us in a timely manner, or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, our business and operations may be adversely affected. While there have been no instances of failure to obtain or renew Approvals in the past, any such instances in the future could affect our operations.

Certain Approvals presently held by our Company are in the name of the Company prior to its change of name and conversion into a public limited company and are required to be amended, updated or re-issued to reflect the current name and status of the Company. We have initiated the requisite processes and are making all reasonable efforts to obtain the necessary amendments and updated Approvals at the earliest. However, there can be no assurance that the requisite amendments,

updates or re-issuances will be completed within any particular timeframe or at all, and any delay or failure in this regard may expose us to regulatory or other consequences and may adversely affect our business, operations and financial condition. For further details, see **“Government and other approvals”** on page 383.

In addition, we have applied for change of name in the Certificate of Registration issued by the Directorate General of Aeronautical Quality Assurance, Ministry of Defence, Government of India, bearing registration number DGAQA/REGN/013/2024, dated May 14, 2024, which is valid until February 28, 2029, and is in the process of being transferred in the name of Nexa Defence (I) Limited pursuant to the Business Transfer Agreement executed on February 09, 2026, between M/s. Nexa Mumbai, as the transferor, and M/s. Nexa Defence (I) Limited, as the transferee.

Further, we have applied for certain licenses and registrations which have not yet been received, including:

- a. License to work as a factory for the unit situated at Plot No. 118, Sector No. 1S, Navin Panvel East, Panvel, Raigad -410026, Maharashtra, India, issued by the Department of Labour, Government of Maharashtra, under the Maharashtra Factories Rules, 1963.
- b. License to work as a factory for the unit situated at Survey No. 114, Sector Belavali Post, Chakhale, Panvel – 410221, Belavali, Raigad, Maharashtra, India, issued by the Department of Labour, Government of Maharashtra, under the Maharashtra Factories Rules, 1963.
- c. Registration under the Maharashtra Labour Welfare Fund, 1953, issued by the Maharashtra Labour Welfare Board, bearing Establishment Code, RAPAVN000059, dated September 18, 2026.

Our Company was incorporated on March 07, 2025, prior to which, the business was carried on as a proprietorship. We have historically been engaged in fabrication activities and, accordingly, factory licenses, had not been obtained. There have been no instances of statutory or regulatory actions or penalties against the business in relation to the aforesaid approvals in the past. However, we cannot assure you that these Approvals will be granted to us in a timely manner, or at all. Any delay or failure in obtaining such Approvals may result in restrictions on, or disruption of, our business and operations and may expose us to penalties, regulatory action or other consequences under applicable laws. For details of material Approvals applied for, but not received by our Company, see **“Government and Other Approvals - Licenses/approvals or renewals applied for but not received”** on page 383.

Moreover, the Approvals are subject to numerous conditions and there can be no assurance that these Approvals will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Suspension or revocation of the Approvals by the relevant regulatory authority, could impair our Company’s operations and, consequently, have an adverse effect on our business, cash flows and financial condition. Our Company may also be liable to monetary penalties and concerned officers in default may be subject to imprisonment. For details in relation to alleged non-compliances and consequent penalties levied on us and the status of proceedings initiated against us by regulatory authorities, see **“Outstanding Litigation and Material Developments – Litigation involving our Company - Outstanding actions by regulatory and statutory authorities”** on page 377. We cannot assure you that these matters will be decided in our favour and there will be no such instances of failure in the future, which could adversely affect our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly and may impact the viability of our current business or restrict our ability to grow our business in the future.

33. We are required to obtain certain statutory and regulatory approvals, for which applications have not yet been made. Any delay or failure in obtaining such approvals may have an adverse impact on our reputation, business, results of operations, cash flows and financial condition.

We are required to obtain certain statutory and regulatory approvals for carrying out our business and operations, for which we have not yet made applications. For details of the material approvals required, but not applied for by our Company, see **“Government and Other Approvals – Licenses/approvals required but not applied for”** on page 383. As at the date of this Draft Red Herring Prospectus, we require, but have not yet applied for, the following approvals in respect of our unit situated at Plot no. 1055, Survey No. 114, Sector Belavali Post, Chakhale, Panvel – 410221, Belavali, Raigad, Maharashtra, India:

- a. Fire Safety Compliance Certificate issued under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006.

Our Company is taking necessary steps and making efforts to obtain the aforesaid approvals at the earliest. However, there can be no assurance that such approvals will be obtained within any particular timeframe or at all, and any delay or failure in obtaining such approvals may adversely affect our business, financial condition, results of operations and cash flows.

34. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.

Our Company has made the following applications for registering the following trademarks:

Sr. No.	Description	Class	Application/Certificate Number	Date of Application	Status	Issuing Authority
1.	NEXA DEFENCE* (Device) 	7	7176363	August 14, 2025	Under Examination	Trade Marks Registry, Government of India
2.	NEXA DEFENCE* (Wordmark)	7	7173597	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
3.	NEXA DEFENCE (Device) 	7	8009033	September 19, 2026	Send to Vienna Codification	Trade Marks Registry, Government of India
4.	NEXA DEFENCE* (Device) 	12	7173601	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
5.	NEXA DEFENCE* (Wordmark)	12	7173591	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
6.	NEXA DEFENCE* (Device) 	37	7158635	August 04, 2025	Under Examination	Trade Marks Registry, Government of India
7.	NEXA DEFENCE* (Wordmark)	37	7161207	August 05, 2025	Under Examination	Trade Marks Registry, Government of India
8.	NEXA DEFENCE* (Device) 	42	7173590	August 12, 2025	Under Examination	Trade Marks Registry, Government of India

Sr. No.	Description	Class	Application/Certificate Number	Date of Application	Status	Issuing Authority
9.	NEXA DEFENCE* (Wordmark)	42	7173575	August 12, 2025	Under Examination	Trade Marks Registry, Government of India

Pending the registration of the trademark, any other vendor in the similar line of business as ours may use the above-mentioned trademark and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. Further, our applications for the registration of certain trademarks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. There have been instances in the past, wherein applications filed by us for registration of trademarks were either rejected or objected. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill and business. For further details on the trademarks, registered or pending registration, please refer to the chapters titled “*Our Business - Intellectual Property*” and “*Government and Other Approvals -Intellectual property*” on pages 183 and 383, respectively, of this Draft Red Herring Prospectus.

35. *Failure to effectively respond to or capitalize on opportunities arising from government policies and initiatives relating to domestic manufacturing and indigenisation of aerospace & defence equipment could adversely affect our business, financial condition and results of operations.*

The Government of India has introduced various policies, initiatives and procurement measures relating to domestic manufacturing, indigenisation and procurement of aerospace & defence-related equipment. These policies and initiatives may create opportunities for manufacturers and suppliers of equipment used in the aerospace & defence sectors. However, the extent to which we are able to benefit from such policies and initiatives depends on various factors, including the specific eligibility criteria, procurement requirements, technical specifications, qualification requirements, tender conditions and implementation of such policies by the relevant authorities and customers.

There can be no assurance that the government policies and initiatives will continue in their present form or that they will result in increased business opportunities for us. Any change in, withdrawal of, or delay in implementation of such policies or initiatives, or our inability to satisfy the applicable eligibility, technical, quality or other requirements, could limit our ability to participate in or benefit from such opportunities.

Further, we may be required to make investments in manufacturing capabilities, technology, certifications, research and development and other resources to respond to changes in government procurement policies and requirements. Our failure to anticipate or respond effectively to such changes, or to capitalize on opportunities arising from such government policies and initiatives, could adversely affect our ability to secure orders and may have an adverse effect on our business, financial condition and results of operations.

36. *We are dependent on third-party OEMs and suppliers for sourcing various components and equipment used in our products, and any disruption in their availability or increase in their prices could adversely affect our business, financial condition and results of operations.*

We are not an original equipment manufacturer (“OEM”) and do not manufacture all the components and equipment used in our products. We procure various components and equipment from multiple OEMs and other suppliers, primarily in India and, based on specific customer requirements, procure certain components in limited quantities from suppliers outside India. We design, integrate and assemble such components and equipment based on the requirements of our customers and supply the integrated and assembled products under our name.

Our ability to manufacture and supply our products within the required specifications and timelines is dependent, to a certain extent, on the continued availability of components and equipment from our OEMs and other suppliers. Any delay or disruption in the supply of such components, failure of suppliers to meet the required specifications or quality standards, discontinuation of products by OEMs, limited availability of specific components or equipment, or any other disruption in our supply chain could affect our ability to execute customer orders within the stipulated timelines.

Further, any increase in the prices of components and equipment procured from OEMs and other suppliers, including due to changes in raw material prices, foreign exchange fluctuations in respect of imported components, transportation costs, import-related costs or other factors, may increase our procurement and production costs. We may not always be able to pass on such increased costs to our customers, which could adversely affect our margins and profitability.

We cannot assure you that our OEMs and other suppliers will continue to supply components and equipment to us on commercially acceptable terms or that we will be able to identify and qualify alternative sources of supply in a timely manner. Any significant disruption in the availability or supply of components and equipment, or any significant increase in their procurement costs, could adversely affect our business, financial condition, cash flows and results of operations.

37. *The deployment of the Net Offer Proceeds shall not be subject to monitoring by an independent monitoring agency. Since the size of the Offer is less than ₹5,000 Lakhs, there is no mandatory requirement for appointment of an independent monitoring agency for overseeing the utilization of the Net Offer Proceeds.*

The utilization and deployment of the Net Offer Proceeds shall be undertaken by our Company in accordance with the Objects of the Issue disclosed in this Draft Red Herring Prospectus and shall be monitored by the Board of Directors and the Audit Committee of our Company. The deployment of the Net Offer Proceeds shall be made in compliance with the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws and regulations.

Any delay or inability on the part of our Company to effectively utilize the Net Offer Proceeds for the purposes specified in the Objects of the Issue may adversely affect our business, financial condition and results of operations.

38. *Our ability to sustain growth and remain competitive depends on our ability to effectively manage our operating costs.*

Our business involves significant operating costs, including costs relating to procurement of raw materials, labour, logistics, regulatory compliance, quality control and overhead expenses. Many of these costs are subject to fluctuations due to factors beyond our control, such as variations in availability and pricing of raw materials, changes in wage levels, fuel and transportation costs, inflationary pressures and changes in government policies and regulations. Any increase in our operating costs that we are unable to pass on to customers in the form of higher prices, or mitigate through operational efficiencies, may adversely affect our margins, profitability and cash flows. Further, competitive pressures within the industry may limit our ability to increase prices without adversely impacting demand for our products.

In addition, our ability to effectively manage operating costs depends on maintaining efficient manufacturing processes, supply chain management and capacity utilisation. Any inefficiencies, disruptions or delays in our operations, including those arising from regulatory inspections, equipment downtime or supply chain constraints, could result in higher per unit costs and adversely affect our competitiveness, business and results of operations.

39. *We may not be able to realise the amounts reflected in our order book, and the value of our order book may not necessarily translate into equivalent revenues or cash flows, which may materially and adversely affect our business, prospects, profitability, financial condition and results of operations.*

As of June 30, 2026, our consolidated order book represents an aggregate value of ₹5,453.69 lakh comprising confirmed customer orders that remain outstanding for execution as of such date. The value of an order is generally based on the contractual value specified in the relevant purchase order, work order or agreement and may include the value attributable to products, equipment, components, design, integration, assembly and other deliverables, as applicable. The order book value as of a particular date may include orders scheduled for execution over different periods and, accordingly, may not necessarily be recognised as revenue in the same period in which such orders are received.

The amounts reflected in our order book are subject to the terms and conditions of the respective customer orders. The actual revenue and cash flows realised from these orders may differ from the order value due to, among other factors, changes in the scope or specifications of orders, customer-requested modifications, cancellation or termination of orders, delays in execution or delivery, deductions or penalties under contractual terms, non-fulfilment of contractual requirements, and delays in inspection, acceptance or receipt of payments from customers.

Further, the order book value does not necessarily represent the amount that we will ultimately realise from such orders. Certain costs and expenses, including procurement costs of components and equipment, employee costs, manufacturing and other operating costs, are required to be incurred for execution of the orders. Accordingly, the value of our order book should not be considered as an indication of our future profitability or cash flows.

Our ability to execute the orders forming part of our order book within the expected timelines is also dependent on the timely availability of components and equipment from our OEMs and other suppliers, adequate working capital, our manufacturing and execution capabilities, customer approvals and inspections, and other factors beyond our control.

There can be no assurance that the orders comprising our order book will be executed in their entirety, within the anticipated timelines or at the order values originally contracted. Any cancellation, reduction, modification, deferment or termination of orders, or any delay or failure in execution or realisation of amounts thereunder, could result in a reduction in our anticipated revenues and cash flows and may materially and adversely affect our business, prospects, profitability, financial condition and results of operations.

40. *The requirements of being a public listed company may strain our resources and impose additional requirements.*

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

41. *Major fraud, system failures, theft, employee negligence or similar incidents could adversely impact the Company's business.*

Our Company is vulnerable to risks arising from fraud, theft, employee negligence, unauthorised actions, system failures, information system disruptions, communication system failures and interception during transmission through external communication channels or networks. Any failure to prevent fraud or security breaches may adversely affect our operations and financial performance. Our reputation could also be adversely affected by significant fraud or misconduct committed by our employees, agents, customers or third parties. Despite implementing measures and procedures intended to reduce such risks, there can be no assurance that we will completely avoid instances of fraud, theft, employee negligence, system failures or security lapses in the future. Any such occurrence could lead to financial losses and adversely affect our business, results of operations and financial condition. Although we have not experienced any such material incidents in the past three Fiscals, we cannot assure that similar incidents will not occur in the future

42. *If we are unable to effectively manage our growth and increasing order volumes, our business, financial condition and results of operations may be adversely affected.*

We have experienced growth in our operations in recent years and may continue to experience growth in our order volumes and scale of operations. Our ability to manage such growth effectively depends on our ability to increase our manufacturing, design, integration and assembly capacities, procure components and equipment from OEMs and other suppliers in a timely manner, maintain adequate working capital, and recruit, train and retain skilled technical and other personnel.

Our future growth may place increased demands on our management, manufacturing and operational resources and require us to continuously develop and strengthen our financial, operational, quality control and other internal systems and controls. In particular, our ability to manage our growth may be affected by the following: increasing our manufacturing, design, integration and assembly capabilities in line with the growth in our order volumes; recruiting, training and retaining adequate numbers of skilled technical, manufacturing, engineering, quality control and other personnel; ensuring timely procurement and availability of components and equipment from OEMs and other suppliers; maintaining adequate working capital and other financial resources to support increased order volumes and execution requirements; maintaining the quality and specifications of our products while increasing our scale of operations; ensuring timely execution and delivery of customer orders and meeting customer specifications and contractual requirements; strengthening our internal processes, financial controls, information systems and other administrative infrastructure; accurately assessing our future resource, manpower, manufacturing and capital expenditure requirements; managing relationships with customers, OEMs, suppliers, service providers, lenders and other stakeholders; and ensuring continued compliance with applicable statutory, regulatory, quality and contractual requirements.

If we are unable to effectively manage our growth, including any increase in order volumes, we may experience delays in execution or delivery of customer orders, increased operating costs, pressure on working capital, deterioration in product or

service quality or difficulties in meeting contractual requirements. Any such circumstances could adversely affect our customer relationships, reputation, profitability and ability to secure future orders.

Further, there can be no assurance that we will be able to sustain our historical growth rates or that our future revenues or profitability will increase at the same rate as in the past. Any failure to manage our growth effectively could adversely affect our business, prospects, financial condition, cash flows and results of operations. For further details relating to our growth, please refer to the sections titled “Our Business” on pages 183 of this Draft Red Herring Prospectus.

For further details relating to our growth, please refer to the sections titled “Our Business – Financial Performance of our Company”, “Our Strengths”, “Our Strategies” and “Our Order Book” starting on page 183, of this Draft Red Herring Prospectus.

43. *Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.*

Since our Equity Shares will be quoted in Indian Rupees on Indian stock exchanges, investors may be exposed to currency fluctuation and convertibility risks. Any dividends declared on our Equity Shares will also be paid in Indian Rupees. Consequently, investors who convert foreign currency into Indian Rupees to invest in our Equity Shares may be affected by changes in exchange rates between the Indian Rupee and their home currencies. Fluctuations in the value of the Indian Rupee against the U.S. dollar or other foreign currencies may adversely affect the value of an investor’s investment or returns thereon when converted back into foreign currency.

44. *We rely on certain key operating metrics and non-GAAP measures to evaluate the performance of our business, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.*

We track certain operational metrics, including order counts and key business and non-GAAP metrics such as Net Worth and Return on Net Worth, Net Asset Value per Equity Share, Debt to Equity Ratio, Adjusted EBITDA, Adjusted EBITDA Margin, and EBITDA (excluding other income). Users among others, with internal systems and tools 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 under-or over-count 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 how our platform is used across large populations. For example, the accuracy of our operating metrics could be impacted by fraudulent customers. In addition, 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. 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, cash flows, results of operations and financial condition would be adversely affected. Please refer to the chapter titled “Management’s Discussion and Analysis of our Results of Operations” beginning on page 359 of this Draft Red Herring Prospectus for more details.

45. *This Draft Red Herring Prospectus contains information from third parties, including an industry report prepared and issued by Infomerics Analytics & Research Private Limited (“Infomerics Report”), which we have commissioned and paid for purposes of confirming our understanding of the industry exclusively in connection with the Issue.*

The industry and market information contained in this Draft Red Herring Prospectus includes information derived from an industry report prepared by Infomerics Analytics & Research Private Limited titled “*Aerospace & Defence Industry (GSE, Test Rigs, Test Benches and Test Equipment)*” and prepared on September 21, 2026 (the “Infomerics Report” or “Industry Report”). The Infomerics Report has been commissioned and paid for by us for the purposes of confirming our understanding of the industry exclusively in connection with the Issue and is available on the website of our Company at <https://nexaindia.com/>. We officially engaged Infomerics Analytics & Research Private Limited in connection with the preparation of the Infomerics Report pursuant to an engagement letter dated July 17, 2026. The Infomerics Report uses certain methodologies for market sizing and forecasting, and may include numbers relating to our Company that differ from those we record internally. Given the scope and extent of the Infomerics Report, disclosures herein are limited to certain excerpts and the Infomerics Report has not been reproduced in its entirety in this Draft Red Herring Prospectus. Accordingly, investors should read the industry-related disclosure in this Draft Red Herring Prospectus in this context. Our Company,

Promoters, Directors, Key Managerial Personnel, Senior Management and the Book Running Lead Manager are not related to Infomerics Analytics & Research Private Limited.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Draft Red Herring Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details refer to the chapter titled “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation” beginning on page 20 of this Draft Red Herring Prospectus.

46. Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows and working capital requirements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the chapter titled “Dividend Policy” beginning on page 269 of this Draft Red Herring Prospectus.

47. Any negative publicity regarding our Company, brand or services, whether substantiated or not, could adversely affect our reputation, consumer confidence and business prospects.

Our business is significantly dependent on brand reputation, consumer trust and the perceived quality of our services. Any negative publicity, whether founded or not, relating to service quality, misbranding, vendor inconsistencies, customer service issues or operational failures could harm our credibility, reduce demand and adversely impact our revenues and profitability. In particular, adverse consumer feedback on social media and other digital platforms can spread rapidly and amplify reputational risks. Allegations of misleading claims, service quality lapses may also lead to legal proceedings, regulatory scrutiny, penalties, recalls or warranty claims. Negative publicity could further strain relationships with customers, suppliers and business partners, and deter potential investors. While we have quality control systems in place there can be no assurance that such events will not occur in the future or that they will not materially and adversely affect our business, financial condition and results of operations.

48. Our products are subject to inspection, testing and acceptance by our customers and/or relevant authorities, and any failure to meet the prescribed quality, technical or performance requirements may result in non-acceptance of our products, cancellation or termination of orders and may adversely affect our business, financial condition and results of operations.

Our products are subject to inspection, testing and certification in accordance with the quality procedures, technical specifications and acceptance criteria prescribed by our customers and/or relevant authorities, as applicable, before they are accepted and delivered. The inspection and testing process may include verification of the specifications, quality, performance and functionality of the products against the requirements specified in the relevant purchase orders, contracts or applicable standards.

There can be no assurance that all products supplied by us will successfully pass such inspection, testing and acceptance procedures. Any failure of our products to meet the prescribed technical specifications, quality standards, performance parameters or other contractual requirements may result in rework, rectification, replacement or additional costs and may delay the delivery and acceptance of such products.

Further, depending on the terms of the relevant contracts, failure of our products to pass the required inspection or acceptance tests may result in non-acceptance or rejection of the products, withholding or delay in receipt of payments, imposition of contractual penalties or other consequences, and may also result in cancellation or termination of the relevant orders or contracts. Such instances may adversely affect our customer relationships and reputation and our ability to secure future orders.

During the past three Fiscals and the Stub Period ended June 30, 2026, we have not experienced any material instances of rejection or non-acceptance of our products due to failure to meet the applicable inspection, testing or acceptance requirements. However, there can be no assurance that our products will successfully pass all applicable inspection, testing and acceptance procedures in the future. Any such failure could result in additional costs, delays in delivery and realisation of revenues and cash flows, and adversely affect our business, financial condition, profitability and results of operations.

49. *Significant investments in research and development and customer-specific consultations for customised solutions may not yield the intended benefits and could adversely affect our margins and profitability.*

We undertake research and development activities and customer-specific consultations in connection with the design, integration and assembly of customised solutions based on the requirements of our customers. Such activities require us to incur costs towards employee benefits, professional fees and other related expenses. There can be no assurance that the costs incurred towards such activities will result in corresponding orders or revenues, or that the solutions developed by us will meet the requirements of our customers.

Further, changes in customer requirements, specifications or other contractual requirements may require us to incur additional costs or undertake further development activities. As our product enhancement and solution development activities are carried out as part of our regular operations, we have not historically maintained a separate research and development division or separately identified expenditure incurred towards such activities. Accordingly, historical expenditure specifically attributable to research and development activities is not separately identifiable.

While we have not experienced any material instances of delays or cost overruns in relation to such activities during the last three Fiscals, there can be no assurance that such instances will not occur in the future. Any failure to recover the costs incurred towards research and development and customer-specific consultations, or any increase in such costs without a corresponding increase in revenues, could adversely affect our margins, profitability, financial condition and results of operations.

50. *Our actual costs and timelines for execution of customer orders may differ from the estimates considered at the time of bidding or quoting, which could adversely affect our financial condition, results of operations and cash flows.*

The costs and timelines estimated by us at the time of bidding or quoting for customer orders are based on various assumptions, including the cost and availability of components and equipment, customer specifications, execution requirements and delivery schedules. The actual costs and time required to execute such orders may differ from these estimates due to, among other factors, changes in customer requirements, increase in input costs, delays in procurement or delivery of components and equipment, rework or modifications and other unforeseen circumstances.

We may not always be able to recover additional costs arising from such variations from our customers. Further, any delay in execution or delivery of customer orders may result in additional costs, delayed realisation of revenues and cash flows or other contractual consequences. Any significant difference between the estimated and actual costs or timelines for execution of our customer orders could adversely affect our margins, profitability, financial condition and results of operations.

While we have not experienced any material instances of cost overruns during the last three Fiscals, there can be no assurance that such instances will not occur in the future.

51. *Our business may be adversely affected if we are unable to keep pace with changes in customer requirements, technical specifications and technology relating to the products supplied by us.*

The industry in which we operate is subject to changes in customer requirements, technical specifications, product configurations, quality standards and technology. Our ability to remain competitive and secure orders depends, among other factors, on our ability to understand and respond to such changes and develop, integrate and assemble products in accordance with the requirements of our customers.

We may be required to incur expenditure towards design modifications, product development, testing, integration and other related activities to meet changing customer requirements and specifications. There can be no assurance that the products or solutions developed or modified by us will meet customer requirements or result in corresponding orders or revenues. Further, changes in the technology, specifications or requirements of the products and components sourced by us from OEMs and other suppliers may require us to identify alternative components or suppliers or modify our existing designs and processes.

Our failure to anticipate or respond to changes in customer requirements, technical specifications or applicable standards in a timely manner may affect our ability to secure new orders or execute existing orders. Further, products or components with

improved specifications, technology or pricing offered by our competitors or other market participants may affect the competitiveness of our products.

Any inability to adapt to changing customer requirements, technical specifications or technological developments, or any significant costs incurred in modifying or developing our products without corresponding revenues, could adversely affect our business, financial condition, profitability and results of operations.

52. *Our Company has availed unsecured borrowings from our Promoters, which may be repayable on demand, and any demand for repayment of such borrowings could adversely affect our liquidity and cash flows.*

As of June 30, 2026, our Company had unsecured borrowings aggregating to ₹200.34 lakh from our Promoters, namely Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar. These borrowings are unsecured and do not have any collateral or security provided by our Company. Such borrowings are repayable on demand, subject to the terms mutually agreed between the parties.

Any demand for repayment of these borrowings may require us to utilise our available cash and cash equivalents or other sources of funds, which could adversely affect our liquidity and cash flows. In the event that we are unable to meet any repayment requirements from our internal accruals or available resources, we may be required to seek alternative sources of financing, which may not be available to us on commercially acceptable terms or in a timely manner.

Further, any significant repayment of such borrowings may reduce the funds available for our working capital and other business requirements. Any inability to effectively manage our repayment obligations could adversely affect our liquidity, cash flows, financial condition and results of operations.

For further details of the unsecured borrowings availed by our Company, please refer to the sections titled “Financial Indebtedness” and “Restated Financial Information” on pages 357 and 270, respectively, of this Draft Red Herring Prospectus.

53. *Failure to comply with laws and regulations applicable to our business could subject us to penalties and adversely affect our business, financial condition and results of operations.*

We are subject to various central, state and local laws and regulations relating to, among other matters, manufacturing, labour and employment, environmental protection, health and safety, taxation, import and export, anti-bribery and anti-corruption and other matters applicable to our business and operations. Any failure to comply with applicable laws and regulations, or any adverse change in their applicability, interpretation or implementation, may result in penalties, additional compliance costs, restrictions on our operations or cancellation or non-renewal of requisite approvals and registrations.

Further, changes in applicable laws and regulations or introduction of new requirements may require us to modify our existing processes or incur additional expenditure to ensure compliance. While we endeavour to comply with applicable laws and regulations, there can be no assurance that the relevant authorities will not interpret or enforce such requirements differently or that we will always be able to comply with all applicable requirements.

Any non-compliance with applicable laws and regulations or increase in compliance costs could adversely affect our business, financial condition, cash flows and results of operations.

For further details, please refer to the section titled “Key Industry Regulations” on page 226 of this Draft Red Herring Prospectus.

54. *None of our Directors have prior experience as directors in any other listed company in India. This may pose certain potential challenges for our Company, and in the event of any material non-compliance for which our Directors are held liable, it may become necessary for us to appoint new directors.*

Our Board comprises 5 (five) Directors, including one (1) Managing Director, one (1) Whole-Time & women Director, one (1) Non-Executive Director and two (2) Non-Executive Independent Directors. None of our Independent Directors have prior experience as directors of any other listed company in India. None of our Directors presently serve as directors of any other listed company in India.

Although our Directors possess the qualifications and experience relevant to their respective roles, their limited experience in serving as directors of listed companies may present challenges in complying with the additional regulatory, disclosure

and corporate governance requirements applicable to a listed company. Any failure to comply with such requirements may result in regulatory action or penalties and may require changes to the composition of our Board or management, which could involve additional costs and time.

For further information, please refer to the section titled “Our Management” on page 241 of this Draft Red Herring Prospectus.

55. *We have not yet placed orders or entered into definitive agreements with vendors for the machinery and equipment proposed to be financed from the Net Proceeds, and any delay in procurement or increase in procurement costs may adversely affect the implementation of the Objects of the Issue.*

A portion of the Net Proceeds is proposed to be utilised towards funding capital expenditure for procurement of equipment and technology upgradation, for which we have not yet placed orders or entered into definitive agreements with vendors. Although we have obtained quotations from certain vendors for the proposed capital expenditure, such quotations are subject to validity periods and may be revised based on commercial, technical and other factors. Accordingly, there can be no assurance that we will be able to procure the equipment at the costs indicated in such quotations.

Any delay in placing orders, inability of vendors to supply the equipment within the expected timelines, increase in procurement costs or our inability to identify suitable alternate vendors on acceptable terms may result in cost or time overruns and may delay the implementation of the Objects of the Issue.

Further, the actual amount and timing of our capital expenditure requirements may differ from our estimates due to, among other factors, changes in specifications, procurement costs, technological requirements, unforeseen expenses and other factors beyond our control. Any such delay or increase in costs may require us to deploy additional funds from our internal accruals or other sources, which may adversely affect our business, financial condition and results of operations.

For further details regarding the proposed utilisation of the Net Proceeds, please refer to the section titled “Objects of the Issue” on page 93 of this Draft Red Herring Prospectus.

56. *Our Promoter & Managing Director Mr. Jyothi Kumar Nannat, has significant control over our Company and may be able to influence matters requiring shareholders’ approval, and his interests may conflict with those of our other shareholders.*

As of the date of this Draft Red Herring Prospectus, our Promoter and Managing Director Mr. Jyothi Kumar Nannat, holds 81.00% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Issue, our Promoters will collectively hold [●] % of the Equity Share capital of our Company. Accordingly, our Promoters will continue to have significant influence over matters requiring shareholders’ approval.

Our Promoters may be able to influence the composition of our Board and the outcome of matters requiring shareholders’ approval, including matters relating to corporate actions, business plans, declaration of dividends and other significant decisions. The interests of our Promoters may differ from those of our other shareholders, and there can be no assurance that our Promoters will exercise their rights in a manner that is in the best interests of our Company or our other shareholders.

Such concentration of ownership and control may also delay, deter or prevent a change in control of our Company, merger, consolidation, takeover or other business combination, even where such transaction may be in the interests of our other shareholders. Accordingly, our Promoters may take decisions or actions that could materially and adversely affect our business, financial condition and results of operations or the value of your investment in the Equity Shares.

For further details, please refer to the sections titled “Our Management”, “Our Promoters and Promoter Group” and “Restated Financial Information” on pages 241, 259 and 270, respectively, of this Draft Red Herring Prospectus.

57. *Certain financial measures presented in this Draft Red Herring Prospectus may not be comparable to similarly named measures presented by other companies.*

This Draft Red Herring Prospectus contains certain financial measures, including certain non-GAAP financial measures such as EBITDA, EBITDA Margin, Return on Capital Employed, Return on Equity and other financial ratios, which are derived from our financial information and are used by us to evaluate our financial performance and position. Such measures may be calculated differently from similarly named measures used by other companies and, accordingly, may not be comparable with such measures presented by other companies.

These financial measures should not be considered in isolation or as a substitute for, or superior to, the financial information prepared in accordance with applicable accounting standards. Investors should also refer to our financial statements and the related notes thereto included elsewhere in this Draft Red Herring Prospectus when evaluating our financial performance.

For further details, please refer to the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 359 of this Draft Red Herring Prospectus.

58. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution or any independent external agency and are based on our management estimates and current business plans, which may be subject to change and may result in delays or cost overruns.*

We intend to utilise the Net Proceeds for the purposes described in the section titled “Objects of the Issue” on page 93 of this Draft Red Herring Prospectus. The proposed Objects of the Issue and deployment of the Net Proceeds have not been appraised by any bank, financial institution or independent external agency and have been determined based on our current business plans, management estimates, prevailing market conditions and other commercial considerations.

Our funding requirements and the estimated cost of the Objects of the Issue may change due to, among other factors, changes in market conditions, procurement costs, business requirements, unforeseen expenses and other factors beyond our control. Accordingly, the actual amount and timing of our funding requirements may differ from our current estimates and we may be required to revise or reallocate our proposed deployment of the Net Proceeds, subject to applicable laws and regulations.

Further, any delay in implementation of the Objects of the Issue or increase in the estimated costs may require us to utilise additional funds from our internal accruals or other sources. Pending utilisation of the Net Proceeds, we may temporarily deploy such funds in accordance with applicable laws and regulations and the policies approved by our Board.

Accordingly, investors will be required to rely on the judgement of our management regarding the proposed utilisation of the Net Proceeds. Any failure to deploy the Net Proceeds effectively, or any delay or cost overruns in implementing the Objects of the Issue, could adversely affect our business, financial condition, cash flows and results of operations.

59. *Any variation in the utilization of the Net Proceeds would be subject to applicable compliance requirements, including prior approval of our shareholders, which may restrict our ability to redeploy the Net Proceeds.*

We propose to utilise the Net Proceeds for the purposes described in the section titled “Objects of the Issue” on page 93 of this Draft Red Herring Prospectus. The proposed utilisation of the Net Proceeds is based on our current business plans and requirements, and we may need to deploy the Net Proceeds differently due to changes in our business, financial or operating conditions or other factors beyond our control.

In accordance with Companies Act, 2013, the applicable rules and the SEBI ICDR Regulations, any variation in the objects of the Issue or the terms of any contract referred to in this Draft Red Herring Prospectus in relation to the Issue would require approval of our shareholders by way of a special resolution and compliance with applicable requirements. In the event that such variation becomes necessary, there can be no assurance that the requisite approval will be obtained in a timely manner or at all.

Further, any variation in the objects of the Issue may require our Promoters to provide an exit opportunity to dissenting shareholders in accordance with applicable laws and regulations. The requirement to provide such an exit opportunity may also restrict our ability to vary the proposed utilisation of the Net Proceeds.

Accordingly, our inability to obtain the requisite approvals or comply with the applicable requirements may restrict our ability to redeploy any unutilised Net Proceeds in response to changes in our business or financial requirements, which could adversely affect our business, financial condition and results of operations.

60. *We have not yet placed orders or entered into definitive agreements for the purchase of machinery proposed to be funded from the Net Proceeds, and any delay or inability to procure such equipment or implement such technology upgradation may result in cost and time overruns.*

A substantial portion of the Net Proceeds is proposed to be utilized towards capital expenditure for procurement of machinery and technology upgradation and hiring of manpower. Based on our current estimates, our Company proposes to utilize ₹250.00 lakh towards funding such capital expenditure from Net Proceeds. We have not yet placed orders or entered into definitive agreements with vendors for the proposed purchase of machinery. Any delay in placing orders or entering into

definitive agreements, or any delay or inability of vendors to supply the equipment in a timely manner or at anticipated costs, may result in cost and time overruns. Further, any requirement for additional expenditure for installation, integration, commissioning or upgradation of such equipment or for hiring of skilled personnel may increase the estimated capital expenditure and extend the implementation schedule.

While we have obtained quotations from vendors in relation to the proposed capital expenditure, we have not entered into definitive agreements with such vendors. Such quotations are valid for specified periods and may be subject to revision based on commercial, technical and other factors. Accordingly, there can be no assurance that we will be able to undertake the proposed capital expenditure at the costs indicated in such quotations or that there will not be any cost escalation. Further, we may be required to identify alternate vendors if the proposed vendors are unable to supply the equipment or provide the requisite services in accordance with our requirements, within the anticipated timelines or at acceptable prices.

The actual amount and timing of our capital requirements may differ from our current estimates due to, among other factors, unforeseen delays, cost overruns, unanticipated expenses, regulatory changes, design or specification changes, technological developments and other factors beyond our control. Any inability or delay in procuring the requisite machinery, implementing the proposed technology, on acceptable terms and within the anticipated timelines, may result in an increase in the cost of the proposed capital expenditure and/or delay or modification of the implementation and deployment schedule of the Net Proceeds. Such delays, cost overruns or changes in the proposed deployment of the Net Proceeds may adversely affect our business, financial condition, results of operations, cash flows and prospects.

Further, our management will have discretion in deploying the Net Proceeds, including the interim use of the Net Proceeds, in accordance with applicable laws and the Objects of the Issue. There can be no assurance that the Objects of the Issue will be achieved within the currently anticipated time frame or at all, or that the deployment of the Net Proceeds in the manner intended by our Company will result in the anticipated benefits.

We confirm that any change or variation in the Objects of the Issue stated in this Draft Red Herring Prospectus will be undertaken in accordance with the applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

- 61. *There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution.***

There can be no assurance that the Objects of the Issue will be achieved within the time frame currently anticipated by us or at all. The deployment of the Net Proceeds towards the Objects of the Issue is subject to various factors, including timely procurement and installation of the proposed machinery, availability of vendors and contractors, and other project-related expenses, and our ability to effectively implement the proposed capital expenditure and meet our working capital requirements. Any delay or inability to implement the Objects of the Issue as presently contemplated may result in us not realising the anticipated benefits from the deployment of the Net Proceeds.

Further, the proposed deployment of the Net Proceeds is based on our current estimates and management assumptions and has not been appraised by any bank or financial institution. Accordingly, there can be no assurance that the deployment of the Net Proceeds in the manner presently proposed will result in any increase in the value of your investment.

EXTERNAL RISK FACTORS

Risk Related to India

- 62. *The occurrence of natural or man-made disasters could adversely affect our business, results of operations, cash flows and financial condition.***

Our business and operations may be adversely affected by events beyond our control, including natural disasters such as floods, earthquakes, cyclones, storms, fires, extreme weather conditions and other natural calamities, as well as man-made disasters, including acts of terrorism, civil unrest, military conflicts, explosions and other catastrophic events. The occurrence of any such events could result in damage to our facilities, equipment, inventory and other assets, disruption of our

manufacturing and other business operations, interruption in the supply of raw materials, disruption in transportation and logistics and temporary or prolonged closure of our facilities.

Further, such events may adversely affect the ability of our suppliers, customers, service providers and other business counterparties to perform their respective obligations, which could result in delays in procurement, production, delivery of products or execution of orders. Such events could also result in increased operating costs, repair and replacement costs, insurance costs and other expenses.

Any significant disruption in our operations or the operations of our suppliers, customers or other business counterparties may adversely affect our revenues, profitability, cash flows and financial condition. We may also be required to incur additional expenditure to restore or resume our operations following such events. Although we may maintain insurance coverage for certain risks, such insurance may not adequately cover all losses or liabilities arising from such events or may be subject to exclusions, deductibles and limits.

In addition, terrorist attacks, civil disturbances, military conflicts or deterioration in international relations may adversely affect business confidence, financial markets, economic activity and investor sentiment. Any such events in India or in other jurisdictions in which our customers, suppliers or other business counterparties operate could adversely affect the demand for our products and services and the market price of our Equity Shares. We cannot assure you that such events will not occur in the future or that their occurrence will not adversely affect our business, results of operations, cash flows, financial condition and prospects.

63. Political, economic, geopolitical or other factors that are beyond our control may adversely affect our business, cash flows and results of operations.

We are dependent on domestic, regional and global economic and market conditions. Our business, financial condition, cash flows and results of operations may be affected by changes in economic conditions, political developments, geopolitical tensions, financial market conditions and other factors that are beyond our control. Any slowdown in the Indian or global economy may adversely affect demand for our products, the financial position of our customers and suppliers and our ability to obtain financing for our working capital and expansion requirements.

The Indian economy and our business may be affected by various factors, including changes in domestic consumption and investment, interest rates, inflation, availability and cost of credit, foreign exchange rates, changes in taxation and other fiscal and monetary policies, political developments, regulatory changes, financial market volatility, trade policies, international trade flows, commodity prices and other economic or geopolitical developments. Any adverse movement in these factors may increase our operating costs, affect demand for our products or adversely impact our margins and profitability.

In addition, continuing geopolitical tensions and military conflicts, including the Russia-Ukraine conflict and tensions in the Middle East, may adversely affect the global economy and financial markets. Such geopolitical developments may result in disruptions to global supply chains, international trade and transportation routes, volatility in commodity and energy prices, increased freight and logistics costs, foreign exchange volatility, inflationary pressures and increased uncertainty in financial markets. Any escalation or prolonged continuation of such conflicts may further disrupt the movement and availability of goods, raw materials, energy resources and other inputs and may adversely affect global economic activity.

The ongoing tensions in the Middle East, including military conflicts and developments involving countries in the region, may also result in disruption of important maritime and transportation routes, including routes through the Red Sea and the Strait of Hormuz. Any prolonged disruption to such routes or escalation of hostilities may increase transportation, freight, insurance and energy costs and may adversely affect international trade and supply chains. Similarly, any further escalation of the Russia-Ukraine conflict, including the imposition or expansion of sanctions, trade restrictions or other measures by governments or international authorities, may result in further disruption to global commodity markets, supply chains and financial markets.

Further, deterioration in international relations, including between India and other countries, may adversely affect investor sentiment, foreign investment, currency markets and economic activity. Political instability, civil unrest, acts of terrorism, military action, trade disputes, sanctions or other adverse geopolitical developments in India or elsewhere may also adversely affect our business operations and the market price of our Equity Shares.

Natural disasters, including floods, cyclones, storms, earthquakes, fires and other severe weather events, as well as pandemics, epidemics and other public health emergencies, may similarly disrupt our operations, supply chains,

transportation and customer demand. Such events may result in temporary or prolonged disruption to our business operations and may increase our operating and compliance costs.

Any significant increase in inflation or commodity, energy, transportation or other input costs may adversely affect our profitability, particularly if we are unable to pass such increased costs on to our customers. Similarly, any reduction in the availability of credit or increase in interest rates may increase our financing costs and adversely affect our working capital and expansion plans.

We cannot predict the occurrence, duration or impact of any political, economic, geopolitical or other developments, including the Russia-Ukraine conflict, Middle East tensions or any future escalation thereof. We may not be able to mitigate the impact of such events effectively or recover any resulting losses. Any such developments, individually or in combination, could adversely affect our business, financial condition, cash flows, results of operations and prospects and may also adversely affect the trading price of our Equity Shares.

64. *We may be affected by competition law in India and any adverse application or interpretation of applicable competition laws could adversely affect our business and cash flows.*

The Competition Act, 2002, as amended, and the rules and regulations framed thereunder regulate certain agreements, arrangements, conduct and transactions that may have or are likely to have an appreciable adverse effect on competition in India. The Competition Act also contains provisions relating to abuse of dominant position and combinations, including certain mergers, acquisitions and other transactions which may be subject to notification and approval requirements, subject to applicable thresholds and exemptions.

Our agreements, arrangements and business practices, whether entered into directly or indirectly, may be subject to the provisions of applicable competition laws. The Competition Commission of India (“CCI”) has powers to investigate alleged anti-competitive agreements, abuse of dominant position and combinations and may impose penalties or other measures where applicable. Further, certain conduct or transactions occurring outside India may also fall within the scope of Indian competition laws where such conduct or transaction has, or is likely to have, an appreciable adverse effect on competition in India.

The interpretation and application of competition laws may evolve over time. Any investigation, proceeding, adverse order, penalty, restriction or other action by the CCI or any other competent authority could result in additional costs, diversion of management resources, reputational damage and restrictions on our business practices or transactions. Any such action may adversely affect our business, financial condition, cash flows, results of operations and prospects.

Further, any amendments to applicable competition laws and regulations may impose additional compliance requirements or increase the costs associated with our business operations. We cannot assure you that our business, agreements or transactions will not be subject to scrutiny, investigations or proceedings under applicable competition laws in the future, or that such scrutiny, investigations or proceedings, if any, will not adversely affect our business, financial condition and results of operations.

65. *Changing laws, rules and regulations and legal uncertainties, including changes in tax laws, may adversely affect our business, prospects and results of operations.*

Our business and operations are subject to various laws, rules, regulations, governmental policies, regulatory requirements and approvals in India. The regulatory framework applicable to our business is subject to changes in legislation, judicial decisions, administrative interpretations and government policies. Any introduction of new laws or regulations, or amendments to or changes in the interpretation or enforcement of existing laws and regulations, may increase our compliance requirements and costs or require us to modify our business practices and operations.

Changes in laws relating to taxation, labour, environmental matters, corporate governance, foreign exchange, import and export, intellectual property, data protection, competition, industry-specific regulations and other matters may adversely affect our business. Changes in tax laws or their interpretation may increase our tax liabilities or reduce the availability of tax benefits, exemptions or deductions currently available to us.

Further, the applicability and interpretation of certain laws and regulations may involve uncertainty, particularly where there is limited administrative or judicial precedent. Any requirement to obtain additional approvals, modify our existing processes, incur additional expenditure or dedicate management resources towards compliance could adversely affect our operations and profitability.

We may also be required to comply with additional regulatory requirements as a result of changes in laws or our business activities. Any failure or alleged failure to comply with applicable laws and regulations may result in penalties, proceedings, restrictions on our operations or reputational damage.

We cannot predict the nature, scope, timing or impact of future amendments to applicable laws, rules and regulations or changes in their interpretation or enforcement. Any such changes or legal uncertainties could adversely affect our business, financial condition, cash flows, results of operations and prospects.

66. *A downgrade in India's sovereign debt rating may adversely affect our ability to raise financing.*

Any downgrade in India's sovereign debt rating by domestic or international credit rating agencies may adversely affect the perception of India's creditworthiness and the overall investment environment. Such a downgrade may result from various factors, including deterioration in India's fiscal position, changes in monetary or fiscal policies, economic slowdown, political developments, weakening of foreign exchange reserves or other factors beyond our control.

A downgrade in India's sovereign credit rating may increase the cost of borrowing for Indian companies and may adversely affect the availability of domestic or international financing. It may also result in increased volatility in financial markets and adversely affect investor confidence in Indian securities.

If we require additional financing for our working capital, capital expenditure, expansion or other business requirements, an adverse change in India's sovereign credit rating may affect the terms on which such financing is available to us, including interest rates, repayment terms and other commercial conditions.

Any such increase in financing costs or reduction in the availability of financing could adversely affect our ability to fund our business plans and expansion initiatives and may adversely affect our business, financial condition, cash flows, results of operations and the trading price of our Equity Shares.

67. *The occurrence of a pandemic, epidemic or outbreak of an infectious disease could adversely affect our business operations, financial condition and results of operations.*

Our business operations may be adversely affected by the occurrence of pandemics, epidemics or outbreaks of infectious diseases or other public health emergencies. Such events may result in government-imposed restrictions, lockdowns, restrictions on movement of goods and personnel, temporary closure of facilities, disruption of transportation and logistics and restrictions on the operations of our suppliers, customers and other business counterparties.

Any disruption to our workforce, manufacturing or other operations, or to the operations of our suppliers and service providers, could result in delays in procurement, production and delivery, increase our operating costs and adversely affect our ability to fulfil customer requirements. Further, our customers may defer or reduce their purchases during periods of economic uncertainty or financial stress arising from such events.

A prolonged public health emergency may also result in an economic slowdown or recession, which could adversely affect demand for our products, the financial position of our customers and their ability to make timely payments. Such circumstances may adversely affect our revenues, working capital requirements, cash flows and profitability.

Although we may take measures to mitigate the operational impact of such events, there can be no assurance that these measures will be effective or sufficient. We cannot predict the occurrence, duration or severity of any future pandemic, epidemic or public health emergency or the extent of its impact on our business. Any such event could adversely affect our business, financial condition, cash flows, results of operations and prospects.

68. *If inflation were to rise further in India, we may not be able to increase the prices of our services proportionately to pass on increased costs to our customers, which could adversely affect our profitability.*

Inflationary pressures in India may result in an increase in our operating costs, including employee costs, transportation and logistics expenses, utilities, consumables, maintenance expenses and other costs associated with our operations. Any significant or sustained increase in inflation may make it difficult for us to accurately estimate and control our operating costs and may also increase our working capital requirements. Further, we may not be able to increase the prices of our services proportionately or in a timely manner to fully or partially pass on such increased costs to our customers, particularly where our contracts are entered into at fixed or pre-determined rates or where pricing is influenced by competitive market conditions.

In addition, an increase in inflation may result in higher interest rates and financing costs, which could further increase our overall cost of operations and affect our cash flows. Any inability to reduce our costs or increase our service rates sufficiently to offset increases in operating expenses could adversely affect our operating margins and profitability.

Although the Government of India and the Reserve Bank of India may undertake various fiscal and monetary measures from time to time to manage inflationary pressures, there can be no assurance that such measures will effectively control inflation or that inflationary pressures will not increase in the future. Any significant increase or volatility in inflation, particularly if we are unable to pass on the resulting increase in costs to our customers, could adversely affect our business, financial condition, cash flows and results of operations.

RISK RELATED TO THE ISSUE

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

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market for our Equity Shares may not develop or be sustained after the Issue. The listing and quotation of our Equity Shares on the Stock Exchange should not be taken as an assurance that an active or liquid market for our Equity Shares will develop or, if developed, will be sustained. The Issue Price of our Equity Shares will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process and may not be indicative of the market price of our Equity Shares after the Issue.

The market price of our Equity Shares may be subject to significant fluctuations and may be influenced by various factors, including, among others, our financial performance and results of operations, changes in our revenues or profitability, developments in the industry in which we operate, changes in government policies and regulations, general economic and market conditions, changes in investor sentiment, variations in securities market conditions, changes in estimates or recommendations by research analysts, strategic actions undertaken by us or our competitors, changes in interest rates and inflation, and other factors beyond our control.

In addition, fluctuations in the Indian securities markets, including volatility in trading activity, temporary disruptions, settlement delays or other market-related factors, may affect the market price and liquidity of our Equity Shares, irrespective of our operating performance.

There can be no assurance that the market price of our Equity Shares will not decline below the Issue Price. Accordingly, investors may not be able to sell their Equity Shares at or above the Issue Price or at all, and may lose some or all of their investment in our Equity Shares.

70. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on exchange in a timely manner or at all.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

71. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids after submitting their Bids, and Retail Individual Investors are not permitted to withdraw their Bids after the Bid/Issue Closing Date.*

Pursuant to the SEBI ICDR Regulations, Qualified Institutional Buyers (“QIBs”) and Non-Institutional Investors (“NIIs”) are required to pay the Bid Amount on submission of their Bids and are not permitted to withdraw or lower their Bids, in terms of the quantity of Equity Shares or the Bid Amount, at any stage after submission of their Bids. Retail Individual Investors (“RIIs”) may revise their Bids during the Bid/Issue Period and may withdraw their Bids until the Bid/Issue Closing Date, in accordance with applicable laws.

However, events affecting an investor’s decision to invest in the Equity Shares, including adverse changes in monetary, financial, political or economic conditions, or changes in our business, results of operations or financial condition, may occur

between the date of submission of a Bid and the date of Allotment. In such circumstances, QIBs and NIIs may not be able to withdraw or lower their Bids, while RIIs may not be able to withdraw their Bids after the Bid/Issue Closing Date.

Our Company may proceed with the Allotment of Equity Shares pursuant to the Issue notwithstanding the occurrence of such events. Such events may adversely affect the decision of investors to hold the Equity Shares and may limit their ability to sell the Equity Shares after listing or result in a decline in the trading price of the Equity Shares. Accordingly, investors may be exposed to the risk of having to acquire or hold the Equity Shares despite a change in circumstances that may adversely affect the value of their investment.

72. *Investors will not be able to sell the Equity Shares offered in the Issue immediately upon Allotment and any delay in listing or commencement of trading of the Equity Shares may restrict their ability to dispose of their Equity Shares.*

Prior to the Issue, there has been no public market for the Equity Shares. Although we have applied for listing of the Equity Shares on the Stock Exchanges, listing and commencement of trading will be subject to completion of the necessary statutory and regulatory formalities, including Allotment of the Equity Shares pursuant to the Issue, submission of the requisite documents and receipt of approvals from the Stock Exchanges and other applicable authorities.

Further, prior to commencement of trading, the Equity Shares allotted to successful Bidders are required to be credited to their respective demat accounts maintained with depository participants. Any delay or failure in obtaining the requisite approvals, completing the Allotment process or crediting the Equity Shares to investors' demat accounts may delay or restrict the commencement of trading in the Equity Shares and consequently restrict investors' ability to sell or otherwise dispose of their Equity Shares.

There can be no assurance that the Equity Shares will be credited to investors' demat accounts or that trading in the Equity Shares will commence within the expected time period or at all. In the event of any delay in Allotment, refund of Bid Amounts or credit of the Equity Shares to investors' demat accounts beyond the prescribed timelines, we may be liable to pay interest at the applicable rates, in accordance with applicable laws. Accordingly, investors may not be able to sell their Equity Shares immediately following the Issue and may be exposed to the risk of a decline in the value of their investment during such period.

73. *Fluctuations in the exchange rate of the Indian Rupee against foreign currencies could adversely affect the value of the Equity Shares and returns to foreign investors.*

Our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends declared by us will also be paid in Indian Rupees. Accordingly, investors who are not residents of India may be exposed to foreign exchange fluctuations when converting their investment, dividends or sale proceeds from Indian Rupees into their respective foreign currencies. Any depreciation of the Indian Rupee against such foreign currencies may reduce the foreign currency value of the dividends or proceeds received by such investors.

Further, any delay in the repatriation or conversion of dividend payments or proceeds received from the sale of Equity Shares may expose investors to additional foreign exchange risk, as exchange rates may fluctuate during the period between receipt of the Indian Rupee proceeds and their conversion into the relevant foreign currency. Any restrictions or delays in obtaining regulatory approvals or completing applicable formalities for repatriation may further increase such exposure.

The exchange rate of the Indian Rupee is influenced by various factors, including inflation and interest rate differentials, capital flows, monetary and fiscal policies, trade and current account conditions, global economic and financial market conditions, geopolitical developments and other factors beyond our control. The Indian Rupee may fluctuate significantly in the future, and we cannot assure you that such fluctuations will not adversely affect the value of the Equity Shares or the returns realised by investors whose investments are denominated in currencies other than the Indian Rupee.

74. *Future issuances or sales of Equity Shares, or securities convertible into or linked to our Equity Shares, may adversely affect the trading price of the Equity Shares and may result in dilution of your shareholding.*

Our Company may, in the future, issue additional Equity Shares or securities convertible into or linked to our Equity Shares, including pursuant to employee stock option schemes or other arrangements, subject to applicable laws and regulatory requirements. Any such issuance may result in dilution of the shareholding and voting rights of existing shareholders and may reduce their proportionate interest in our Company.

Further, any sale, transfer, pledge or other disposal of Equity Shares by our Promoter or other significant shareholders, including any sale that may be required to comply with applicable minimum public shareholding requirements, or the

perception that such sale or issuance may occur, could increase the supply of Equity Shares available for trading in the market. This may adversely affect the prevailing market price of the Equity Shares and may also affect our ability to raise additional capital through an issue of securities.

The market price of the Equity Shares may also be adversely affected if investors perceive that such issuances or sales could occur in the future. We cannot assure you that our Company will not issue additional Equity Shares or securities convertible into or linked to our Equity Shares, or that our shareholders will not sell, transfer, pledge or otherwise encumber their Equity Shares, in accordance with applicable laws. Any such future issuance or sale may adversely affect the value of your investment in our Company and result in dilution of your economic and voting interest.

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

Once our Equity Shares are listed, trading in them will be subject to daily price limits or "circuit breakers" imposed by the Stock Exchange. These limits restrict the extent to which the price of the Equity Shares can fluctuate in a single trading day and are determined by the Stock Exchange based on the historical volatility of the Equity Shares and trading volumes. Such circuit breakers operate independently of the broader, index-based market-wide circuit breakers imposed by SEBI on Indian stock exchanges. While these mechanisms are intended to curb extreme volatility, they may prevent shareholders from completing a sale or purchase of the Equity Shares at their desired time or price. Consequently, there can be no assurance that investors will be able to sell their Equity Shares or realize a price commensurate with prevailing market conditions at any given point in time.

76. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including those described under "Basis for Issue Price" on page 127 of this Draft Red Herring Prospectus, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

77. The Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.

Under current Indian income tax laws, transactions involving the purchase and sale of securities on Indian stock exchanges are subject to securities transaction tax ("STT"), which is collected by the respective stock exchanges. Further, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The tax treatment may vary depending on several factors, including the investor's residential status, the period of holding, and applicable tax laws at the time of sale. Any adverse changes in tax laws or their interpretation may increase the tax burden on investors and affect the post-tax returns from their investment in our Equity Shares.

78. Foreign investors may be restricted in their ability to purchase or sell Equity Shares.

Under the current foreign exchange regulations in India, transfers of shares between residents and non-residents are generally permitted, provided such transfers comply with applicable pricing and reporting requirements prescribed by the Reserve Bank of India ("RBI") or, alternatively, with the pricing provisions under the SEBI ICDR Regulations. If any such transfer does not comply with these requirements and does not fall within the permitted exceptions, prior approval of the RBI will be required.

Further, shareholders seeking to convert the Rupee proceeds from the sale of Equity Shares into foreign currency and repatriate such funds outside India are required to obtain a no objection certificate or tax clearance from the Indian income tax authorities. There can be no assurance that any approval or clearance required from the RBI or other regulatory authorities will be obtained in a timely manner, on favourable terms, or at all. Any delay or inability in obtaining such approvals could restrict the ability of foreign investors to purchase or sell our Equity Shares.

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

Our Company's corporate affairs are governed by the Companies Act, applicable rules and regulations framed thereunder, the Articles of Association of our Company, and the listing requirements of the Stock Exchange. The legal principles relating to matters such as corporate governance, the validity of corporate actions, directors' fiduciary duties and liabilities, and

shareholders' rights may differ significantly from those applicable in other jurisdictions. Consequently, the rights and protections available to shareholders under Indian law may be more limited than those available to shareholders of companies incorporated in other countries. As a result, investors may experience greater difficulty in enforcing their rights as shareholders or in asserting claims against the Company, its directors, or its management compared to jurisdictions with more extensive shareholder protections.

80. The investors may be restricted in their ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of their ownership position

Under the Companies Act, 2013, a company incorporated in India is required to offer its existing shareholders pre-emptive rights to subscribe for new shares in proportion to their existing shareholding, unless such rights are waived through the approval of a special resolution passed by not less than three-fourths of the shareholders voting on the resolution. However, if the laws of the jurisdiction in which an investor resides do not permit the exercise of such pre-emptive rights without the Company filing an offering document or registration statement with the relevant authority in that jurisdiction, such investors may be unable to exercise their rights unless the Company makes such a filing. If the Company elects not to make such a filing, the new securities may be issued to a custodian, who may sell those securities for the benefit of such investors. The value realized by the custodian, if any, and the transaction costs involved cannot be predicted. Accordingly, to the extent investors are unable to exercise their pre-emptive rights, their proportionate ownership in the Company may be diluted, and the value of their investment could be adversely affected.

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SECTION III – INTRODUCTION

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
Particulars	Details of Equity Shares
Equity Shares offered through Public Issue by our Company ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Up to 33,64,000 Equity Shares of face value of ₹10 each at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity share) aggregating ₹ [●].
The Issue consists of:	
Market Maker Reservation Portion	Up to [●] Equity Shares of face value of ₹10 each at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity share) aggregating ₹ [●]
Net Issue to the Public ⁽⁵⁾	Up to [●] Equity Shares of face value of ₹10 each at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity share) aggregating ₹ [●]
Out of which*	
A. QIB Portion ⁽⁶⁾	Not more than [●] Equity Shares (not more the 50%) of face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs
of which	
(i) Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
of which	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
B. Non-Institutional Portion	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
of which	
One-third of the Non-Institutional Portion available for allocation to Non-Institutional Bidders with an application size of more than two lots and up to ₹ 10.00 Lakhs	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
Two-third of the Non-Institutional Category available for allocation to Non-Institutional Bidders with an application size of more than ₹ 10.00 Lakhs	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
C. Individual Investors' Portion	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
Pre and Post – Issue Equity Capital of our Company	
Equity Shares outstanding prior to the Issue	89,08,000 Equity Shares of face value ₹10 per Equity Share
Equity Shares outstanding after the Issue	Up to [●] Equity Shares of face value ₹10 per Equity Share
Use of Net Proceeds by our Company	Please refer Section titled “Objects of the Issue” on page 93 of this Draft Red Herring Prospectus

*Subject to finalization of the Basis of Allotment

Notes:

- (1) Public issue of up to 33,64,000 Equity Shares having face value of ₹10 each for cash at a price of ₹ [●] including premium of ₹ [●] per Equity Share of our Company aggregating to ₹ [●]. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) and Regulation 253(1) and (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – Issue paid up equity share capital of our Company are being offered to the public for subscription. For further details, please refer to section “Issue Structure” beginning on page 415 of this Draft Red Herring Prospectus.

- (2) *The Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on August 12, 2026 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on August 28, 2026.*
- (3) *In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Non-Institutional Individual Investor shall not be less than the minimum application size, and subject to availability of Equity Shares in the Non-Individual Investor Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.*
- (4) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable law.*
- (5) *The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-Institutional bidders. Further, (a) 1/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more than ₹ 10 lakhs and (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with an application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), could be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, was available for allocation on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*
- (6) *Our Company, in consultation with the BRLM, 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 accordingly be reduced for the Equity Shares allocated to Anchor Investors. 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions 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 Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 421 of this Draft Red Herring Prospectus.*

For further details regarding the Issue Structure and Procedure, please refer to the sections titled "Issue Structure" and "Issue Procedure" beginning on pages 415 and 421 respectively of this Draft Red Herring Prospectus.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables provide the summary of financial information of our company derived from the Restated Financial Information for the period ended June 30, 2026, and the Financial Year ended as on March 31, 2026 and period from March 07, 2025 to March 31, 2025 and for the period ended March 31, 2026, March 31, 2025 and March 31, 2024 of the erstwhile proprietorship (Nexa Mumbai). The Restated Financial Information referred to above is presented under the section titled “Restated Financial Information” beginning on Page 270 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Restated Financial Information” and “Management’s Discussion and Analysis of Financial condition and Results of Operations” beginning on Pages 270 and 359, respectively of this Draft Red Herring Prospectus.

NEXA DEFENCE (I) LIMITED

Restated Statement of Assets and Liabilities

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	91.10	91.10	37.50
(b) Reserves & Surplus	897.60	668.11	(2.20)
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	-	-	-
(b) Long-Term Provisions	61.27	61.69	-
(3) Current Liabilities			
(a) Short-Term Borrowings	837.31	20.75	-
(b) Trade Payables - MSME	-	-	-
(c) Trade Payables - Others	699.04	732.82	-
(d) Other Current Liabilities	136.12	44.65	2.70
(e) Short-Term Provisions	100.67	20.09	-
TOTAL EQUITY & LIABILITIES	2,823.11	1,639.21	38.00
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	147.64	154.00	-
(b) Intangible Assets	22.96	24.15	-
(c) Intangible Assets under Development	0.88	-	-
(d) Long-Term Loans & Advances	26.33	26.33	-
(e) Deferred Tax Assets (Net)	19.50	17.16	0.50
(f) Other Non-Current Assets	79.96	67.06	-
(2) Current Assets			
(a) Inventories	213.45	425.85	-
(b) Trade Receivables	1,522.58	349.82	-
(c) Cash & Cash Equivalents	329.33	26.50	37.50
(d) Other Bank Balances	206.20	248.81	-
(e) Short-Term Loans & Advances	109.33	90.65	-
(f) Other Current Assets	144.95	208.88	-
TOTAL ASSETS	2,823.11	1,639.21	38.00

NEXA DEFENCE (I) LIMITED

Restated Statement of Profit and Loss

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	For the Period ended on			
	June 30, 2026	31st March 2026 Combined (Nexa Defence & Nexa Mumbai)	31st March 2026	7th March 2025 to 31st March 2025
I. Revenue from Operations	1,438.75	5,323.92	2,181.14	-
II. Other Income	4.43	20.82	-	-
III. Total Income (I + II)	1,443.18	5,344.74	2,181.14	-
IV. Expenses				
Cost of Materials Consumed	533.88	3,206.70	1,885.99	-
Purchase of Stock-in-Trade	-	-	-	-
Changes in Inventories of Finished Goods & Stock-in- Trade	241.63	(83.90)	(347.36)	-
Employee Benefits Expense	177.24	565.76	102.70	-
Finance Costs	12.72	173.88	0.03	-
Depreciation & Amortization Expense	14.31	42.31	0.90	-
Other Expenses	156.37	772.00	243.93	2.70
Total Expenses	1,136.15	4,676.76	1,886.18	2.70
V. Profit Before Exceptional Items and Tax	307.03	667.98	294.96	(2.70)
Exceptional Items	-	-	-	-
VI. Profit Before Tax (PBT)	307.03	667.98	294.96	(2.70)
VII. Tax Expense				
Current Tax	79.88	176.40	75.45	-
Deferred Tax	(2.34)	(5.57)	(1.39)	(0.50)
Total Tax Expense	77.54	170.82	74.06	(0.50)
VIII. Profit After Tax (PAT)	229.49	497.15	220.90	(2.20)
IX. Earnings Per Equity Share (EPS)				
Basic & Diluted EPS (₹) (post- bonus)	2.96	11.67	5.19	(0.05)

NEXA DEFENCE (I) LIMITED

Restated Statement of Cash Flow

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	For the Period ended on		
	June 30, 2026	March 31, 2026	March 31, 2025
A. Cash Flow from Operating Activities			
Profit Before Tax (PBT)	307.03	294.96	(2.70)
Adjustments for:			
Gratuity Provision	1.52	5.95	-
Interest Received	(4.43)	-	-
Finance Costs	12.72	0.03	-
Depreciation & Amortisation	14.31	0.90	-
Liquidated Damages & Bad debt Expense	-	-	-
Operating Profit Before Working Capital Changes	331.15	301.84	(2.70)
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(1,172.74)	(40.27)	-
(Increase)/Decrease in Inventories	212.40	(417.61)	-
(Increase)/Decrease in Short-Term Loans & Advances	(18.68)	(62.92)	-
(Increase)/Decrease in Other Current Assets	63.94	(73.70)	-
Increase/(Decrease) in Trade Payables	(33.78)	299.32	-
Increase/(Decrease) in Other Current Liabilities	91.47	17.59	2.70
Cash Generated from / (Used in) Operations	(526.24)	24.25	-
Less: Income Tax Paid	1.24	60.30	-
Net Cash Flow from Operating Activities (A)	(527.50)	(36.05)	-
B. Cash Flow from Investing Activities			
Change in Fixed Deposits	29.70	15.46	-
Interest Received	4.43	-	-
Purchase of Property, Plant & Equipment	(6.76)	(21.73)	-
Purchase of Intangible Assets	-	(1.66)	-
Purchase of Intangible Assets under Developments	(0.88)	-	-
Sale of Property, Plant & Equipment	-	-	-
Net Cash Flow from Investing Activities (B)	26.49	(7.93)	-
C. Cash Flow from Financing Activities			
Proceeds from Issue of Share Capital	-	12.50	37.50
Proceeds from Short-Term Borrowings	816.56	20.51	-
Proceeds from Long-Term Borrowings	-	-	-
Repayment of Short-Term Borrowings	-	-	-
Repayment of Long-Term Borrowings	-	-	-
Finance Costs Paid	(12.72)	(0.03)	-
Net Cash Flow from Financing Activities (C)	803.84	32.98	37.50
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	302.83	(11.00)	37.50
Cash & Cash Equivalents at Beginning of Year	26.50	37.50	-
Cash & Cash Equivalents at End of Year	329.33	26.50	37.50

NEXA MUMBAI
(Proprietorship concern of Mr. Jyothi Kumar Nannat)

Restated Statement of Assets and Liabilities

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	For the period ended on		
	31st March 2026	31st March 2025	31st March 2024
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	-	-	-
(b) Proprietor's Capital	596.85	269.78	169.00
(c) Reserves & Surplus	-	-	-
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	-	329.81	138.25
(b) Deferred Tax Liabilities (Net)	-	-	-
(c) Long-Term Provisions	27.76	46.32	38.89
(3) Current Liabilities			
(a) Short-Term Borrowings	-	763.44	827.36
(b) Trade Payables - MSME	-	-	-
(c) Trade Payables - Others	433.52	398.21	336.10
(d) Other Current Liabilities	24.35	36.39	24.47
(e) Short-Term Provisions	1.87	4.29	15.18
TOTAL EQUITY & LIABILITIES	1,084.35	1,848.24	1,549.25
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	131.98	253.37	210.02
(b) Capital Work in Progress	-	-	-
(c) Intangible Assets	0.47	0.23	0.30
(d) Long-Term Loans & Advances	26.33	6.59	-
(e) Non-Current Investments	37.50	37.50	-
(f) Deferred Tax Assets (Net)	7.72	11.35	6.38
(g) Other Non-Current Assets	67.07	67.53	61.58
(2) Current Assets			
(a) Inventories	8.24	605.58	497.04
(b) Trade Receivables	309.54	295.65	526.54
(c) Cash & Cash Equivalents	15.46	39.64	52.49
(d) Other Bank Balances	248.81	232.94	56.28
(e) Short-Term Loans & Advances	27.73	115.93	98.94
(f) Other Current Assets	203.50	181.93	39.68
TOTAL ASSETS	1,084.35	1,848.24	1,549.25

NEXA MUMBAI
(Proprietorship concern of Mr. Jyothi Kumar Nannat)

Restated Statement of Profit and Loss

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	FOR THE YEAR ENDED		
	31st March 2026	31st March 2025	31st March 2024
I. Revenue from Operations	5,500.07	2,645.45	1,893.82
II. Other Income	20.82	14.10	10.34
III. Total Income (I + II)	5,520.89	2,659.55	1,904.16
IV. Expenses			
Cost of Materials Consumed	3,678.00	1,636.18	1,167.73
Purchase of Stock-in-Trade	-	-	-
Changes in Inventories of Finished Goods & Stock-in-Trade	263.46	(27.20)	(86.84)
Employee Benefits Expense	463.07	323.10	236.73
Finance Costs	173.85	125.72	87.92
Depreciation & Amortization Expense	41.41	28.89	20.15
Other Expenses	528.08	433.49	376.73
Total Expenses	5,147.87	2,520.18	1,802.42
V. Profit Before Exceptional Items and Tax	373.02	139.37	101.74
Exceptional Items	-	-	-
VI. Profit Before Tax (PBT)	373.02	139.37	101.74
VII. Tax Expense			
Current Tax	100.94	40.05	30.27
Deferred Tax	(4.18)	(4.97)	(4.66)
Total Tax Expense	96.76	35.08	25.61
VIII. Profit After Tax (PAT)	276.26	104.29	76.13
IX. Earnings Per Equity Share (EPS)			
Basic EPS (₹)			

NEXA MUMBAI
(Proprietorship concern of Mr. Jyothi Kumar Nannat)

Restated Statement of Cash Flow

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	FOR THE YEAR ENDED		
	31st March 2026	31st March 2025	31st March 2024
A. Cash Flow from Operating Activities			
Profit Before Tax (PBT)	373.02	139.37	101.74
Adjustments for:			
Gratuity Provision	10.06	7.83	10.13
Interest Received	(20.30)	(13.50)	(5.72)
Finance Costs	173.85	125.72	87.92
Depreciation & Amortisation	41.41	28.89	20.15
Liquidated Damages & Bad debt Expense	39.29	81.69	61.25
Operating Profit Before Working Capital Changes	617.33	370.00	275.47
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(53.17)	149.20	(210.32)
(Increase)/Decrease in Inventories	597.34	(108.55)	(273.62)
(Increase)/Decrease in Short-Term Loans & Advances	88.20	(16.99)	(51.87)
(Increase)/Decrease in Long-Term Loans & Advances	(19.74)	(6.59)	-
(Increase)/Decrease in Other Current Assets	33.77	(129.28)	(22.91)
Increase/(Decrease) in Trade Payables	35.31	62.12	78.88
Increase/(Decrease) in Other Current Liabilities	(12.04)	11.91	(23.37)
Cash Generated from / (Used in) Operations	1,287.01	331.82	(227.74)
Less: Income Tax Paid	156.28	64.31	30.32
Net Cash Flow from Operating Activities (A)	1,130.72	267.51	(258.07)
B. Cash Flow from Investing Activities			
(Increase)/Decrease in Non-Current Investments	-	(37.50)	-
Change in Fixed Deposits / Other Non-Current Assets	(15.41)	(182.62)	(46.24)
Interest Received	20.30	13.50	5.72
Purchase of Property, Plant & Equipment	(50.83)	(72.11)	(18.79)
Purchase of Intangible Assets	(0.39)	(0.05)	(0.37)
Sale of Property, Plant & Equipment	-	-	-
Net Cash Flow from Investing Activities (B)	(46.34)	(278.77)	(59.68)
C. Cash Flow from Financing Activities			
Capital Introduced	225.08	-	49.93
Capital Withdrawal	(66.54)	(3.51)	(35.76)
Proceeds from Short-Term Borrowings	-	-	346.84
Proceeds from Long-Term Borrowings	-	191.56	78.39
Repayment of Short-Term Borrowings	(763.44)	(63.92)	-

PARTICULARS	FOR THE YEAR ENDED		
	31st March 2026	31st March 2025	31st March 2024
Repayment of Long-Term Borrowings	(329.81)	-	-
Finance Costs Paid	(173.85)	(125.72)	(87.92)
Net Cash Flow from Financing Activities (C)	(1,108.56)	(1.59)	351.48
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(24.18)	(12.85)	33.73
Cash & Cash Equivalents at Beginning of Year	39.64	52.49	18.76
Cash & Cash Equivalents at End of Year	15.46	39.64	52.49

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SUMMARY OF CONTINGENT LIABILITIES

Particulars	Nexa Defence (I) Limited		Nexa Mumbai	
	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Bank Guarantee Issued	444.75	409.37	388.06	325.31
TDS Liability not acknowledged as debts	-	-	0.01	-

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SUMMARY OF RELATED PARTY TRANSACTIONS

Nexa Defence (I) Limited:

(₹ in lakh)

Nature of Transaction	Nature of Related parties	Particular	As at 30 June 2026	As at 31 March 2026	As at 31 March 2025
Loans & Advances Taken	Sunitha J Kumar	Opening Balance	0.51	-	-
		Addition during the year	-	0.51	-
		Repayment during the year	-	-	-
		Closing balance	0.51	0.51	-
Salary Expenses / Directors Remuneration	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Salary Due for the period	21.00	-	-
		Paid during the period	(14.00)	-	-
		Closing balance	7.00	-	-
Salary Expenses / Directors Remuneration	Sunitha J Kumar	Opening Balance	-	-	-
		Salary Due for the period	9.00	-	-
		Paid during the period	(5.58)	-	-
		Closing balance	3.42	-	-
Salary Expenses / Directors Remuneration	Athira T Nair	Opening Balance	-	-	-
		Salary Due for the period	3.00	-	-
		Paid during the period	-	-	-
		Closing balance	3.00	-	-
Rent Expense	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Rent Due for the period	7.50	-	-
		Paid during the period	(5.70)	-	-
		Closing balance	1.80	-	-
Purchase, Expense & Payable	Nexa Mumbai (Proprietorship Concern of Jyothi Kumar Nannat)	Opening Balance	-	-	-
		Transfer from Nexa Mumbai	-	-	-
		Purchase during the year	14.59	298.00	-
		Reimbursement of payment of Expenses paid by Nexa Mumbai on behalf of the Company	0.23	64.87	-
		Payment made during the period	-	(362.87)	-
		Closing balance	14.82	-	-
Sales & Receivable	Nexa Mumbai (Proprietorship)	Opening Balance	-	-	-
		Trf from Nexa Mumbai	-	-	-

Nature of Transaction	Nature of Related parties	Particular	As at 30 June 2026	As at 31 March 2026	As at 31 March 2025
	Concern of Jyothi Kumar Nannat)	Sales during the year	284.92	2,059.29	-
		Amount receivable towards the payments was made by the company on behalf of Nexa Mumbai during the period	7.12	8.17	-
		Payment received during the period	(57.15)	(2,067.46)	-
		Closing balance	234.89	-	-
Purchase Expense & Payable	ESOI Enterprise Pvt Ltd	Opening Balance	25.06	-	-
		Trf from Nexa Mumbai	-	25.06	-
		Purchase during the year	-	-	-
		Payment made during the period	(16.00)	-	-
		Closing balance	9.06	25.06	-
Purchase of Business Through BTA and Issue of Equity Share	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Purchase of Business through BTA	-	513.99	-
		Less: Issue of Equity Share	-	(513.75)	-
		Transfer to Loan outstanding	-	0.24	-
Loans & Advances Taken	Jyothi Kumar Nannat	Opening Balance	20.24	-	-
		Addition during the year	580.42	20.00	-
		Transfer from business Purchase	-	0.24	-
		Repayment during the year	(400.83)	-	-
		Closing balance	199.83	20.24	-

Nexa Mumbai (a Proprietorship Concern of Mr. Jyothi Kumar Nannat):

(₹ in lakh)

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
Loans And Advances Taken	Sunitha J Kumar	Opening Balance	-	-	71.65
		Received during the year	-	-	52.31
		Repayment during the year	-	-	(123.96)
		Closing balance	-	-	-
Loans And Advances Given	Sunitha J Kumar	Opening Balance	40.24	33.67	-
		Given during the year	-	66.55	33.67
		Set off against salary payment	(5.45)	(59.98)	-

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
		Received during the year	(26.00)	-	-
		Transferred to Prop. capital	(8.79)	-	-
		Closing balance	-	40.24	33.67
Loans And Advances Taken	Athira T Nair	Opening Balance	-	5.31	5.96
		Received during the year	-	-	1.59
		Repayment during the year	-	(5.31)	(2.24)
		Closing balance	-	-	5.31
Loans And Advances Given	Athira T Nair	Opening Balance	21.19	-	-
		Given during the year	-	21.19	-
		Received during the year	(17.44)	-	-
		Set off against salary payment	(3.75)	-	-
		Closing balance	-	21.19	-
Loans And Advances Taken	Mukundan	Opening Balance	40.68	37.32	34.24
		Received during the year	3.67	3.36	3.08
		Transferred to Prop. capital	(44.35)	-	-
		Closing balance	-	40.68	37.32
Loans And Advances Taken	Remadevi	Opening Balance	31.50	28.90	26.51
		Received during the year	2.81	2.60	2.39
		Transferred to Prop. capital	(34.31)	-	-
		Closing balance	-	31.50	28.90
Sales & Receivables	Nexa Defence (I) Limited	Opening Balance	-	-	-
		Sale made during Year (including GST)	298.00	-	-
		Amount receivable towards the payments was made by the nexa Mumbai on behalf of Nexa Defence company during the period	64.87	-	-
		Received during the year	-	-	-
		Closing balance	362.87	-	-
Purchase expenses and Payable	Nexa Defence (I) Limited	Opening Balance	-	-	-
		Purchase/Expenses during Year (including GST)	2,059.29	-	-
		Reimbursement of payment of Expenses paid by Nexa Defence Company on behalf of the Nexa Mumbai	8.17	-	-

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
		Paid during the year	(2,067.46)	-	-
		Closing balance	-	-	-
Purchase expenses and Payable	ESOI Enterprise Pvt Ltd	Opening Balance	37.21	24.69	4.69
		Purchase/Expenses during Year (Excluding GST)	114.06	97.92	89.45
		Paid during the year	(151.27)	(85.40)	(69.45)
		Closing balance	-	37.21	24.69
Advances Given to Supplier and received	Nexa Mumbai Aviation LLP	Opening Balance	3.56	-	-
		Advances Given	-	3.56	-
		Transferred to Prop. capital	(3.56)	-	-
		Closing balance	-	3.56	-
Purchase expenses and Payable	Aviation & Marine Service	Opening Balance	-	7.35	7.24
		Purchase/Expenses during Year (including GST)	-	-	18.53
		Paid during the year	-	(7.35)	(18.42)
		Closing balance	-	-	7.35
Salary and Payable	Sunitha J Kumar	Opening Balance	-	-	-
		Salary Expenses during the Period	20.40	-	-
		Paid during the year	(14.95)	-	-
		Set off against outstanding loan	(5.45)	-	-
		Closing balance	-	-	-
Salary and Payable	Athira T Nair	Opening Balance	-	-	-
		Salary Expenses during the Period	8.00	-	-
		Paid during the year	(4.25)	-	-
		Set off against outstanding loan	(3.75)	-	-
		Closing balance	-	-	-

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GENERAL INFORMATION

Our Company was incorporated as a Private Limited Company in the name of “Nexa Defence (I) Private Limited”, under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated March 07, 2025 bearing Corporate Identity Number U41002MH2025PTC442318, issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to a special resolution passed by the shareholders of our company in the Extraordinary General Meeting held on December 15, 2025, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Nexa Defence (I) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on February 06, 2026, by the Registrar of Companies, Central Processing Centre. Subsequently, our Company acquired the sole proprietorship firm of Mr. Jyothi Kumar Nannat i.e. “M/s. Nexa Mumbai”, pursuant to a Business Transfer Agreement dated February 9, 2026 along with assets and liabilities of the proprietorship concerns as going concern in terms of the business transfer agreement with effect from March 31, 2026.

REGISTERED OFFICE OF OUR COMPANY

Nexa Defence (I) Limited

Plot No.118, Sector 1-S,
CIDCO Industrial Area, Panvel,
Panvel, Raigad (MH) - 410206
Maharashtra, India
Tel No: +91 8356822430
Email: office@nexaindia.com
Investor Grievance ID: grievance@nexaindia.com
Website: <https://nexaindia.com/>

For details relating to changes in our registered office, see “*History and Certain Corporate Matters - Changes in Registered Office*” on page 237 of this Draft Red Herring Prospectus.

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate office.

Corporate Identification Number: U41002MH2025PLC442318
Registration Number: 442318

ADDRESS OF REGISTRAR OF COMPANIES

The Company is registered with the RoC, Mumbai which is situated at the following address:

Registrar of Companies,
100, Everest, Marine Drive
Mumbai- 400002
Maharashtra.

Board of Directors of our Company

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

Name of Director	Designation	DIN	Address
Mr. Jyothi Kumar Nannat	Chairman and Managing Director	02174936	Flat No-A-1202, Satyam Pride, Plot No-140b, New Panvel, Sector NO-1(S), Panvel, Dist: Raigad, Maharashtra – 410206, India
Ms. Sunitha J Kumar	Whole-Time Director	02175002	Flat No-A-1202, Satyam Pride, Plot No-140b, New Panvel, Sector No-1(S), Panvel, Raigad, Maharashtra – 410206, India
Mr. Vinod Kumar Cheruvatham Kandy	Non-Executive Non-Independent Director	11891787	Jeeshalayam, Muzhappala, Anjarakandy, Village - Mamba, Kannur, Kerala - 670611, India

Name of Director	Designation	DIN	Address
Mr. Vinod Kumar Karikkat	Non-Executive Independent Director	11832664	Flat No. 1003, Bhoomi Heights Plot No. 01, and 10 Near K.K. Cinema Sector No. 31, Kamothe, Panvel, Joi Kamothe, Panvel, Raigarh, Maharashtra - 410206, India
Mr. Piyush Parasmal Jain	Non-Executive Independent Director	11865472	B 1401, Raj Horizon, Ramdev Park, Near Sneha Building, Mira road East, Thane, Maharashtra - 401107, India

For further details of our Directors, see “*Our Management*” on page 241 of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Sonam Sharma

Address: Flat No. F-403, Shri Marigold CHS Ltd, Valley of Flowers, Thakur Village, Near Evershine Dream Park, Kandivali East, Mumbai, Maharashtra - 400101, India

Tel No.: +91-8356822430

Email: cs@nexaindia.com

CHIEF FINANCIAL OFFICER

Mr. Abhay Jain

Address: Flat No A 602, Kingstone Annex CHSL, Kauls Hertiage City, Stella Road, Bhabola, Vasai, Bassein Road, Palghar, Maharashtra 401202, India

Tel No.: +91-9819527829

Email: cfo@nexaindia.com

INVESTOR GRIEVANCES

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

All Issue-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as the full name of the sole or first Bidder, ASBA Form Number, address of the Bidder, Bidder’s DP ID, Client ID, PAN, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection center where the application was submitted.

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

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

For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLM. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchange/SEBI with a copy to the Registrar to the Issue.

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

The Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned above.

BOOK RUNNING LEAD MANAGER

Diggi Corporate Advisors Private Limited

1309 Corporate Annex Sonawala Road,
Goregaon East, Mumbai,
Maharashtra - 400063

Tel: +91- 8097987119

E-mail: smeipo@diggicorporate.com

Investor Grievance E-mail: compliance@diggicorporate.com

Website: www.diggicorporate.com

Contact Person: Mr. Tarun Dhandh/Mr. Keshav Roy

SEBI Registration No.: INM000013332

CIN: U64990MH2022PTC382904

STATEMENT OF RESPONSIBILITIES

Diggi Corporate Advisors Private Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by Diggi Corporate Advisors Private Limited and hence, a statement of inter-se allocation of responsibilities is not applicable.

LEGAL COUNSEL TO THE ISSUE

Legacy Law Offices LLP

Legacy House, D-18, Kalkaji, New Delhi – 110019.

Telephone No.: +91-9988198262

Website: <https://www.legacylawoffices.com/>

Email Id: anand@legacylawoffices.com

Contact Person: Advocate Gagan Anand

STATUTORY AUDITORS AND PEER REVIEW AUDITORS TO OUR COMPANY

M/s YKC & Company

Address: 5th Floor, Office No. 523-524, A Wing, Bonanza,
Mathuradas Vasanji Road, Kohinoor Continental,
Andheri East, Mumbai, Mumbai Suburban,
Maharashtra – 400059

Tel: 8291494160

Email: caravikabra01@gmail.com

Contact person: Ravi Kabra

Membership No.: 148323

Peer Review Number: 016403

Firm Registration Number: 136640W

CHANGES IN STATUTORY AUDITORS DURING THE LAST THREE YEARS

Except as stated below, there have been no changes in the statutory auditors of our Company during the 3 (three) years preceding the date of this Draft Red Herring Prospectus.

Name of Statutory Auditor	Reason of change	Date of change
M/s YKC & Company, Chartered Accountant	Re-appointment as Statutory Auditor in AGM for a period of five years	August 19, 2026
M/s YKC & Company, Chartered Accountant	Appointment on Casual Vacancy	July 10, 2026
M/s V KUMAR JAIN AND ASSOCIATES, Chartered Accountant	Resignation due to Preoccupation with other professional assignments	June 08, 2026
M/s V KUMAR JAIN AND ASSOCIATES, Chartered Accountant	Appointment as First Auditor of Company	September 30, 2025

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited

Address: S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai-400093, Maharashtra, India

Telephone: +91 22 6263 8200/+91-022-62638299

Email: ipo@bigshareonline.com

Investor grievance: investor@bigshareonline.com

Contact Person: Mr. Babu Rapheal

Website: <https://www.bigshareonline.com/>

SEBI Registration Number: INR000001385

CIN: U99999MH1994PTC076534

BANKERS TO OUR COMPANY

Bank Name: ICICI Bank Ltd.

Tel: +91- 9271850334

E-mail: Sampada.kamlaksha@icici.bank.in

Website: <http://www.icicibank.com/>

Contact Person: Sampada Pikale

DESIGNATED INTERMEDIARIES

SYNDICATE MEMBERS

Bank Name: [•]

Tel: +[•]

E-mail: [•]

Website: [•]

Contact Person: [•]

SEBI Registration No.: [•]

CIN: [•]

BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK

Banker name: [•]

Address: [•]

Telephone: [•]

Email: [•]

Website: [•]

Contact person: [•]

CIN: [•]

SEBI Registration No: [•]

SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI 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://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

SELF CERTIFIED SYNDICATE BANKS ELIGIBLE AS SPONSOR BANKS FOR UPI MECHANISM

The list of SCSBs through which Bids can be submitted by the UPI Bidders using the UPI Mechanism, including details such as the eligible Mobile Applications and UPI handle which can be used for such Bids, is available on the website of the SEBI, and may be updated from time to time or at such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website.

In accordance with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated 28 June 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated 26 July 2019 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated 5 April 2022 issued by the SEBI, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the 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, respectively, as updated from time to time.

SYNDICATE SCSB BRANCHES

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 Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://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 Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>). For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

REGISTERED BROKERS

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 website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, and of Stock Exchanges i.e., BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm respectively, as updated from time to time.

REGISTRAR AND SHARE TRANSFER AGENTS (RTAs)

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 SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, and stock exchanges i.e., at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

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

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as postal address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>, respectively, as updated from time to time.

COLLECTING RTAs

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

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

CREDIT RATING

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

GREEN SHOE OPTION

No Green Shoe Option is contemplated under this Issue.

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

DEBENTURE TRUSTEE

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

IPO GRADING OF THE ISSUE

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

EXPERTS

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

Our Company has received written consent from our Statutory Auditors namely M/s YKC & Company, Chartered Accountants, who hold a valid peer review certificate dated March 11, 2024, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated September 01, 2026 on the Restated Financial Statements; and (ii) the Statement of Possible Special Tax Benefits dated September 21, 2026, included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

The Company has received written consent dated September 21, 2026 from Garg and Associates, Chartered Engineer, Chartered Engineer, to include their name as required under Section 26 and 32 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 in respect of certificate issued, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The Company has received written consent dated September 15, 2026 from S. Vaibhav & Co., Practicing Company Secretaries, to include their name as required under Section 26 and 32 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 in respect of certificate issued, 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.

TRUSTEES

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

MONITORING AGENCY

There is no requirement for the appointment of a monitoring agency, as the size of the Offer is less than ₹5,000 Lakhs. Our Board of Directors will monitor the utilization of the Net Offer Proceeds and will disclose the utilization of the Net Offer Proceeds under a separate head in the balance sheet of our Company, along with the relevant details of all amounts that have not been utilized.

Our Company will indicate the investments, if any, made out of the unutilized Net Offer Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall, on a half-yearly basis, disclose to the Audit Committee the application of the proceeds of the Offer. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place the same before the Audit Committee.

Such disclosures shall be made until such time as all the Net Offer Proceeds have been fully utilized or the purpose for which such proceeds were raised has been achieved.

APPRAISING AGENCY

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

FILING OF THE ISSUE DOCUMENT

The Draft Red Herring Prospectus shall be filed on Emerge Platform of NSE Limited.

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

A copy of the Red Herring Prospectus along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC at its office through the electronic portal at <http://www.mca.gov.in> and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in>.

BOOK BUILDING PROCESS

The book building, in context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company in consultation with the BRLM, and advertised in all editions of the widely circulated English national daily newspaper [•], all Hindi national daily newspaper [•] and being the regional language of [•], where our Registered Office is located) at least 2 (two) Working Days prior to the Bid/Issue Opening Date and was made available to the Stock Exchange for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date. The principle parties involved in the Book Building Process are:

- (1) the Company;
- (2) the BRLM;
- (3) Market Maker(s);

- (4) the Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchange and eligible to act as Underwriters;
- (5) the Registrar to the Issue;
- (6) the Escrow Collection Banks/ Bankers to the Issue;
- (7) the Sponsor Bank(s);
- (8) the SCSBs; and
- (9) the Registered Brokers.

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All potential Bidders (excluding Anchor Investors) are mandatorily required to utilize the ASBA process to participate in the Issue by providing details of their bank account in which the corresponding Bid Amount which will be blocked by the SCSBs.

UPI Bidders can also participate in the Issue through the UPI Mechanism under the ASBA process by either (a) providing the details of their ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid /Issue Period and withdraw their Bids on or before the Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than the Anchor Investors), in the Issue will be on a proportionate basis. However, allocation to the Anchor Investors will be on a discretionary basis.

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

For further details, see “*The Issue*”, “*Terms of the Issue*” and “*Issue Procedure*” on pages 67, 403 and 422, respectively of this Draft Red Herring Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for the Issue. In this regard, our Company has appointed the BRLM to manage the Issue and procure subscriptions to the Issue.

The Book Building Process under the SEBI ICDR Regulations is subject to change from time to time and Bidders are advised to make their own judgment about an investment through the Book Building Process prior to submitting a Bid in the Issue.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation

with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “**Issue Procedure**” beginning on page 421 of the Draft Red Herring Prospectus.

For further details on the method and procedure for Bidding, see “**Issue Structure**” and “**Issue Procedure**” on pages 415 and 421, respectively of this Draft Red Herring Prospectus.

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

Illustration of the Book Building and Price Discovery Process:

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “**Issue Procedure**” on page 421 of this Draft Red Herring Prospectus.

Bid/ Issue Program:

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

- (a) *Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*
- (b) *Our Company, in consultation with the Book Running Lead Manager, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.*

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

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing

Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum

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

Withdrawal of the Issue

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

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

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the filing of Red Herring Prospectus/ Prospectus with RoC.

UNDERWRITING AGREEMENT

The Company and the BRLM to the Issue hereby confirm that the Issue will be 100% Underwritten, and atleast fifteen percent of the issue shall be underwritten by the BRLM on its own.

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be Issued through this Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein. The Underwriting Agreement is dated [•].

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement. This portion has been intentionally left blank and will be filled in before the filing of the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of Total Issue Size Underwritten
Name: [•] Address: [•] Telephone: +[•]	[•]	[•]	[•]

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of Total Issue Size Underwritten
Contact Person: [•] Email: [•]			

**Includes [•] equity shares for the Market Maker Reservation Portion which are to be subscribed by the Market Maker, in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

The above mentioned is indicative underwriting and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as merchant bankers with SEBI or as brokers with the Stock Exchange.

Notwithstanding the table above, the BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to the Bidders procured by them in accordance with the Underwriting Agreement. The Underwriting Agreement has been executed as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement lists out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the Bidders at the time of Bidding. The extent of underwriting obligations and the Bids to be underwritten in the Issue by the BRLM shall be as per the Underwriting Agreement.

Details of the Market Making Arrangement for this Issue

The Company has entered into a Market Making Agreement dated [•] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

The Market Maker will be appointed before filing of Red Herring Prospectus.

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated [•] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares Issued in this Issuer.

[•], registered with National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by NSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market making arrangement:

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

- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited (NSE Emerge) (in this case currently the minimum trading lot size is [•] equity shares; however, the same may be changed by the NSE from time to time).

- After a period of 3 (three) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
- There shall be no exemption/ threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final
- The Market Maker(s) shall have the right to terminate said arrangement by giving a 3 (three) months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261(1) of the SEBI (ICDR) Regulations, 2018, as amended. Further, our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our office from 10.00 A.M. to 5.00 P.M. on working days.
- **Risk containment measures and monitoring for Market Makers:** The Stock Exchange will have all margins, which are applicable on NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** The Stock Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties/ fines may be imposed by the Stock Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Stock Exchange from time to time. The Stock Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership. The Department of Surveillance and Supervision of the Stock Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by the Stock Exchange from time to time.
- Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

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

(The remainder of this page have been intentionally kept blank)

OBJECTS OF ISSUE

The Issue comprises a fresh issue of up to 33,64,000 Equity Shares, aggregating up to ₹ [•] lakh by our Company.

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

1. Funding incremental working capital requirements of our Company;
 2. Funding Capital expenditure requirements for purchasing of machinery; and
 3. General corporate purposes.
- (collectively, the “**Objects**”).

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

In addition to the above-mentioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

NET PROCEEDS

The details of the proceeds of the Issue are summarised in the following table:

(amount in ₹ lakh)

Particulars	Estimated amount
Gross Proceeds	[•]
(Less) Issue related expenses ⁽¹⁾	[•]
Net Proceeds ⁽¹⁾	[•]

⁽¹⁾ To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC.

REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

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

(amount in ₹ lakh)

Particulars	Amount
Funding working capital requirements of our Company	2,770.00
Funding Capital expenditure requirements for purchasing of machinery	250.00
General corporate purposes ⁽¹⁾	[•]
Total	[•]

⁽¹⁾ To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC. The cumulative amount to be utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹ 1,000 lakh whichever is lower.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(amount in ₹ lakh)

Particulars	Total estimated cost	Amount to be funded from internal accrual	Amount to be funded from the Net Proceeds	Estimated deployment from Net Proceeds	
				Fiscal 2027	Fiscal 2028
Funding working capital requirements of our Company	2,770.00	-	2,770.00	1100.00	1670.00

Particulars	Total estimated cost	Amount to be funded from internal accrual	Amount to be funded from the Net Proceeds	Estimated deployment from Net Proceeds	
				Fiscal 2027	Fiscal 2028
Funding Capital expenditure requirements for purchasing of machinery	280.83	30.83	250.00	250.00	-
General corporate purposes ⁽¹⁾	[●]		[●]	[●]	[●]
Total ⁽¹⁾	[●]		[●]	[●]	[●]

(1) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with RoC. The cumulative amount to be utilized towards general corporate purposes shall not exceed 15% of the Gross Proceeds of the Issue or ₹ 1,000 lakh whichever is lower.

Note: As certified by M/s YKC & Company, Statutory Auditor, by way of their certificate dated September 21, 2026.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been appraised by any bank, financial institution, or any other independent agency. For further details, see **“Risk Factors - Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by any bank or financial institution or any independent external agency and are based on our management estimates and current business plans, which may be subject to change and may result in delays or cost overruns”** on page 57. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further details, see **“Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to applicable compliance requirements, including prior approval of our shareholders, which may restrict our ability to redeploy the Net Proceeds”** on page 57.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds, as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking additional equity and / or debt arrangements from existing and future lenders.

In the event that the estimated utilisation of the Net Proceeds in previous fiscal year is not completely met, due to factors such as (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, then such unutilised amounts shall be utilised (in part or full) in the next fiscal year and vice versa, as may be determined by our Company, in accordance with applicable laws. Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of funding means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Details of the utilisation of the Net Proceeds

1. FUNDING OF WORKING CAPITAL REQUIREMENTS OF OUR COMPANY

India's defence budget has witnessed an upward trajectory over the past four financial years, increasing from INR 5,93,538 crore in FY2023-24 to INR 7,85,000 crore in FY2026-27 (Budget Estimates), representing a cumulative increase of over 32% during the period. The sustained increase in budgetary allocation reflects the Government's continued focus on strengthening national security, enhancing operational preparedness and supporting the modernisation of the armed forces.

India's defence production has recorded significant growth over the past decade, increasing from INR 74,054 crore in 2016-17 to INR 1,77,965 crore in 2025-26, representing an increase of over 140% during the period and registering a CAGR of 10.2%. The sustained increase in defence production reflects the Government's focus on strengthening domestic

manufacturing capabilities, reducing import dependence and expanding indigenous design and development across the defence sector. (Source: Industry Report).

Our Company is engaged in the design, manufacture, assembly, development, indigenisation, testing, supply and servicing of Ground Support Equipment, Test Rigs & Test Benches and Test Equipment for customers in the aerospace and defence sectors, including Air Force stations, the Indian Army, the Indian Coast Guard, the Indian Navy and defence research organisations. Our products are designed, developed and manufactured through three product development and manufacturing models, namely, the Build-to-Print (“BTP”) model, the Build-to-Specification (“BTS”) model and the Indigenisation model. Under each of these models, the development, manufacturing and execution of products requires us to incur working capital expenditure at various stages of the order execution cycle.

We receive orders from various government and defence organisations, including through tender-based procurement processes and directly from customers. The execution of such orders requires us to incur significant upfront expenditure towards procurement of raw materials, components, bought-out items and consumables, as well as manpower and manufacturing costs during the execution period. Following manufacture and assembly of the products, the products are generally required to undergo inspection, testing and acceptance procedures prescribed by the customer or its nominated agency before despatch, acceptance and raising of invoices. Depending on the terms of the respective orders, payments from customers are generally received based on achievement of specified milestones and completion of the relevant supply or acceptance requirements. Accordingly, there is a time lag between the initial cash outflows incurred towards execution of orders and realisation of corresponding customer payments.

Our business is therefore working-capital intensive as we are required to fund the order execution cycle commencing from participation in tenders and submission of bids, procurement of raw materials, components and bought-out items, fabrication, assembly and integration, inspection and testing by the customer or its nominated agency, despatch and commissioning at site, where applicable, and post-supply servicing. Given the build-to-order nature and execution requirements of our products, we are required to incur expenditure towards raw materials, components, bought-out items and consumables, fabrication and assembly charges, testing and certification costs and manpower costs, as well as maintain bank guarantees and deposits, in advance of the realisation of contract receipts from customers. Invoices are generally raised upon despatch or upon acceptance of the equipment by the customer, depending on the terms of the respective orders. Further, payments from defence and government customers are subject to prescribed departmental processes and the applicable contractual milestones, resulting in a timing difference between cash outflows and cash inflows. Our working capital cycle is generally approximately 90 to 100 days.

As of June 30, 2026, our Company had a consolidated confirmed order book of ₹5,453.69 lakh, comprising orders of Nexa Defence (I) Limited and Nexa Mumbai. As we continue to execute the existing order book and participate in tenders for additional orders, our working capital requirements are expected to increase correspondingly, as execution of such orders would require us to fund procurement, manufacturing, testing, inspection and other associated activities prior to receipt of corresponding customer payments. The details of our confirmed order book as of June 30, 2026, on a consolidated basis of Nexa Defence (I) Limited and Nexa Mumbai, by category of customer and business operational model, are set out below.

Category of Customer	Business Operational Model	Order Value (Rs. in lakhs)
Defence and Aviation	Indigenisation	1,889.24
Defence and Aviation	Build-to-Specification (BTS)	1,351.14
Defence and Aviation	Maintenance and Servicing	908.23
Defence Navy	Build-to-Specification (BTS)	476.95
Defence Army	Build-to-Specification (BTS)	421.77
Defence and Aviation	Build-to-Print (BTP)	281.48
Defence Research Organizations	Build-to-Specification (BTS)	78.00
Defence Research Organizations	Maintenance and Servicing	46.87
Total		5,453.69

Note: As certified by M/s YKC & Company., Statutory Auditor, by way of their certificate dated September 21, 2026.

With the anticipated increase in order intake and execution of confirmed and expected orders, the Company expects a corresponding increase in procurement of raw materials, components and bought-out items required for commencement and execution of projects.

Accordingly, the Company proposes to utilise a portion of the Net Proceeds towards funding its incremental working capital requirements to support the projected growth in order intake, ensure uninterrupted procurement and manufacturing activities, maintain timely payments to suppliers across its supply chain and facilitate efficient execution of customer orders. The proposed utilisation of the Net Proceeds is expected to bridge the working capital gap arising from the timing difference between the operational expenditure incurred throughout the order execution cycle and the subsequent realisation of contract receipts from customers.

Existing working capital requirements

Details of our working capital, for the Fiscals and period indicated, is set out below:

(amount in ₹ lakh unless stated otherwise)

Particulars	Nexa Defence		Nexa Mumbai	
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Working capital (in ₹ lakh)	1,260.68	526.45	993.13	842.73
Working capital as (%) of total assets	44.66%	32.12%	53.73%	54.40%
Working capital as (%) of revenue from operations	87.62% ⁽¹⁾	9.89%	37.54%	44.50%

Note: For the three-month period ended June 30, 2026, Revenue from Operations has not been annualised. For Fiscal 2026, the combined Revenue from Operations of Nexa Defence and Nexa Mumbai has been considered, as the working capital amounts have already been combined in the books of Nexa Defence (I) Limited.

1. Not Annualised

Basis of estimation of incremental working capital requirement

Details of our Company and Proprietorship concern's composition of working capital for the three months period ended June 30, 2026 and for Fiscals 2025, 2024 and 2023, on source of funding of the same are as set out in the table below:

(amount in ₹ lakh)

Particulars	Nexa Defence		Nexa Mumbai	
	Three months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
CURRENT ASSETS				
Inventories	213.45	425.85	605.58	497.04
Trade Receivables	1,522.58	349.82	295.65	526.54
Short-Term Loans & Advances & Other Bank Balances	315.53	339.46	348.87	155.21
Other Current Assets	144.95	208.88	181.93	39.68
A. Total Current Assets	2,196.51	1,324.01	1,432.03	1,218.47
CURRENT LIABILITIES				
Trade payables	699.04	732.82	398.21	336.10
Other Current Liabilities	136.12	44.65	36.39	24.47
Short-Term Provisions	100.67	20.09	4.29	15.18
B. Total Current Liabilities	935.82	797.56	438.90	375.74
C. Working Capital Requirement (A-B)	1,260.68	526.45	993.13	842.73
D. Funding pattern				
Short Term Borrowings	837.31	20.75	763.44	827.36

Particulars	Nexa Defence		Nexa Mumbai	
	Three months period ended June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Internal Accruals, Net Worth, Equity	423.37	505.70	229.70	15.37

Note: As certified by M/s YKC & Company., Statutory Auditor, by way of their certificate dated September 21, 2026.

Expected working capital requirements

The estimates of the working capital requirements for Fiscal 2027 and Fiscal 2028 have been prepared based on management's estimates of the Company's current and future financial performance, execution of the existing order book and orders in the pipeline which are expected to be confirmed for future execution. The projections have been prepared based on a set of assumptions relating to future events and management actions, which may not necessarily occur as anticipated.

Based on the Company's existing working capital requirements and estimated working capital requirements, the Board, pursuant to its resolution dated September 21, 2026, has approved the provisional working capital requirements for Fiscal 2026 and the estimated working capital requirements for Fiscal 2027 and Fiscal 2028, together with the assumptions and justifications for the projected holding levels and the proposed funding of such working capital requirements, as set forth below:

Key assumptions and justifications for estimated working capital requirements:

The table below sets forth the details of our estimated working capital requirements for Fiscal 2027 and Fiscal 2028:

(amount in ₹ lakh)

Particulars	Fiscal 2027 (Estimated)	Fiscal 2028 (Estimated)
CURRENT ASSETS		
Inventories	1,417.20	2,265.62
Trade Receivables	1,914.09	3,304.00
Short-Term Loans & Advances & Other Bank Balances	244.44	473.52
Other Current Assets	47.85	18.73
A. Total Current Assets	3,623.58	6,061.87
CURRENT LIABILITIES		
Trade payables	724.85	1,332.38
Other Current Liabilities	76.39	147.64
Short-Term Provisions	252.10	507.63
B. Total Current Liabilities	1,053.34	1,987.65
C. Working Capital Requirement (A-B)	2,570.24	4,074.22
D. Funding pattern		
Net Proceeds from IPO	1,100.00	1,670.00
Short Term Borrowings	795.39	614.09
Internal Accruals, Net Worth, Equity	674.85	1,790.13

Note: As certified by M/s YKC & Company., Statutory Auditor, by way of their certificate dated September 21, 2026.

Accordingly, we propose to utilise ₹ 2,770.00 lakh from the Net Proceeds to fund working capital requirements of our Company in Fiscal 2027 and Fiscal 2028.

Assumptions for our estimated working capital requirement*

Particulars	Holding Period (in Days)					
	Fiscal 2024	Fiscal 2025	Fiscal 2026	June 30, 2026	Fiscal 2027	Fiscal 2028
Current Assets						
Inventories	90	99	48	31	70	82
Trade Receivables	87	57	22	59	60	80
Short-Term Loans & Advances & Other Bank Balances	19	35	24	21	15	11
Other Current Assets	5	15	13	11	7	1
Current Liabilities						
Trade payables	74	66	53	70	55	46
Other Current Liabilities	9	5	4	9	5	5
Short-Term Provisions	3	1	1	4	3	12

Particulars	Formula
Inventory days	Inventory days have been calculated as 365/91 in case of June 30, 2026 divided by (Total Cost of Goods Sold & Other Expenses divided by Average Inventory outstanding of current year and prior year).
Trade receivable days	Trade receivable days have been calculated as 365/91 in case of June 30, 2026 divided by (Revenue from Operations divided by average Trade Receivables outstanding of current year and prior year).
Short-Term Loans & Advances & Other Bank Balances	Short-Term Loans & Advances & Other Bank Balances days has been calculated as 365/91 in case of June 30, 2026 divided by (Revenue from Operations divided by average Short-Term Loans & Advances & Other Bank Balances outstanding of current year and prior year).
Other Current Assets	Other Current Assets days has been calculated as 365/91 in case of June 30, 2026 divided by (Revenue from Operations divided by average Other Current Assets of current year and prior year).
Trade payable days	Trade payable days have been calculated as 365/91 in case of June 30, 2026 divided by (Total Cost of Goods Sold & Other Expenses divided by Average Trade payable outstanding during the current year and prior year).
Other Current Liabilities	Other Current Liabilities days have been calculated as 365/91 in case of June 30, 2026 divided by (Total Cost of Goods Sold & Other Expenses divided by Average Other Current Liabilities outstanding during the current year and prior year).
Short-Term Provisions	Short-Term Provisions days has been calculated as 365/91 in case of June 30, 2026 divided by (Revenue from Operations divided by average Short-Term Provisions outstanding of current year and prior year).

The table below sets forth the key assumptions for our working capital projections:

Sr. No.	Particulars	Assumptions
Current Assets		
1.	Inventory	Our Company's inventory holding days were around 90 days in Fiscal 2024, 99 days in Fiscal 2025, 48 days in Fiscal 2026 and 31 days for the three months ended June 30, 2026. The increase in inventory holding days in Fiscal 2025 was primarily attributable to higher inventory levels maintained in line with the increase in the order book and procurement requirements for execution of orders. The decrease in inventory holding days in Fiscal 2026 and for the three months ended June 30, 2026 was primarily due to working capital constraints, which limited advance procurement of raw materials. Accordingly, procurement of certain raw materials required for execution and delivery of subsequent orders was undertaken after the respective period ends. For Fiscal 2027 and Fiscal 2028, inventory holding days are estimated at approximately 70 days and 82 days, respectively, considering the expected increase in order book and corresponding procurement and execution requirements.

Sr. No.	Particulars	Assumptions
2.	Trade receivables	Our Company's trade receivables holding days were around 87 days in Fiscal 2024, 57 days in Fiscal 2025, 22 days in Fiscal 2026 and 59 days for the three months ended June 30, 2026. <i>The reduction in the trade receivables days from 57 days in Fiscal 2025 to 22 days in Fiscal 2026 was primarily attributable to an exceptional receipt of ₹1,104.43 lakh in end of March 2026 in respect of sales made towards the end of February 2026. The underlying sales amounted to ₹995.88 lakh, along with GST of ₹179.26 lakh made in end of February 2026 related to a Contract for Fuel Pump Test Rig from a Maharatna Public Sector Undertaking received in mid of Fiscal 2026 and delivered the said product in end of February 2026. The amount related to such sale was received within approximately within 30 to 32 days from the date of the relevant sales i.e. within the same financial year of Fiscal 2026. Such receipt within this period was exceptional in the context of our Company's historical experience, particularly with respect to payments from government departments and government enterprises, where the payment cycle is generally longer and expected to be 60-80 days.</i> Further holding days during the historical periods was primarily due to the timing of revenue recognition, delivery of products and services and the payment terms and fulfilment milestones specified under individual orders/contracts. The lower holding days in Fiscal 2026 were primarily due to the timing of collections against receivables during the year. The increase to 59 days for the three months ended June 30, 2026 was primarily due to the increase in revenue recognised towards the end of the period, including revenue of approximately ₹732.83 lakh recognised against an order from a Maharatna public sector undertaking for Fuel Consumption Trolley, of which approximately ₹488.55 lakh was recognised in June 2026, resulting in corresponding receivables at the period end. For Fiscal 2027 and Fiscal 2028, trade receivables holding days are estimated at approximately 60 days and 80 days, respectively, based on the Company's expected operating and collection cycle and the anticipated timing of collections from customers.
3.	Short-Term Loans & Advances & Other Bank Balances	Short-term loans and advances and other bank balances, comprising primarily advances to suppliers and fixed deposits maintained in connection with banking facilities, were approximately 19 days, 35 days, 24 days and 21 days for Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months ended June 30, 2026, respectively. The increase in Fiscal 2025 was primarily due to higher advances to suppliers in line with increased order and procurement requirements, including advances required by certain suppliers to facilitate timely procurement and delivery. The subsequent reduction in Fiscal 2026 was primarily due to working capital constraints and prioritisation of available funds towards execution of orders and operating requirements. For the three months ended June 30, 2026, the holding days were 21 days, with other bank balances also including a fixed deposit of approximately ₹206.20 lakh maintained as security against the bank guarantee facility. Holding days are estimated at approximately 15 days in Fiscal 2027 and then constant at 11 days from Fiscal 2028, considering the expected operating requirements, supplier advances and bank guarantee-related requirements.
4.	Other Current Assets	Other current assets, comprising primarily input tax receivables and related tax balances, were approximately 5 days, 15 days, 13 days and 11 days for Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months ended June 30, 2026, respectively. The increase during Fiscal 2025 was primarily attributable to accumulation of input tax credits and other tax balances in the predecessor proprietorship business the reason for the same are because inverted duty structure in respect of certain products, where the applicable GST rate on the products sold by the Company is lower than the GST rate applicable on certain raw materials and inputs purchased by the Company, are in connection with supplies made to defence organisations and authorities and the

Sr. No.	Particulars	Assumptions
		applicable tax treatment and tax deduction mechanisms. The movement thereafter was due to the timing of utilisation and accumulation of such balances. For Fiscal 2027 and Fiscal 2028, the holding days are estimated at approximately 7 days and 1 day, respectively, considering the expected utilisation of available input tax credits against applicable statutory liabilities and corresponding reduction in outstanding balances.
5.	Trade Payables	Our Company's trade payable holding days were approximately 74 days in Fiscal 2024, 66 days in Fiscal 2025, 53 days in Fiscal 2026 and 70 days for the three months ended June 30, 2026. The movement in trade payable holding days during the historical periods was primarily attributable to changes in the order book, procurement requirements, timing of purchases and timing of payments to suppliers. The increase in trade payable holding days for the three months ended June 30, 2026 was also influenced by the timing of procurement and supplier payments relative to revenue recognised during the three-month period and the Company's working capital requirements. For Fiscal 2027 and Fiscal 2028, trade payable holding days are estimated at approximately 55 days and 46 days, respectively, considering the expected improvement in working capital availability, including availability of funds from the proposed Initial Public Offering, and the Company's expected procurement and payment cycle
6.	Other Current Liabilities	Other current liabilities, comprising primarily employee benefits payable and statutory dues, were approximately 9 days, 5 days, 4 days and 9 days for Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months ended June 30, 2026, respectively. The variation during the historical periods was primarily due to the timing of accrual and payment of statutory dues and employee-related liabilities. The higher holding days for the three months ended June 30, 2026 also reflect the shorter revenue period used as the denominator for the calculation. For Fiscal 2027 and Fiscal 2028, other current liabilities are estimated at approximately 5 days each. The Company expects to utilise the input tax credits proposed to be transferred from Nexa Mumbai against applicable statutory liabilities, including GST, which is expected to reduce the outstanding statutory dues. Thereafter, the level of other current liabilities is expected to reflect the Company's operating requirements and employee-related liabilities, including salary payable for the month of March which is generally paid in the subsequent month.
7.	Short-Term Provisions	Short-term provisions, comprising primarily provisions for income tax, were approximately 3 days, 1 day, 1 day and 4 days for Fiscal 2024, Fiscal 2025, Fiscal 2026 and the three months ended June 30, 2026, respectively. The lower holding days during the historical periods were primarily attributable to the nature of the predecessor proprietorship business, wherein advance tax was deposited based on the applicable individual tax rate and the net tax provision after considering advance tax and tax deducted at source was correspondingly lower. The increase for the three months ended June 30, 2026 was primarily due to the tax liability arising on the Company's taxable income. For Fiscal 2027 and Fiscal 2028, short-term provisions are estimated at approximately 3 days and 12 days, respectively, considering the expected increase in taxable income and corresponding income tax liability, after considering applicable advance tax and tax deducted at source.

Note: As certified by M/s YKC & Company., Statutory Auditor, by way of their certificate dated September 21, 2026.

The table below sets forth the key justifications for our working capital projections with historical data and assumptions:

Particulars	Rationale / Justification
Revenue from Operations	Revenue from operations for Fiscal 2027 and Fiscal 2028 has been projected based on the Company's existing order book, orders in the pipeline which are expected to be received, and

Particulars	Rationale / Justification
	the historical growth in order book additions during the preceding three fiscal years. The Company generally executes and delivers its products and services to customers within a period of up to two years, as stipulated under past history. Accordingly, the projected revenue from operations has been bifurcated over the two-year period based on the expected execution and delivery of the orders during the respective periods.
Purchase of Raw Material	Raw material purchases have been estimated based on the expected additions to the order book during the respective periods. The estimates have been determined by applying the average percentage of raw material purchases to the additions to the order book based on the preceding three financial years, along with an appropriate markup related to inflation to reflect the expected increase in procurement requirements in the projected periods.
Inventory	The increase in inventory from ₹497.04 lakh as at March 31, 2024 to ₹605.58 lakh as at March 31, 2025 was primarily attributable to an increase in inventory levels in line with the increase in the Company's order book during Fiscal 2025. During Fiscal 2026, inventory decreased from ₹605.58 lakh as at March 31, 2025 to ₹425.85 lakh as at March 31, 2026. Further, inventory decreased to ₹213.45 lakh as at June 30, 2026. The decrease in inventory during Fiscal 2026 and the three-month period ended June 30, 2026, despite an increase in the order book, was primarily due to the Company procuring certain raw materials subsequent to the respective period ends for the execution and delivery of projects, considering the working capital crunch of the Company. For Fiscal 2027 and Fiscal 2028, inventory has been projected under three categories, namely raw materials, work-in-progress and finished goods. Raw material inventory has been projected based on the average percentage of raw material inventory to raw material purchases maintained by the Company during the preceding three fiscal years. Raw material purchases have been estimated based on the expected addition to the order book during the respective period. Work-in-progress and finished goods inventory have been projected based on the average percentage of work-in-progress and finished goods inventory, respectively, to revenue from operations maintained by the Company during the preceding three fiscal years, with reference to the projected revenue from operations for the respective year.
Trade Receivables	Trade receivables decreased from ₹526.54 lakh as at March 31, 2024 to ₹295.65 lakh as at March 31, 2025, and subsequently increased to ₹349.83 lakh as at March 31, 2026 and ₹1,522.58 lakh as at June 30, 2026. The reduction in the trade receivables days from 57 days in Fiscal 2025 to 22 days in Fiscal 2026 was primarily attributable to an exceptional receipt of ₹1,104.43 lakh in end of March 2026 in respect of sales made towards the end of February 2026. The underlying sales amounted to ₹995.88 lakh, along with GST of ₹179.26 lakh made in end of February 2026. The amount was received within approximately within 30 to 32 days from the date of the relevant sales. Such receipt within this period was exceptional in the context of our Company's historical experience, particularly with respect to payments from government departments and government enterprises, where the payment cycle is generally longer and expected to be 60-80 days. The fluctuations in trade receivables outstanding during the respective periods are primarily attributable to the revenue recognised based on the terms and conditions of the orders and contracts received by the Company and the timing of delivery of products and provision of services. The significant increase in trade receivables as at June 30, 2026 was primarily attributable to an order received from a Maharatna public sector undertaking for the supply of Fuel Consumption Trolley. Revenue of approximately ₹732.83 lakh was recognised in relation to such order, of which approximately ₹488.55 lakh was recognised during June 2026, resulting in a corresponding increase in trade receivables as at June 30, 2026. The remaining increase in trade receivables is reflective of the normal trade receivables recovery cycle of the Company. For Fiscal 2027 and Fiscal 2028, trade receivables have been projected based on the projected revenue from operations and the Company's normal trade receivables recovery cycle, which is approximately 60 to 80 days. The projected trade receivables are also considered with reference to the payment terms applicable to the Company's orders and contracts.

Particulars	Rationale / Justification
Short-Term Loans & Advances & Other Bank Balances	<u>Short-term Loans and Advances</u> Short-term loans and advances primarily comprise advances made to suppliers for the purchase of goods and raw materials required for manufacturing activities. The increase in short-term loans and advances during Fiscal 2025 as compared to Fiscal 2024 was primarily attributable to an increase in the Company's orders, pursuant to which procurement of raw materials was required. In certain cases, advances to suppliers are required to be made in accordance with the terms agreed with the suppliers to facilitate timely procurement and delivery of raw materials. The decrease in advances to suppliers during Fiscal 2026 was primarily attributable to the Company's working capital constraints and the need to prioritise the deployment of available working capital towards the execution of its orders. For Fiscal 2027 and Fiscal 2028, short-term loans and advances have been projected based on the average percentage of outstanding advances to suppliers to the cost of goods sold and other expenses during the preceding three fiscal years. <u>Other Bank Balances</u> Other bank balances primarily comprise fixed deposits maintained by the Company with an original maturity of more than three months and up to twelve months. The significant increase in other bank balances as at June 30, 2026 was primarily attributable to a fixed deposit of approximately ₹206.20 lakh maintained as security against a bank guarantee facility availed by the Company, which became due for redemption during the period. For Fiscal 2027 and Fiscal 2028, other bank balances have been projected based on the average percentage of bank deposits maintained by the Company to its outstanding order book as at the end of the preceding three fiscal years. The level of such bank deposits is directly linked to the outstanding orders of the Company, as certain bank guarantee facilities are required in connection with the execution of such orders. Upon execution of the respective orders and expiry or release of the corresponding bank guarantee facilities, the fixed deposits maintained as security are expected to mature or be released.
Other Current Assets	Other current assets primarily comprise input tax receivables. During the period of the proprietorship business, the accumulation of input tax receivables was primarily attributable to are because inverted duty structure in respect of certain products, where the applicable GST rate on the products sold by the Company is lower than the GST rate applicable on certain raw materials and inputs purchased by the company on supplies made to defence organisations and authorities, in respect of which the applicable tax treatment and tax deduction mechanisms resulted in input tax credits and GST TDS balances being accumulated in the books of the Company. For Fiscal 2027 and Fiscal 2028, other current assets have been projected considering the expected increase in revenue from operations and the corresponding tax liabilities. The input tax credits are expected to be utilised against the applicable tax liabilities, resulting in the netting-off of such input tax credits against the tax liability.
Trade payables	The increase in trade payables from Fiscal 2024 to Fiscal 2026 was primarily attributable to the increase in the Company's order book and the corresponding increase in revenue from operations, resulting in higher procurement of goods and raw materials and, consequently, higher trade payables. Further, due to the working capital requirements of the Company, trade payables have remained at relatively higher levels, as the collections from customers are utilised towards the execution of orders and other operating requirements of the Company. Historically, the Company has maintained trade payable days of approximately 50 to 70 days. For Fiscal 2027 and Fiscal 2028, trade payables have been projected based on trade payable days in the range of approximately 45 to 55 days, considering the Company's normal operating cycle and the expected availability of funds from the Issue proceeds. The availability of such funds is expected to enable the Company to meet its payment obligations to suppliers in a timely manner and may also enable the Company to avail applicable discounts, where available, from suppliers.

Particulars	Rationale / Justification
Other Current Liabilities	Other current liabilities primarily comprise employee benefits payable and statutory dues, including GST payable. The statutory dues outstanding as at the respective period ends have not been netted off against the input tax credit appearing under other current assets, as such input tax credit is expected to be transferred from Nexa Mumbai to Nexa Defence. For Fiscal 2027, the Company expects to utilise the input tax credit transferred from Nexa Mumbai against the applicable statutory dues, including GST payable, which is expected to result in a reduction in other current liabilities. Thereafter, for Fiscal 2028, the increase in other current liabilities is primarily attributable to the expected increase in the Company's operations and employee strength, resulting in higher employee benefits payable. The Company generally processes the salary for the month of March in the subsequent month, resulting in outstanding salary payable equivalent to approximately one month of employee costs as at the end of the financial year.
Short-Term Provisions	Short-term provisions primarily comprise provisions for income tax. During the historical periods, the business was operated through a proprietorship concern, wherein advance tax was deposited based on the applicable individual tax rate of the proprietor. Accordingly, after considering the advance tax and tax deducted at source, the net tax provision outstanding was relatively lower. For the projected periods, the increase in income and profitability of the Company is expected to result in a corresponding increase in the income tax liability. Accordingly, short-term provisions have been projected based on the estimated tax liability for the respective fiscal years, after considering applicable advance tax and tax deducted at source.

Note: As certified by M/s YKC & Company., Statutory Auditor, by way of their certificate dated September 21, 2026.

Confirmation:

Deposits, such as fixed deposits, placed by our Company may be short-term or long-term in nature depending on the expected period of recovery. Deposits that are recoverable within twelve months are classified under "Other Bank Balances" and form part of our Company's working capital. We hereby confirm that the working capital of our Company will not be utilised for the aforesaid deposits.

2. FUNDING CAPITAL EXPENDITURE REQUIREMENTS FOR PURCHASING OF MACHINERY

Our Company is engaged in the design, manufacturing, assembly, development, indigenisation, testing, supply and servicing of Ground Support Equipment ("GSE"), Test Rigs and Test Benches, and Test Equipment, catering to customers in the aerospace and defence sectors, including Air Force stations, the Indian Coast Guard, the Indian Navy and defence research organisations.

For manufacturing our products, our Company requires various machined components, including special brackets, jack top covers, linkages, pivotal joints, jack cylinders, bushes, adapters and hydraulic blocks and other components, as may be required based on the design, technology, dimensions, application and specifications of the respective equipment. The nature and specifications of such components vary depending on the product being manufactured and the specific requirements of our customers. Accordingly, our Company undertakes machining of certain components in-house to support the manufacturing and assembly of its products.

Historically, our Company has undertaken such machining activities using conventional machinery, including seven lathe machines and one milling machine. The use of conventional machinery involves greater manual intervention and operator dependency, which may result in longer machining time and increase the risk of variations in dimensions and tolerances due to manual errors. This may, in turn, increase the time required for machining and inspection of components and affect the overall execution timelines of projects. Further, as our Company receives new orders and undertakes projects involving new products and components with different designs and specifications, the existing machining capacity may limit our ability to manufacture the required components within the desired timelines. Further, the time required for machining and subsequent inspection may affect the overall production cycle and execution timelines for projects.

In order to address these requirements and enhance our machining capabilities, our Company has already acquired one Computer Numerical Control ("CNC") machines and one Vertical Machining Centre ("VMC"). These machines enable the manufacture of components based on programmed designs and specifications, with reduced manual intervention and greater consistency in machining operations. Further with advance technology and specifications company has order Computer Numerical Control ("CNC") machines which are expected to start work in coming weeks.

Considering the existing order book, anticipated addition of new orders and the requirement for machining components for existing as well as new products, our Company proposes to further augment its machining capacity through the acquisition of advanced automated machinery from the Net Proceeds of the Issue. The proposed machinery is expected to reduce machining time, improve consistency in dimensions and tolerances, reduce dependence on manual intervention and enable more efficient utilisation of manpower and production resources.

The proposed investment is also expected to increase our in-house machining capacity and facilitate timely availability of machined components for subsequent manufacturing, assembly and testing activities. This is expected to support faster execution of projects and enable our Company to undertake and execute a higher volume of orders within the required timelines, subject to availability of orders and other operational factors. The resulting improvement in production capacity and utilisation of resources may support growth in revenue from operations and contribute to improvement in operating efficiency and profitability.

Accordingly, the proposed acquisition of advanced automated machinery of Vertical Machining Centre (VMC) and Computer Numerical Controller (CNC) is intended to strengthen our Company's manufacturing capabilities, improve the efficiency and consistency of its machining operations and support timely execution of existing and prospective orders, thereby enabling the Company to cater to its anticipated business growth.

Accordingly, our Company has obtained the following quotation dated September 19, 2026 from LMW Limited in respect of advance version of Vertical Machining Centre (VMC) and Computer Numerical Controller (CNC):

S. No.	Machine / model	Key specifications	Maker / Manufacturer	Quantity	Ex-works cost (₹ lakh) *	Validity of Quotation
1	JU4-5Axis Vertical Machining Centre (VMC)	• Dia 400mm Trunnion Tilting Rotary Table (-120° / +30° -A axis) • Table indexing angle C axis (360°) • AC spindle drive, Direct driven, speed 14,000 RPM with spindle chiller • Automatic Tool Changer 40 Tools (Magazine type) • Pull studs, BBT40 (45°) • Hand held manual pulse generator • Absolute encoder on X, Y & Z axes	LMW Limited	1	168.00	180 days
2	JZ50 Gantry Type Vertical Machining Center (VMC)	• Variable speed 11/15/18.5 kW (S1/S2/S3) Spindle speed 12000 RPM • HSK A50 taper, • 26 Tools Magazine type Automatic Tool Changer, • Absolute encoder on X, Y & Z axes • "T" nuts for table • Coolant ring around spindle • Die & mould with look ahead 200 blocks • 20 bar high-pressure coolant, chain chip conveyor		1	63.33	180 days
3	LL20TL5-Computer Numerical Controller (CNC) Lathe Fanuc	• 30/0 degrees slant saddle / bed • 51 mm bar capacity, • Bar capacity 51 mm with A2-6 spindle nose • Variable speed 11 kW/ 15 kW (15 min.) Alpha Series AC spindle drive, spindle speed 3500 rpm		1	27.45	180 days

S. No.	Machine / model	Key specifications	Maker / Manufacturer	Quantity	Ex-works cost (₹ lakh) *	Validity of Quotation
4	S Turn 1 Computer Numerical Controller (CNC) Lathe Fanuc	• 8 Station vertically indexing turret • Variable speed 5.5 kW /7.5 kW (15 min.) AC spindle drive, • Spindle speed 4500 rpm • Coolant system, 60 lpm @ 4 bar • Manual pulse generator • Dia 200 mm x 3 jaw power operated hollow chuck • Programmable quill IN-OUT tailstock MT4 Add-on rotating		1	22.05	180 days
Total				4	280.83	

*Excluding GST and other taxes

Summary of Total Cost Buildup

Machine	Base price	Packing	Other accessories	Total
JU4-5Axis Vertical Machining Centre (VMC)	165.00	3.00	-	168.00
JZ50 Gantry Type Vertical Machining Centre (VMC)	52.00	0.50	10.83	63.33
LL20TL5- Computer Numerical Controller (CNC) Lathe Fanuc	25.40	0.50	1.55	27.45
S Turn 1 Computer Numerical Controller (CNC) Lathe Fanuc	21.65	0.15	0.25	22.05
Total	264.05	4.15	12.63	280.83

Capital Expenditure expenses in past

In the past, our Company has purchased various machinery and equipment for its manufacturing operations. Our Company has also acquired all machinery and equipment held by Nexa Mumbai pursuant to the Business Transfer Agreement with Nexa Mumbai, which include Computer Numerical Control (“CNC”) machines, Vertical Machining Centre (“VMC”), Laser Marking Machine and various other machines. Further, our Company has already placed an order for one additional CNC machine, which is currently in the process of being delivered. The advance payment for the said CNC machine has been made through internal accruals, and the remaining payment in respect of the said order is also proposed to be made through internal accruals. For further details, please refer to the section titled “Our Business – Machinery and Equipment” on page 183.

Confirmation:

We do not intend to utilize the Net Proceeds of the Issue to procure any second-hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom we have obtained quotations/ machinery.

Our Company has adequate space at its factory located at Plot No. 1055, Survey No. 114, Belavali Post, Chakhale, Panvel, Village Belavali, District – Raigad, Maharashtra – 410221, India, where its existing Computer Numerical Control (“CNC”) machines and Vertical Machining Centre (“VMC”) are installed. The Company proposes to install the machinery to be acquired from the Net Proceeds of the Issue at the same location, which will enable the Company to utilise its existing manufacturing infrastructure and facilities for operating the proposed machinery.

Our Company has obtained quotations from two vendors for the proposed machinery in order to compare the pricing and other commercial and technical terms. After evaluating the quotations received, our Company has selected a vendor with whom it has an existing business relationship and from whom it has previously purchased machinery. The Company has prior experience with the machinery supplied by such vendor and is familiar with its operation and maintenance

requirements. Further, the proposed machinery is considered suitable for the Company's existing manufacturing requirements and is expected to facilitate ease of operation by its employees. The selection of the vendor was also based on the pricing and other commercial terms offered by the vendor.

We hereby confirm that the Net Proceeds of the Issue will not be utilised for the procurement of any second-hand or used plant, machinery or equipment. Further, none of our Promoters, Directors, members of the Promoter Group or Group Companies has any interest, direct or indirect, in the proposed procurement of the plant, machinery, equipment or other assets proposed to be funded from the Net Proceeds, or in any of the vendors, suppliers, contractors or entities from whom quotations have been obtained in connection with the Project.

Means of finance

The entire fund requirements for the Objects are proposed to be funded from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means under Regulation 230 of the SEBI ICDR Regulations towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue.

Summary of deployment of fund for total Capital Expenditure

Particulars	Total estimated cost/Requirements	Amount to be funded from internal accrual	Amount to be funded from the Net Proceeds	Estimated deployment from Net Proceeds	
				Fiscal 2027	Fiscal 2028
Funding Capital expenditure requirements for purchasing of machinery	280.83	30.83	250.00	250.00	-

3. GENERAL CORPORATE PURPOSES

The Net Proceeds will first be utilised for the objects as set out above. Subject to this, our Company intends to deploy the balance Net Proceeds aggregating up to ₹ [●] lakh towards our general corporate purposes, as approved by our management/board, from time to time, subject to such utilisation for general corporate purposes not exceeding 15% of the Gross Proceeds or ₹ 1,000 lakh, in compliance with the SEBI ICDR Regulations.

The general corporate purposes include, but are not restricted to, meeting fund requirements which our Company may face in the ordinary course of business; strengthening lead generation capabilities by marketing our services; meeting ongoing general corporate contingencies; and business requirements of our Company in the ordinary course of business towards salaries and wages, rent, administration expenses, upgrading our technology and maintenance, advisory services, etc and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with applicable laws.

The allocation or quantum of utilization 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 and other relevant considerations, from time to time. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilizing surplus amounts, if any. In addition to the above, our Company may utilize 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 utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the next Fiscal. In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds or through our internal accruals, if any, which are not applied to the other purposes set out above. However, usage of funds will be as disclosed in the Objects of the Issue and any spill over from the intended Objects of the Issue to the general corporate purposes will not be carried out by our Company.

ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] lakh.

The expenses of this Issue include, among others, listing fees, underwriting commission (if any), selling commission and brokerage, fees payable to the BRLM, fees payable to legal counsel, fees payable to auditors, fees payable to the Registrar to the Issue, Escrow Collection Bank and Sponsor Bank to the Issue, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges pursuant to the Issue.

The estimated Issue expenses are as follows:

(amount in ₹ lakh unless stated otherwise)

S. No	Activity	Estimated expenses *	As a % of the total estimated Issue expenses	As a % of the total Issue size
1.	Fees payable to the BRLM including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs ⁽¹⁾⁽²⁾ and Bidding Charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	[●]	[●]	[●]
3.	Processing fees payable to the Sponsor Banks	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Issue	[●]	[●]	[●]
5.	Other expenses:			
	(i) Listing fees, SEBI and Stock Exchanges filing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery expenses	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fees payable to the legal counsel to the Issue	[●]	[●]	[●]
	(v) Fees payable to Statutory Auditor	[●]	[●]	[●]
	(vi) Fees payable to the independent chartered engineer			
	(vii) Fees payable to the industry service provider	[●]	[●]	[●]
	(viii) Miscellaneous [^]	[●]	[●]	[●]
	Total Estimated Issue Expenses	[●]	[●]	[●]

^{*}To be incorporated in the Prospectus after finalisation of the Issue Price. Issue expenses are estimates and are subject to change. Issue expenses include goods and services tax, where applicable.

[^]including fee payable to monitoring agency, etc.

⁽¹⁾ Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidders, which are directly procured by them would be as follows:

Portion for Retail Individual Bidders*	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted (plus applicable taxes)

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

No additional processing/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

⁽²⁾ Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and portion for Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Brokers/RTAs/CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Bidders	₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)
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Portion for Non-Institutional Bidders	₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)
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*Based on valid Bid cum Application Forms

(3) Selling commission on the portion for Retail Individual Bidders, the portion for Non-Institutional Bidders which are procured by Syndicate Members (including their sub-Syndicate Members) Registered Brokers, RTAs, CDPs would be as follows:

Portion for Retail Individual Bidders *	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders *	[●] % of the Amount Allotted (plus applicable taxes)

*Amount allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Bidding Charges: ₹ [●] (plus applicable taxes) per valid application bid by the Members of the Syndicate (including their sub-Syndicate Members)/ RTA/CDPs.

Note: The brokerage/selling commission payable to the Syndicate/sub-Syndicate members will be determined on the basis of the ASBA Form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if an ASBA bid on the application form number/series of a Syndicate/sub-Syndicate member, is bid for by an SCSB, the brokerage/selling commission will be payable to the SCSB and not to the Syndicate/sub-Syndicate member. The brokerage/selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The bidding charges payable to the Syndicate/sub-Syndicate members will be determined on the basis of the bidding terminal ID as captured in the Bid book of the Stock Exchanges. Payment of brokerage/selling commission payable to the sub-brokers/agents of the sub-Syndicate members shall be handled directly by the sub-Syndicate members, and the necessary records for the same shall be maintained by the respective sub-Syndicate member.

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Bidders, portion for Non-Institutional Bidder which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

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

*Based on valid Bid cum Application Forms

(5) Bidding charges of ₹ [●] (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

(6) Processing fees for applications made by UPI Bidders would be as follows:

RTAs / CDPs/ Registered Brokers/Members of the Syndicate	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank(s)	₹ [●] for applications 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, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws.

*Based on valid applications

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

Interim Use of Funds

Our Company, in accordance with the policies established by the Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, we undertake to temporarily deposit 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, as may be approved by our Board. 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 bank or financial institution as of the date of this Draft Red Herring Prospectus, which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

There is no requirement for the appointment of a monitoring agency, as the size of the Issue is less than ₹5,000 Lakhs. Our Board of Directors and Audit Committee will monitor the utilization of the Net Offer Proceeds and disclose the utilization of the Net Offer Proceeds under a separate head in the balance sheet of our Company, along with the relevant details of amounts that have not been utilized.

Our Company will disclose the investments, if any, made out of the unutilized Net Offer Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall, on a half-yearly basis, disclose to the Audit Committee the application of the proceeds of the Offer. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place the same before the Audit Committee. Such disclosures shall be made until such time as all the Net Offer Proceeds have been fully utilized.

Variation in Objects of the Issue

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the SEBI ICDR Regulations, our Company shall not vary the objects of the Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Notice") shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Notice shall simultaneously be published in the newspapers, one in English, one in Hindi, and one in regional language, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoters and controlling Shareholders, as of the time of such proposed variation, will be required to provide an exit opportunity to the Shareholders who do not agree to the above stated proposal, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilized have been appraised by any bank/financial institution.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our, Promoters, members of the Promoter Group, the Directors, the Group Companies or Key Managerial Personnel or members of the Senior Management.

Our Company has neither entered into nor has planned to enter into any arrangement/ agreements/ transactions with our Promoters, members of our Promoter Group, Directors, Key Managerial Personnel, Senior Management or our Group Companies in relation to the utilization of the Net Proceeds.

Our Company has obtained quotations from two vendors for the proposed machinery in order to compare the pricing and other commercial and technical terms. After evaluating the quotations received, our Company has selected a vendor with whom it has an existing business relationship and from whom it has previously purchased machinery. The Company has prior experience with the machinery supplied by such vendor and is familiar with its operation and maintenance requirements. Further, the proposed machinery is considered suitable for the Company's existing manufacturing requirements and is expected to facilitate ease of operation by its employees. The selection of the vendor was also based on the pricing and other commercial terms offered by the vendor.

Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Issue except as set out above.

None of the Issue Proceeds, including the General Corporate Purposes (“GCP”) portion, shall be utilised by our Company for investment in Virtual Digital Assets (“VDAs”), payment of any penalties arising from non-compliances, or any other purpose prohibited under applicable law.

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CAPITAL STRUCTURE

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

(In ₹ except the share data or where indicated otherwise)

Sr. No.	Particulars	Aggregate Value at Nominal value	Aggregate value at Issue price ⁽¹⁾
A.	Authorized Share Capital		
	1,50,00,000 Equity Shares of face value of ₹ 10/- each	15,00,00,000.00	[●]
B.	Issued, Subscribed and Paid-Up Equity Share Capital before the Issue ⁽²⁾		
	89,08,000 Equity Shares of face value of ₹ 10/- each	8,90,80,000.00	[●]
C.	Present Issue in terms of the Draft Red Herring Prospectus ⁽³⁾		
	Issue of up to 33,64,000* Equity Shares of ₹10/- each at a price of ₹ [●]/- per Equity Share (including share premium of ₹ [●] per Equity Share)	[●]	[●]
D.	Reservation for Market Maker portion		
	[●] Equity Shares of ₹ [●] each at a price of ₹ [●]/- per Equity Share (including share premium of ₹ [●] per Equity Share)	[●]	[●]
E.	Net Issue to the Public		
	[●] Equity Shares of ₹ [●] each at a price of ₹ [●]/- per Equity Share (including share premium of ₹ [●] per Equity Share)	[●]	[●]
	Of which:		
	Not more than [●] Equity Shares of ₹ [●] each at a price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	[●]	[●]
	Not Less than [●] Equity Shares of ₹ [●] each at a price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	[●]	[●]
	Of Which		
	One-third of the Non-Institutional Portion reserved for applicants with an application size of more than two lots and not more than ₹10.00 Lakhs	[●]	[●]
	Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹10.00 Lakhs	[●]	[●]
	Not less than [●] Equity Shares of ₹ [●] each at a price of ₹ [●]/- per Equity Share will be available for allocation to Individual Investors	[●]	[●]
F.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	Up to [●] Equity Shares of face value of ₹ [●] each	[●]	-
G.	Securities Premium Account		
	Before the Issue	Nil	
	After the Issue	[●]	

* Subject to finalisation of Basis of Allotment.

(1) To be finalized upon determination of Issue Price

(2) As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

(3) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 12, 2026 and by the shareholders of our Company vide a special resolution passed at the Extra-Ordinary General Meeting (EGM) held on August 28, 2026 as per applicable provisions of the Companies Act, 2013.

CLASS OF SHARES

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

Our Company does not have any outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Changes in the Authorized Share Capital of our Company

Since incorporation of our Company, the authorized equity share capital of our Company has been changed in the manner set forth below:

Sr. No.	Particulars of Increase	No. of Shares	Cumulative No of Equity Shares	Face value (₹)	Cumulative Authorized Share Capital (₹ in Lakhs)	Date of Meeting	Whether AGM/ EGM
1.	Upon Incorporation*	5,00,000	5,00,000	10	50,00,000	NA	NA
2.	Increase in Authorised Capital from 50,00,000 to 5,00,00,000	45,00,000	50,00,000	10	5,00,00,000	February 07, 2026	EGM
3.	Increase in Authorised Capital from 5,00,00,000 to 15,00,00,000	1,00,00,000	1,50,00,000	10	15,00,00,000	July 10, 2026	EGM

*The date of incorporation of the Company is March 07, 2025.

2. History of Issued and Paid-Up Share Capital of our Company

a) Equity Share Capital

The history of the issued and paid-up equity share capital of our Company is set forth below:

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative Paid-up Equity Share Capital (in ₹ Lakhs)
Upon Incorporation- March 07, 2025	5,00,000	10	10	Cash	Subscription to MoA ⁽¹⁾	5,00,000	50.00
March 31, 2026	4,11,000	10	125	Other than cash	Preferential Allotment ^{*(2)}	9,11,000	91.10
August 06, 2026	1,37,000	10	125	Cash	Preferential Allotment ⁽³⁾	10,48,000	104.80
August 12, 2026	78,60,000	10	Nil	Other than Cash	Bonus Issue ⁽⁴⁾	89,08,000	890.80

*The Company allotted equity shares for consideration other than cash pursuant to the acquisition of the business undertaking of Nexa Mumbai under a Business Transfer Agreement.

- (1) The initial subscribers to the Memorandum of Association subscribed to 5,00,000 Equity Shares, on March 07, 2025 each with a face value of ₹ 10.00 each, as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	3,75,000
2.	Sunitha J Kumar	55,000
3.	Nair Athira T	25,000
4.	Abhay Jain	5,000
5.	Nidhi Gyanmal Jain	5,000
6.	Amruta Amol Chaudhari	5,000
7.	Acchelal Ramkishor Vishwakarma	5,000
8.	Kalim Badruddin Khan	5,000
9.	Ritesh Kumar Pandey	5,000
10.	Mohan Chinraj	5,000
11.	Sreekanth K V	5,000
12.	Deepthi C C	5,000
Total		5,00,000

- (2) Allotment of 4,11,000 Equity Shares of ₹ 10.00/- at a premium of ₹ 115.00/- each on March 31, 2026 by way of preferential allotment as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	4,11,000
Total		4,11,000

- (3) Allotment of 1,37,000 Equity Shares of ₹ 10.00/- at a premium of ₹ 115.00/- each on August 06, 2026 by way of preferential issue as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	62,840
2.	Sunitha J Kumar	18,360
3.	Nair Athira T	6,480
4.	Abhay Jain	5,480
5.	Nidhi Gyanmal Jain	5,480
6.	Amruta Amol Chaudhari	5,480
7.	Acchelal Ramkishor Vishwakarma	5,480
8.	Kalim Badruddin Khan	5,480
9.	Ritesh Kumar Pandey	5,480
10.	Mohan Chinraj	5,480
11.	Sreekanth K V	5,480
12.	Deepthi C C	5,480
Total		1,37,000

- (4) Allotment of 78,60,000 Equity Shares of ₹ 10.00/- on August 12, 2026 by way of Bonus Issue in the ratio of 75 (Seventy-Five) bonus Equity share each to 10 (ten) Existing Equity Shareholders as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	63,66,300
2.	Sunitha J Kumar	5,50,200
3.	Nair Athira T	2,36,100
4.	Abhay Jain	78,600
5.	Nidhi Gyanmal Jain	78,600
6.	Amruta Amol Chaudhari	78,600

Sr. No.	Name of Allottees	No. of Equity Shares allotted
7.	Acchelal Ramkishor Vishwakarma	78,600
8.	Kalim Badruddin Khan	78,600
9.	Ritesh Kumar Pandey	78,600
10.	Mohan Chinraj	78,600
11.	Sreekanth K V	78,600
12.	Deepthi C C	78,600
Total		78,60,000

b) Preference Share Capital

Our Company has not issued any preference shares since incorporation.

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

Our Company has not issued any Equity Shares out of its revaluation reserves. Further, except as disclosed below, our Company has not issued any Equity Shares for consideration other than cash:

Date of Allotment	Face Value (₹)	Issue Price (₹)	Reason of Allotment	Benefits accrued to Company	Name of Allottees	No. of Equity Shares
March 31, 2026	10	125	Pursuant to the acquisition of business undertaking as per Business Transfer Agreement	Business takeover of Nexa Mumbai	Note 1	4,11,000
August 12, 2026	10	Nil	Pursuant to allotment of Bonus Share in the Ratio of 75 (Seventy-Five) Bonus Equity Share to 10 (Ten) Existing Shareholders	Capitalization of Reserves & Surplus	Note 2	78,60,000

Note 1: Allotment of 4,11,000 Equity Shares of ₹ 10.00/- at a premium of ₹ 115.00/- each on March 31, 2026 by way of preferential allotment as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	4,11,000
Total		4,11,000

Note 2: Allotment of 78,60,000 Equity Shares of ₹ 10.00/- on August 12, 2026 by way of Bonus Issue in the ratio of 75 (Seventy-Five) bonus Equity share each to 10 (ten) Existing Equity Shareholders as outlined below:

Sr. No.	Name of Allottees	No. of Equity Shares allotted
1.	Jyothi Kumar Nannat	63,66,300
2.	Sunitha J Kumar	5,50,200
3.	Nair Athira T	2,36,100
4.	Abhay Jain	78,600
5.	Nidhi Gyanmal Jain	78,600
6.	Amruta Amol Chaudhari	78,600
7.	Acchelal Ramkishor Vishwakarma	78,600
8.	Kalim Badruddin Khan	78,600
9.	Ritesh Kumar Pandey	78,600
10.	Mohan Chinraj	78,600

Sr. No.	Name of Allottees	No. of Equity Shares allotted
11.	Sreekanth K V	78,600
12.	Deepthi C C	78,600
Total		78,60,000

4. Our Company has not issued or allotted any equity shares or preference shares pursuant to schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, as applicable.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalization of its revaluation reserves or unrealized profits by our Company.
6. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2021.
7. Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus except as disclosed below*.

*The Issue Price will be finalized at the time of filing of the Prospectus.

8. Our Shareholding Pattern:

Declaration in terms of Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Particular	Yes/ No	Promoters and Promoters Group	Public shareholder	Non-Promoters – Non-Public
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has granted any ESOPs which are outstanding?	No	No	No	No
5.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
6.	Whether the Company has any shares in lock-in?*	No	No	No	No
7.	Whether any shares held by promoters are pledged or otherwise encumbered?	No	No	NA	NA
8.	Whether any shares held by promoters are encumbered under Non-Disposal Undertaking?	No	No	NA	NA
9.	Whether any shares held by promoters are encumbered other than by way of pledge or Non-Disposal Undertaking, if any?	No	No	NA	NA
10.	Whether the Company has equity shares with differential voting rights?	No	No	No	No
11.	Whether the listed entity has any significant beneficial owner?	No	NA	NA	NA

*All Pre-IPO Equity Shares of our Company will be locked in prior to listing of shares on Emerge Platform of National Stock Exchange of India Limited. Our Company will file the shareholding pattern in the form prescribed

under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE i.e. www.nseindia.com before commencement of trading of such Equity Shares.

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Red herring Prospectus:

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Summary of Shareholding Pattern

The table below presents the current shareholding pattern of our Company:

S. No.	Category of shareholder	Nos. of shareholders	No. of fully paid-up equity shares held	No. of partly paid-up equity shares	No. of shares underlying Depository Receipts	Total Nos. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities ¹				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOPs etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances if any		Total no. of shares encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+ C)				No. (a)	No. (b)	No. (a)	No. (b)	No. (a)	No. (b)	No. (a)	No. (b)	No. (a)	No. (b)	
								Class X	Class Y ²	Total															
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI = VII+X	XII	XIII		XIV		XV		XVI		XVII=XIV+XV+XVI		XVIII
(A)	Promoter & Promoter Group	3	81,06,280	-	-	81,06,280	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	81,06,280
(B)	Public	9	8,01,720	-	-	8,01,720	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,01,720
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	12	89,08,000	-	-	89,08,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	89,08,000
	Note: ¹ As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote. ² We have only one class of Equity Shares of face value of ₹ 10/- each.																								

9. The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group collectively hold 81,06,280 Equity Shares, equivalent to 91.00% of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

Sl. No.	Shareholders	Pre-Issue Shareholding		Post-Issue Shareholding	
		Number of Equity Shares	Shareholding (in%) *	Number of Equity Shares	Share Holding (in %)
	PROMOTERS				
1.	Jyothi Kumar Nannat	72,15,140	81.00%	[●]	[●]
2.	Sunitha J Kumar	6,23,560	7.00%	[●]	[●]
	PROMOTER GROUP				
3.	Athira T Nair	2,67,580	3.00%	[●]	[●]
	Total	81.06,280	91.00%	[●]	[●]

10. List of our Major Shareholders:

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

(A) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of Allottees	No. of Equity Shares allotted	% of the pre-Issue Equity Share Capital*
1	Jyothi Kumar Nannat	72,15,140	81.00%
2	Sunitha J Kumar	6,23,560	7.00%
3	Nair Athira T	2,67,580	3.00%
4	Abhay Jain	89,080	1.00%
5	Nidhi Gyanmal Jain	89,080	1.00%
6	Amruta Amol Chaudhari	89,080	1.00%
7	Achhelal Ramkishor Vishwakarma	89,080	1.00%
8	Kalim Badruddin Khan	89,080	1.00%
9	Ritesh Kumar Pandey	89,080	1.00%
10	Mohan Chinraj	89,080	1.00%
11	Sreekanth K V	89,080	1.00%
12	Deepthi C C	89,080	1.00%
Total		89,08,000	100.00%

**Notes: Details as on September 22, 2026 being the date of this DRHP*

As on the date of the Draft Red Herring Prospectus, none of the shareholders specified in clause (A) above holds any warrants, options, debentures, loans or other instruments convertible into Equity Shares, and accordingly, no Equity Shares would arise pursuant to the exercise of any such rights or conversion thereof.

(B) List of Shareholders holding 1% or more of the Paid-up Capital of the Company as on ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Allottees	No. of Equity Shares allotted	% of the pre-Issue Equity Share Capital*
1	Jyothi Kumar Nannat	72,15,140	81.00%
2	Sunitha J Kumar	6,23,560	7.00%
3	Nair Athira T	2,67,580	3.00%
4	Abhay Jain	89,080	1.00%
5	Nidhi Gyanmal Jain	89,080	1.00%
6	Amruta Amol Chaudhari	89,080	1.00%
7	Achhelal Ramkishor Vishwakarma	89,080	1.00%
8	Kalim Badruddin Khan	89,080	1.00%
9	Ritesh Kumar Pandey	89,080	1.00%
10	Mohan Chinraj	89,080	1.00%
11	Sreekanth K V	89,080	1.00%
12	Deepthi C C	89,080	1.00%
Total		89,08,000	100.00%

*Notes: Details as on September 13, 2026 being the date ten days prior to the date of this DRHP

(C) List of Shareholders holding 1% or more of the Paid-up Capital of the Company as on One year prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of Allottees	No. of Equity Shares allotted	% of the pre-Issue Equity Share Capital*
1	Jyothi Kumar Nannat	3,75,000	75.00%
2	Sunitha J Kumar	55,000	11.00%
3	Nair Athira T	25,000	5.00%
4	Abhay Jain	5,000	1.00%
5	Nidhi Gyanmal Jain	5,000	1.00%
6	Amruta Amol Chaudhari	5,000	1.00%
7	Acchelal Ramkishor Vishwakarma	5,000	1.00%
8	Kalim Badruddin Khan	5,000	1.00%
9	Ritesh Kumar Pandey	5,000	1.00%
10	Mohan Chinraj	5,000	1.00%
11	Sreekanth K V	5,000	1.00%
12	Deepthi C C	5,000	1.00%
Total		5,00,000	100.00%

*Notes: Details as on September 23, 2025 being the date one year prior to the date of this DRHP

(D) List of Shareholders holding 1% or more of the Paid-up Capital of the Company as on Two years prior to the date of the Draft Red Herring Prospectus:

Since Company was incorporated on March 07, 2025, hence this table is not applicable. As on date of incorporation, the list of Shareholders holding 1% or more of paid-up capital as follow:

Sr. No.	Name of Allottees	No. of Equity Shares allotted	% of the pre-Issue Equity Share Capital
1	Jyothi Kumar Nannat	3,75,000	75.00%
2	Sunitha J Kumar	55,000	11.00%
3	Nair Athira T	25,000	5.00%
4	Abhay Jain	5,000	1.00%
5	Nidhi Gyanmal Jain	5,000	1.00%
6	Amruta Amol Chaudhari	5,000	1.00%
7	Acchelal Ramkishor Vishwakarma	5,000	1.00%
8	Kalim Badruddin Khan	5,000	1.00%
9	Ritesh Kumar Pandey	5,000	1.00%
10	Mohan Chinraj	5,000	1.00%
11	Sreekanth K V	5,000	1.00%
12	Deepthi C C	5,000	1.00%
Total		5,00,000	100.00%

11. Our Company has not issued any convertible instruments like warrants, debentures etc. There are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.
12. Other than as disclosed in this chapter, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
13. As on the date of filing the Draft Red Herring Prospectus, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement within a period of 6 (six) months from the date of opening of the Issue. However, our Company may further Issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.
14. We hereby confirm that there will not be any further issuance of specified securities either by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Issue Document until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded or unblocked on account of non-listing, under-subscription etc., as the case may be.

15. Capital Build-up of Promoters' shareholding, Promoters' contribution and Lock-in:

Shareholding of the Promoters of our Company:

As on the date of the Draft Red Herring Prospectus, our Promoters Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar hold a total 78,38,700 Equity Shares representing 88.00 % of the issued, subscribed and paid-up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:
The build-up of equity shareholding of Promoters of our Company is as follows:

Date of Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue / Transfer Price (in ₹) per shares	Nature of Consideration	Nature of Transaction (Allotment / Transfer)	% of Pre-Issue equity share Capital	% of Post Issue equity share Capital
Mr. Jyothi Kumar Nannat							
Incorporation	3,75,000	10	10	Cash	Subscription of MOA	4.21%	[●]
March 31, 2026	4,11,000	10	125	Other than Cash	Preferential Issue	4.61%	[●]
August 06, 2026	62,840	10	125	Cash	Private Placement	0.71%	[●]
August 12, 2026	63,66,300	10	Nil	Other than cash	Bonus Issue	71.47%	[●]
Sub-Total (A)	72,15,140					81.00%	[●]
Ms. Sunitha J Kumar							
Incorporation	55,000	10	10	Cash	Subscription of MOA	0.62%	[●]
August 06, 2026	18,360	10	125	Cash	Private Placement	0.21%	[●]
August 12, 2026	5,50,200	10	Nil	Other than cash	Bonus Issue	6.18%	[●]
Sub-Total (B)	6,23,560					7.00%	[●]

The Source of Contribution As certified by Statutory Auditor M/s. YKC & Company, by way of their certificate dated September 21, 2026

Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.
- It is confirmed that all securities of promoter and promoter group are in a dematerialized form as on the date of filing the Draft Red Herring prospectus.

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

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

Sr. No.	Name of Shareholders	Pre-Issue Equity Share capital		Post-Issue Equity Share capital	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Mr. Jyothi Kumar Nannat	72,15,140	81.00%	[●]	[●]
2.	Ms. Sunitha J Kumar	6,23,560	7.00%	[●]	[●]
3.	Mr. Abhay Jain	89,080	1.00%	[●]	[●]
4.	Mr. Amruta Amol Chaudhari	89,080	1.00%	[●]	[●]
5.	Mr. Ritesh Kumar Pandey	89,080	1.00%	[●]	[●]
6.	Mr. Mohan Chinraj	89,080	1.00%	[●]	[●]
7.	Mr. Sreekanth K V	89,080	1.00%		
Total		82,84,100	93.00%	[●]	[●]

17. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors. One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked- in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.
18. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *#
1.	Mr. Jyothi Kumar Nannat	72,15,140	8.73
2.	Ms. Sunitha J Kumar	6,23,560	4.56

**The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire Shares by way of allotment after Bonus Adjustments.*

#As certified by M/s. YKC & Company, Statutory Auditor, by way of their certificate dated September 21, 2026

19. We have 12 (Twelve) shareholders as on the date of filing of the Draft Red Herring Prospectus.
20. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
21. There has been no acquisition, sale or transfer of specified securities by our Promoters group and/or by the directors of the company which is a promoter of the issuer and/or by the directors of the issuer and their relatives in the preceding six month.
22. The members of the Promoters' Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing the Draft Red Herring Prospectus.

23. Details of Promoters' Contribution locked in for three years:

Our Promoters, Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar have given written consent dated [●] to include their respective eligible Equity Shares, subscribed and held by them as a part of Minimum Promoters' Contribution aggregating to 20% of the post Issue Paid-up Equity Shares Capital of our Company ("**Minimum Promoters' Contribution**") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

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

We further confirm that Minimum Promoters Contribution of 20% of the post issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund or Foreign Venture Capital Investor or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

The Minimum Promoters Contribution has been brought into to the extent of not less than the 20% of the Post Issue Capital and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

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

The details of Minimum Promoters' Contribution are as follows:

Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	% of Pre-Issue Capital	% of post Issue Capital	Date up to which Equity Shares Are subject to Lock in
Mr. Jyothi Kumar Nannat								
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Ms. Sunitha J Kumar								
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

**Total number of Equity Shares held by all the Promoters as on the date of Draft Red Herring Prospectus are offered for the purpose of minimum Promoters' Contribution which will be locked in for a period of three years.*

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

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of 20% of the Post Issue Capital of our Company as mentioned above does not consist of ineligible securities and are hence eligible. Details provided below:

Reg. No	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <u>Hence Eligible</u>
237 (1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issue or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution.	The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Eligible</u>
237 (1)(b)	Specified securities acquired by the promoter's and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Not Applicable.</u>
237 (1)(c)	Specified securities allotted to the promoter and alternative investment funds during the preceding one year at a price less than the issue price, against funds	The minimum Promoter's contribution does not consist of Equity Shares allotted to alternative investment funds. <u>Hence Not Applicable.</u>

Reg. No	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
	brought in by them during that period, in case of an issue formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoter of the issue and there is no change in the management.	
237 (1)(d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <u>Hence Not Applicable.</u>

24. Details of Promoters' Contribution Locked-in for One Year and Two Years

In terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018, fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer, and remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, [●] Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

26. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

27. Inscription or recording of non-transferability:

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

28. Pledge of Locked in Equity Shares:

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

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by the Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

29. Transferability of Locked in Equity Shares:

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

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter (s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
 - The equity shares held by persons other than Promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
30. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
 31. As on date of the Draft Red Herring Prospectus, there are no Partly Paid-up Shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
 32. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to the public at large.
 33. As on the date of filing of the Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
 34. There are no Equity Shares against which depository receipts have been issued.
 35. Our Company does not contemplate any issuance or placement of Equity Shares in the Issue until the listing of the Equity Shares.
 36. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
 37. No incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise shall be offered by any person connected with the distribution of the Issue to any person for making an application in the Initial Public Offer, except for fees or commission for services rendered in relation to the issue.
 38. Our Promoters and the members of our Promoters' Group will not participate in this Issue.
 39. The Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book

Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking.

40. None of the shareholders of our Company are directly or indirectly related to the BRLM and their respective associates.
41. Neither the BRLM nor any associates of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM) shall apply in the Issue under the Anchor Investor Portion.

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BASIS OF ISSUE PRICE

The Price Band and Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 25, 270, 359 and 183 respectively of this Red Herring Prospectus to get a more informed view before making any investment decisions.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- Established Presence in the Aviation and Defence Equipment Industry with Industry Experience, Customer Relationships and Execution Track Record
- Industry Entry Barriers Supported by Technical Qualification and Vendor Approval Requirements, Specialised Design and Engineering Expertise, Manufacturing and Testing Infrastructure, and Long Qualification and Procurement Cycles
- Diverse Product Portfolio Catering to Aviation, Aerospace and Defence Applications
- Integrated Design, Engineering, Manufacturing, Testing and After-Sales Service Capabilities
- Experienced Promoter, Management Team and Technical Workforce
- Focus on Indigenisation and Alignment with Government Procurement Policies
- In-House Testing Infrastructure and Quality Control Processes

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to the section titled “Our Business” beginning on page 183 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer to the section titled “Restated Financial Information” on page 270 of this Draft Red Herring Prospectus. Our Company was incorporated on March 07, 2025 and, pursuant to a Business Transfer Agreement dated February 09, 2026 which will be effective from March 31, 2026, succeeded the business of the erstwhile sole proprietary concern, Nexa Mumbai (Proprietor: Mr. Jyothi Kumar Nannat), as a going concern. Accordingly, the figures for the Financial Years 2023-24 and 2024-25 represent the results of the predecessor proprietorship business, while the figures for the Financial Year 2025-26 represent the combined results of Nexa Mumbai and our Company (Nexa Defence (I) Limited) for the full year, as restated. As the predecessor was a proprietorship with no equity share capital, per-share metrics (EPS and NAV per Equity Share) are Not Applicable (N.A.) for Financial Years 2023-24 and 2024-25.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic & Diluted Earnings per Share (EPS) (Face value of ₹ 10 each):

As per the Restated Financial Statements:

Sr. No.	Financial Year	Basic & Diluted EPS (₹)	Weight
1.	Financial Year ended March 31, 2026	11.67	3
2.	Financial Year ended March 31, 2025	(0.05)	2

Sr. No.	Financial Year	Basic & Diluted EPS (₹)	Weight
3.	Financial Year ended March 31, 2024	N/A	1
	Weighted Average	N/A*	6
4.	For the three months ended June 30, 2026 (Not annualized)	2.96	

* A weighted average EPS cannot be computed as our Company had no equity share capital, and hence no EPS, for Financial Years 2023-24 and 2024-25, during which the business was conducted by the proprietorship, Nexa Mumbai. Figures for the three-month period ended June 30, 2026 are not annualised. All EPS figures above are stated on a post-bonus basis, after giving effect to the contemplated bonus issue of Equity Shares in the ratio of 75:10 (i.e., the weighted average number of Equity Shares used as the denominator has been adjusted for the bonus issue).

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The face value of each Equity Share is ₹ 10.00.
- Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- The above statement should be read with the Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in the section titled “Restated Financial Information”.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated, attributable to equity shareholders / Weighted average number of equities shares outstanding during the year after giving an effect of bonus.
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated, attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year after giving an effect of bonus.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of ₹ 10/- each fully paid up:

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as at March 31, 2026 (Combined of Nexa Defence & Nexa Mumbai)	[●]	[●]

Industry P/E Ratio	(P/E) Ratio
Highest	93.30
Lowest	93.30
Industry Average	93.30

Note:

1. We have identified one peer company operating in a similar line of business as our Company for broad comparison purposes, i.e., TechEra Engineering (India) Limited. However, there are differences in the product portfolio, scale and operating history of our Company and the selected peer, and therefore, the comparison with the selected peer should not be construed as a direct or like-for-like comparison. As only one peer has been identified, the “Highest”, “Lowest” and “Industry Average” figures presented above are the same. The P/E ratio of the peer has been computed by dividing its

closing price of ₹156.75 as on September 11, 2026 on (<https://www.nseindia.com/>) by its consolidated basic and diluted EPS of ₹1.68 for Fiscal 2026.

2. All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for Fiscal 2025, as available on the website of the Stock Exchanges at www.nseindia.com

3. Return on Net Worth (RoNW)

Sr. No.	Period	RoNW	Weights
1.	Financial Year ended March 31, 2026	65.48%	3
2.	Financial Year ended March 31, 2025	38.66%	2
3.	Financial Year ended March 31, 2024	45.05%	1
	Weighted Average	53.14%	6
4.	For the three months ended June 30, 2026 (Not annualized)	23.39%	

Note:

- Return on Net Worth for Fiscal 2026 is computed as the Restated Profit after tax for the year, on a combined basis for Nexa Defence (I) Limited and Nexa Mumbai, divided by the Net Worth of our Company as at March 31, 2026. RoNW for Fiscal 2025 and Fiscal 2024 is computed as the Restated Profit after tax of the predecessor proprietorship concern divided by its Net Worth (Proprietor's Capital) as at the respective year-end, consistent with the Restated Financial Statements of the predecessor business.
- The figures disclosed above are based on the Restated Financial Statements.
- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights, i.e. (RoNW x Weight) for each year / Total of weights.

4. Net Asset Value (NAV) per Equity Share:

NAV per Equity Share	(Amount in ₹)
As at March 31, 2026	9.80
As at March 31, 2025	0.83
As at March 31, 2024	NA
For the period ended on June 30, 2026 (Not annualised)	12.67
Net Asset Value per Equity Share after the Issue at Floor Price	[•]
Net Asset Value per Equity Share after the Issue at Cap Price	[•]
Issue Price*	[•]

*Issue Price shall be updated in the Prospectus prior to opening the Issue.

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company and are stated after giving effect to the contemplated bonus issue of Equity Shares in the ratio of 75:10, pursuant to which the 9,11,000 Equity Shares outstanding as at March 31, 2026 and June 30, 2026 stand adjusted to 77,43,500 Equity Shares on a post-bonus basis.
- NAV per Equity Share = Net worth at the end of the year/period / number of equity shares outstanding at the end of the year/period after giving an effect of bonus.

- Net worth is computed as the sum of the aggregate of paid-up equity share capital and all reserves created out of profits, including securities premium excluding deferred expenses.
- NAV per Equity Share is Not Applicable for Financial Years 2023-24 and 2024-25 as our Company had not yet succeeded to the business of the predecessor proprietorship and held no equity share capital during those periods.
- Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

5. Comparison of Accounting Ratios with Listed Industry Peers

Name of Company	Current Market Price (₹)	Face Value (₹)	EPS (Basic/Diluted) (₹)	P/E	RoNW (%)	NAV / Book Value (₹)	Total Revenue (₹ in Lakhs)
Nexa Defence (I) Limited	[●]	10	11.67	[●]	65.48%	9.80	5,323.92
Peer Group							
TechEra Engineering (India) Limited	156.75	10	1.68	93.30	5.26%	31.84	4,849.78

* Figures for our Company are for Fiscal 2026 (Combined of Nexa defence & Nexa Mumbai). We have identified one peer company operating in a similar line of business as our Company for broad comparison purposes, i.e., TechEra Engineering (India) Limited. However, there are differences in the product portfolio, scale and operating history of our Company and the selected peer, and therefore, the comparison with the selected peer should not be construed as a direct or like-for-like comparison.

Notes:

- Source: The financial information of our Company is sourced from its Restated Financial Statements for the year ended March 31, 2026. The financial information of the peer company mentioned above is sourced from its audited consolidated financial statements for the year ended March 31, 2026, available on peer company's website and the website of the stock exchange.
- The EPS and Total Revenue of our Company are based on the Restated Financial Statements for Fiscal 2026. NAV and RoNW are calculated using the relevant Profit and Loss line items for Fiscal 2026 on a combined basis for Nexa Defence (I) Limited and Nexa Mumbai, as per the Restated Financial Statements.
- NAV per share is computed as the Net worth as at March 31, 2026 divided by the number of equity shares outstanding as at that date after giving an effect of bonus if any.
- RoNW of our Company has been computed as the Restated combined Profit after tax for Fiscal 2026 divided by the Net Worth of our Company as at March 31, 2026.
- The face value of the Equity Shares of our Company is ₹ 10/- per Equity Share.
- The P/E ratio of the peer has been computed by dividing its closing price of ₹156.75 as on September 11, 2026 on (<https://www.nseindia.com/>) by its consolidated basic and diluted EPS of ₹1.68 for Fiscal 2026.
- All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for Fiscal 2025, as available on the website of the Stock Exchanges at www.nseindia.com

6. Key Performance Indicators of our Company

The Key Performance Indicators ("KPIs") disclosed below have been used historically to understand and analyse the business performance of our Company (including the predecessor proprietorship business), which in turn helps in analysing the growth of our Company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 21, 2026 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. The KPIs herein have been certified by Chartered Accountants, by their certificate dated September 21, 2026.

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 our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the section “Objects of the Issue”, whichever is later, or for such other duration as may be required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company: (₹ in Lakhs except percentages and ratios)

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
Financial KPI				
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38
EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.04%
Operational KPI				
No of Airforce Station served (8)	8	42	45	50
Average Revenue per Order (₹ in lakhs) (9)	20.85	26.49	11.31	1.91
Average revenue per state (₹ in lakhs) (10)	159.86	313.17	125.97	94.69
No of Customers Served (11)	14	51	55	60
No of Repeated Customers (12)	9	44	45	51
% of repeated Customer (13)	64.29%	86.27%	81.82%	85.00%
Average Revenue per Customer (₹ in lakhs) (14)	102.77	104.39	48.10	31.56

Note: For March 2026, the Balance Sheet line items have been considered from the restated financial statements of Nexa Defence (I) Limited, as the Company acquired the business of “Nexa Mumbai” pursuant to the Business Transfer Agreement with effect from March 31, 2026. Accordingly, Balance Sheet line items, such as Net Worth and Total Equity, have been considered only for Nexa Defence (I) Limited. The Profit and Loss Account line items have been considered on a combined basis for Nexa Defence (I) Limited and “Nexa Mumbai”, after eliminating inter-company transactions, to provide a consistent and comparable presentation of the financial performance.

Notes:

1. Revenue from operation means revenue from sale of the products

2. EBITDA is calculated as Profit before tax + Depreciation + Interest Costs-Other Income
3. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
4. PAT Means Profit for the year as appearing in the Restated Financial Statements.
5. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
6. Net Worth amounts are calculated as Share capital and Reserve & Surplus or Proprietor's Capital - Deferred expenses as per Restated Financial Statements
7. Return on Equity/Return on Net Worth is calculated by Profit for the year less Preference dividend (if any) divided by total equity
8. No of Airforce Station served means no of Airforce station from which revenue has been recorded
9. Average revenue per order is calculated is total revenue from operations divided by no of order from which revenue has been recorded during the period
10. Average revenue per states is calculated total revenue divided by no of states company has billed during the period
11. Number of customers served means the number of customers from whom we have generated revenue during the relevant period.
12. No of repeated customer means company has recorded a revenue in current period where those customers are also in past year
13. % of repeated customer means no of repeated customers divided by number of customers served
14. Average revenue per customer is equal to total revenue divided by no of customer from revenue recorded

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Explanation for KPI Metrics:

KPI	Explanation
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and, in turn, helps to assess the overall financial performance of our Company and the volume of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Return on Equity/Return on Net Worth (%)	Return on Equity/Return on Net Worth indicates how efficiently our Company generates profits from shareholders' funds / net worth.
Net worth	Net worth represents total shareholders' funds including reserves and surplus
No of Airforce Station served	It reflects the breadth of our customer base within the defence sector and our ability to service a diversified set of Airforce Stations, thereby reducing dependence on any single customer or establishment.
Average Revenue per Order (₹ in lakhs)	Reflects the average value of orders executed by us and is indicative of our ability to secure larger and higher-value contracts, which contributes to operational efficiency and optimal utilisation of resources.
Average revenue per state (₹ in lakhs)	Measures the depth of our operations and market penetration within each state in which we operate, as opposed to merely the geographical spread of our operations.
No of Customers Served	Tracks the extent of diversification of our customer base and is indicative of our ability to reduce customer concentration risk.

No of Repeated Customers	It reflects the extent to which our existing customers continue to engage us for repeat business and is indicative of customer satisfaction, quality of execution, and the strength of our customer relationships.
% of repeated Customer	This KPI reflects the proportion of our customer base comprising repeat customers relative to our total customer base during the relevant period, and is indicative of the sustainability and stability of our revenue base.
Average Revenue per Customer (₹ in lakhs)	This KPI reflects the average value derived from each customer relationship and is indicative of our ability to grow and deepen existing customer accounts over time.

7. Comparison of Key Performance Indicators with Industry Peer

Our Company considers TechEra Engineering (India) Limited as its listed peer (the “Peer Group”). The data required for computation of the Key Performance Indicators (“KPIs”) of the Peer Group has been sourced from the audited financial statements of TechEra Engineering (India) Limited for Fiscal 2026 and 2025 and from its restated financial statements for Financial Year 2023-24 showing in prospectus of the peer company. The data pertaining to our Company has been derived from our Restated Financial Statements for all periods presented. The ratios of the Peer Group have been computed on a consolidated basis, unless otherwise stated. The KPIs of our Company and the Peer Group should be read in conjunction with the definitions and explanations provided in this section. The methodology used for computation of certain ratios presented herein may differ from the methodology adopted by the Peer Group in its annual reports, financial results or corporate presentations, in order to ensure a consistent and comparable framework for analysis in this section.

Key Financial Performance	Nexa Defence (I) Limited (Refer Note 1)				TechEra Engineering (India) Limited		
	For three-month period June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82	4,849.78	4,950.17	3,874.88
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA	(2.03%)	27.75%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38	872.49	822.33	837.60
EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%	17.99%	16.61%	21.62%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13	276.84	336.05	482.25
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%	5.71%	6.79%	12.45%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00	5,259.85	4,982.53	1,590.14
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.05%	5.26%	6.74%	30.33%

Formula:

1. Revenue from operation means revenue from sale of the products
2. EBITDA is calculated as Profit before tax + Depreciation + Interest Costs-Other Income
3. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
4. PAT Means Profit for the year as appearing in the Restated Financial Statements.
5. PAT Margin is calculated as PAT for the period/year divided by revenue from operations

6. Net Worth amounts are calculated as Share capital and Reserve & Surplus or Proprietor's Capital - Deferred expenses as per Restated Financial Statements
7. Return on Equity/Return on Net Worth is calculated by Profit for the year less Preference dividend (if any) divided by total equity

Note:

1. For Profit and Loss FSLI, the Fiscal 2026 figures of our Company represent the combined results of Nexa Defence (I) Limited and Nexa Mumbai for the full year, as restated. For Balance Sheet FSLI, such as Net Worth, the figures represent the Net Worth of our Company as at March 31, 2026. The Fiscal 2025 and Fiscal 2024 figures of our Company represent the results of the predecessor proprietorship concern, Nexa Mumbai. The figures for the three-month period ended June 30, 2026 represent the results of our Company, Nexa Defence (I) Limited, for the relevant period, as restated, and have not been annualised. Corresponding financial information for TechEra Engineering (India) Limited for the three-month period ended June 30, 2026 is not available.
2. We have identified one peer company operating in a similar line of business as our Company for broad comparison purposes, i.e., TechEra Engineering (India) Limited. However, there are differences in the product portfolio, scale and operating history of our Company and the selected peer, and therefore, the comparison with the selected peer should not be construed as a direct or like-for-like comparison
3. Data of our company are taken from restated financial statements.
4. Figures for TechEra Engineering (India) Limited for Fiscal 2026 and Fiscal 2025 are on a Consolidated basis, as per its audited financial statements; figures for Fiscal 2024 are on a basis, as per its restated financial statements, as no consolidated financial statements were prepared by the peer company for that year. Figures for our Company are as explained in the note above this table. Audited financial of the company are available on the website of the exchange (<https://www.nseindia.com/>) and the company

2. Justification for Basis for issue price

Weighted Average Cost of Acquisition

(a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the eighteen 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances"):

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Allotment	Nature of Consideration	Total Consideration (₹ in Lakhs)
March 07, 2025 (Incorporation)	5,00,000	10	10.00	Subscription to Memorandum of Association	Cash	50.00
March 31, 2026	4,11,000	10	125.00	Preferential Allotment (Business Transfer)	Other than cash	513.75
August 06, 2026	1,37,000	10	125.00	Preferential Allotment (Private Placement)	Cash	171.25
August 12, 2026	78,60,000	10	Nil	Bonus Issue	Other than Cash	0

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue Price per Equity Share (₹)	Nature of Allotment	Nature of Consideration	Total Consideration (₹ in Lakhs)
Total	89,08,000					735.00
Weighted Average Cost of Acquisition for primary transactions						8.25

Notes:

- 5,00,000 Equity Shares were subscribed to the Memorandum of Association on March 07, 2025 (the date of incorporation of our Company) at face value of ₹10.00 per Equity Share, for cash consideration.
- 4,11,000 Equity Shares were allotted on March 31, 2026 pursuant to the Business Transfer Agreement for the takeover of the business of the predecessor proprietorship, Nexa Mumbai, at an issue price of ₹125.00 per Equity Share (comprising face value of ₹10.00 and securities premium of ₹115.00), for consideration other than cash.
- 1,37,000 Equity Shares were allotted on August 06, 2026 by way of preferential allotment (private placement) at an issue price of ₹125.00 per Equity Share (comprising face value of ₹10.00 and securities premium of ₹115.00), for cash consideration.
- 78,60,000 Equity Shares were allotted on August 12, 2026 by way of a bonus issue in the ratio of 75 (seventy-five) Equity Shares for every 10 (ten) Equity Shares held, and are accordingly excluded from the above table; however, the effect of this bonus issue has been factored into the Weighted Average Cost of Acquisition below, on a post-bonus adjusted basis.
- Each of the above issuances individually exceeded 5% of the fully diluted paid-up share capital of our Company, calculated with reference to the paid-up share capital outstanding immediately prior to the respective transaction

(b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There is no secondary transaction involving our Promoters, members of the Promoter Group, Selling Shareholder(s), or Shareholder(s) having the right to nominate director(s) on our Board, during the eighteen months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions"):

(c) Since there were no transactions of the Company reported under (b) and are reported under (a) therefore, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities or Shareholder(s) having the right to nominate director(s) on the Board are a party to the transaction) not older than three years prior to the date of this Red Herring Prospectus, irrespective of the size of transactions, has not been computed.

As disclosed in paragraph (a) above, our Company has undertaken Primary Issuances of Equity Shares equal to or more than 5% of its fully diluted paid-up share capital during the eighteen months preceding the date of this Draft Red Herring Prospectus. Accordingly, the disclosure of price per share based on the last five primary or secondary transactions, irrespective of size, as set out in this paragraph (c), is Not Applicable.

As certified by our Auditors i.e. YKC & Company, Chartered Accountant, by way of their certificate dated September 21, 2026

(d) Weighted average cost of acquisition, Issue Price

Based on the disclosures in (a), (b) and (c) above, the weighted average cost of acquisition of Equity Shares as compared with the Price Band is set forth below:

Type of Transaction	Weighted Average Cost of Acquisition (₹ per Equity Share)	Floor Price* (i.e. ₹ [●])	Cap Price* (i.e. ₹ [●])
Weighted average cost of acquisition of Primary Issuances	8.25	[●]	[●]
Weighted average cost of acquisition of Secondary Transactions	N.A.	N.A.	N.A.

As certified by our Auditors i.e. YKC & Company, Chartered Accountant, by way of their certificate dated September 21, 2026

** To be updated at the Prospectus stage.*

Explanation for Issue Price being [●] times of weighted average cost of acquisition of primary price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period ended on June 30, 2026 and for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024 and in view of the external factors which may have influenced the pricing of the issue, if any Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period ended on June 30, 2026 and for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024.

[●]*

**To be included on finalisation of Price Band*

(e) The Issue Price is [●] times of the face value of the equity shares

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ [●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investors should read the abovementioned information along with the section titled "Risk Factors" beginning on page 25 the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 270 of this Draft Red Herring Prospectus.

This is a Book Built Issue, and the Price Band for the same shall be published two working days before the opening of the Issue in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper, and all editions of [●], a regional newspaper with wide circulation, where the registered office of our Company is situated.

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STATEMENT OF SPECIAL TAX BENEFITS

To,

**The Board of Directors,
Nexa Defence (i) Limited
Plot No 118, Sector 1(S),
New Panvel Industrial Area,
Maharashtra, India-410206**

Dear Sir,

Sub: Statement of Tax Benefits ('The Statement') available to Nexa Defence (i) Limited ("the Company") and its shareholders under the Direct and Indirect Tax Laws in India

We hereby confirm that the enclosed Annexure, prepared by Nexa Defence (i) Limited, states the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") presently in force in India relevant to the financial year 2026-2027 and relevant to the assessment year 2027-28.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of the enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed [initial public offering] of Equity shares ("the Issue") by the Company.

We do not express any opinion or provide any assurance as to whether:

- a) The Company or its shareholders will continue to obtain these benefits in the future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

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.

Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any event subsequent to its issue, which may have a material effect on the discussions herein. This report, including enclosed annexure, are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company in accordance with the requirements under Schedule VI, Part A, Clause (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

For, YKC & Company

Chartered Accountants

FRN: 136640W

Peer Review No: 016403

SD/-

CA Ravi Kabra

Partner

M. No: 148323

Place: Mumbai

Date: September 21, 2026

UDIN: 26148323XJIQKQ9602

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ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation of the benefits which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

Under the Income Tax Act, 1961 (“the Act”)

Special tax benefits available to the Company

- Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year
- The Company has represented to us that it will opt for section 115BAA for the assessment year 2025-26 and assessment year 2026-27.

Apart from this, the Company is not entitled to any special tax benefits under the Act.

Under the Indirect Tax Laws (GST Act, Customs Act, etc.)

- Customs duty exemptions/concessions on import of defence-related components, raw materials, or capital goods under applicable Customs notifications (e.g., end-use based exemptions for supplies to the Ministry of Defence/Armed Forces or DRDO-linked projects), subject to actual import profile.
- GST treatment on supplies to the Ministry of Defence, Defence PSUs, or under specific government defence procurement programmes.
- Benefits, if any, under Production Linked Incentive (PLI) schemes or state/central defence-and-aerospace-sector industrial policies, SEZ status, or export incentive schemes (e.g., RoDTEP), if applicable to Nexa Defence's operations.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

The Shareholders of the Company are not entitled to any special tax benefits under Indirect Tax Laws.

NOTES:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2027-28. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 ('the Amendment Act, 2019') with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/incentives.
6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

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SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Aerospace & Defence Industry – GSE, Test Rigs, Test Benches and Test Equipment” dated September 21, 2026 (“**Infomerics Report**” or “**Industry Report**”) prepared and issued by Infomerics Analytics & Research Private Limited and exclusively commissioned and paid for by us in connection with this Issue.

The data included herein includes excerpts from the Infomerics Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Infomerics Report and included herein with respect to any particular calendar year/Fiscal refers to such information for the relevant calendar year/ Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

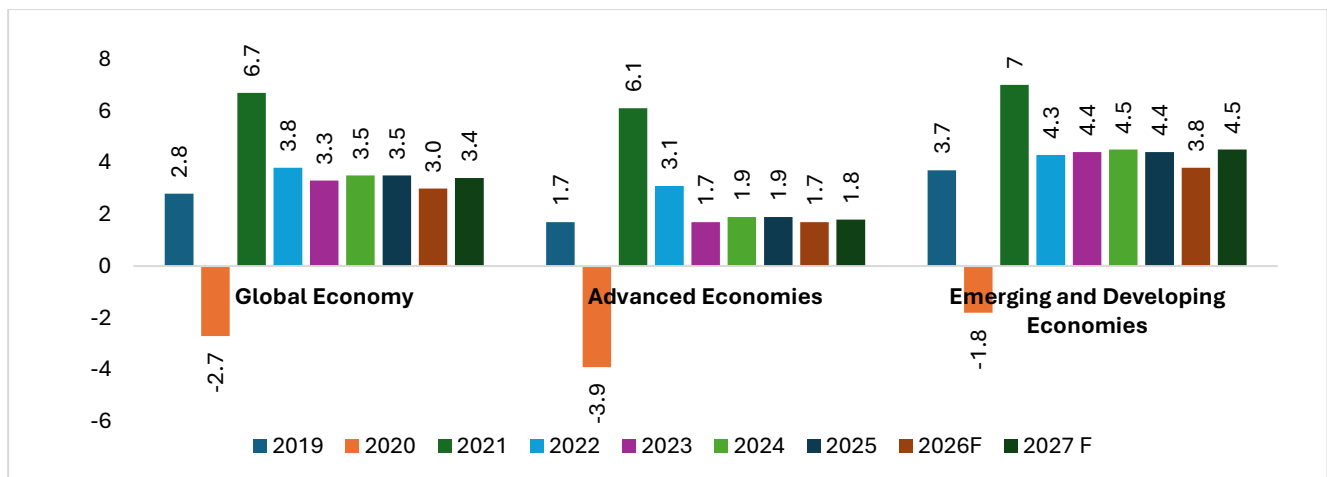
Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the Infomerics Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. For more information, see “Risk Factors” on page 25 of this Draft Red Herring Prospectus. Also see, “Certain Conventions, Use of Financial Information and Market Data and Currency Presentation” on page 20 of this Draft Red Herring Prospectus.

1. GLOBAL MACROECONOMIC SCENARIO

1.1 Global GDP Growth Scenario

As per the IMF's World Economic Outlook (WEO) Update published in July 2026, the global economy recorded growth of 2.8% in CY2019, followed by a contraction of (2.7%) in CY2020, reflecting the impact of the COVID-19 pandemic. Growth rebounded sharply to 6.7% in CY2021 as economic activity resumed, before moderating to 3.8% in CY2022 and 3.3% in CY2023. Global growth improved marginally to 3.5% in CY2024 and CY2025. It projects global growth to moderate to 3.0% in CY2026 and subsequently increase to 3.4% in CY2027. The outlook reflects the combined effects of geopolitical tensions, elevated energy prices, trade-related developments and the technology investment cycle.

1.2 Historical GDP Growth Trends



Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It

comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.). F – Forecast, Source – Source: IMF World Economic Outlook, July 2026 Update; compiled from various IMF World Economic Outlook reports and updates.

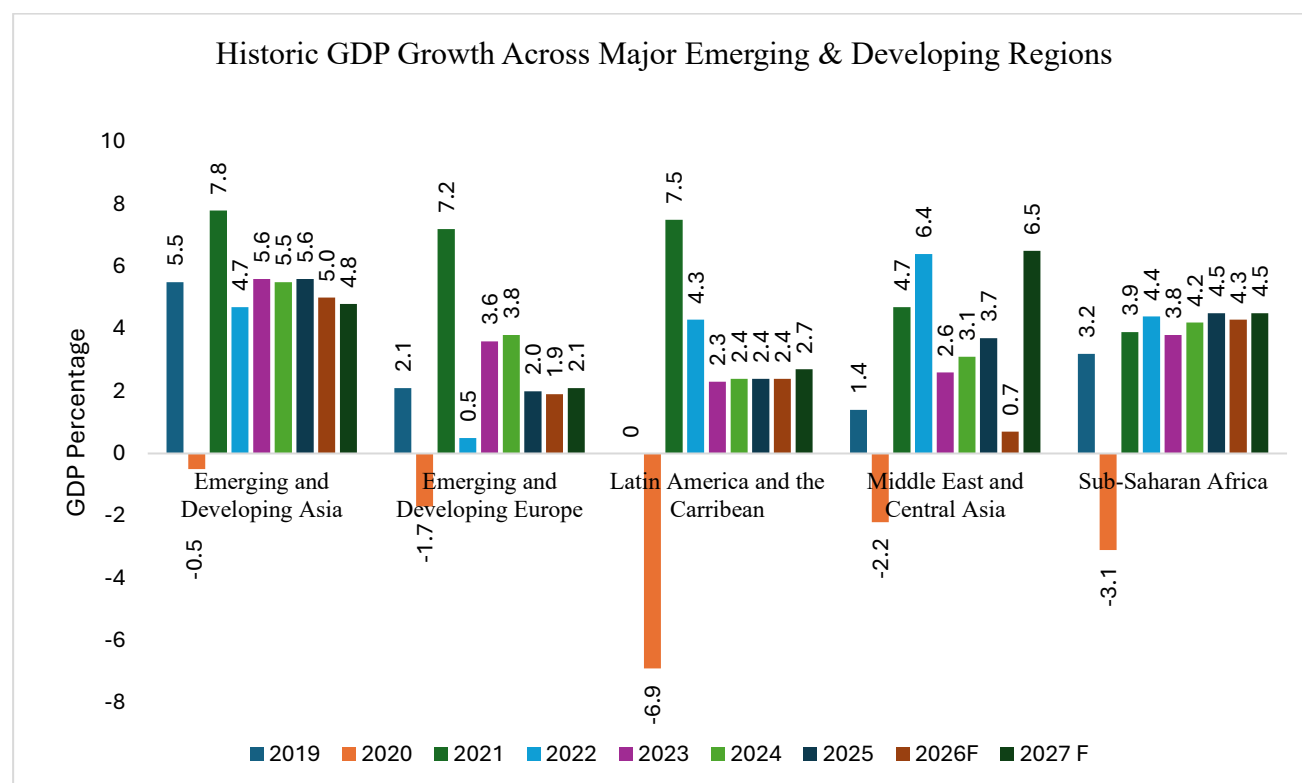
Advanced economies grew by 1.7% in CY2019 before contracting by (3.9%) in CY2020. Growth rebounded to 6.1% in CY2021 but subsequently moderated to 3.1% in CY2022 and 1.7% in CY2023. Growth increased to 1.9% in CY2024 and CY2025. It projects growth of 1.7% in

CY2026 and 1.8% in CY2027, indicating relatively moderate expansion compared with emerging and developing economies.

Emerging and developing economies recorded growth of 3.7% in CY2019, followed by a relatively smaller contraction of (1.8%) in CY2020. Growth recovered strongly to 7.0% in CY2021, before moderating to 4.3% in CY2022. Growth remained comparatively higher at 4.4% in CY2023 and 4.5% in CY2024 and CY2025. It projects growth to moderate to 3.8% in CY2026, followed by an increase to 4.5% in CY2027. Emerging and developing economies therefore continue to account for a higher projected growth rate than advanced economies, although performance varies across regions and countries.

1.3 GDP Growth Across Major Regions

GDP growth across major global regions—including Europe, Latin America & the Caribbean, Middle East & Central Asia, and Sub-Saharan Africa—continues to display varied trajectories. While some regions are stabilizing post-pandemic, others remain challenged by structural and cyclical issues. The global outlook presents a mixed scenario, with emerging economies continuing to outperform advanced economies.



Source: IMF World Economic Outlook, July 2026 Update; compiled from various IMF World Economic Outlook reports and updates.

In Emerging and Developing Asia, growth is projected to moderate from 5.6% in CY2025 to 5.0% in CY2026, before easing further to 4.8% in CY2027, as the region balances elevated energy costs stemming from the conflict in the Middle East against tailwinds from the accelerating global technology cycle. Regional growth has remained broadly resilient over the medium term, moving from 5.5% in CY2019 to 5.5% in CY2024 and 5.6% in CY2025. India remains among the fastest-growing major economies, with growth, projected at 6.4% in CY 2026, moderating to 6.7% in CY 2027, supported by strong momentum in private consumption and services activity. In contrast, China's growth is expected to decelerate to 4.6% in CY2026 from 5.0% in CY2025, as elevated global oil prices, protracted uncertainty and structural headwinds weigh on activity, before slowing further to 4.1% in CY2027.

Emerging and Developing Europe remains subdued, with growth estimated at 1.9% in CY2026, down from 2.0% in CY2025 and well below the 3.8% recorded in CY2024, before a modest recovery to 2.1% in CY2027. Russia, aided by higher commodity prices, are expected to support growth of 1.1% in CY2026, while the outlook for energy-intensive and fuel-importing economies within the region remains challenging, partly offset by tailwinds from increased defence spending.

For Latin America and the Caribbean, growth is projected to hold steady at 2.4% in CY2026, unchanged from CY2025, before picking up modestly to 2.7% in CY2027. Growth in Brazil is expected to remain resilient in the near term, while growth in Mexico is projected to accelerate gradually amid less restrictive domestic policies, notwithstanding continued uncertainty constraining activity.

In the Middle East and Central Asia, growth is forecast to drop sharply to 0.7% in CY2026 from 3.7% in CY2025, before rebounding strongly to 6.5% in CY2027. This trajectory reflects a longer assumed closure of the Strait of Hormuz and consequent disruption to energy output and transport across commodity-producing economies, with Iraq, Kuwait and Qatar expected to experience sharp contractions in CY2026 followed by strong rebounds in CY2027. Saudi Arabia is comparatively less affected, on account of more diversified export routes, with growth projected at 1.7% in CY2026 and 5.5% in CY2027.

Sub-Saharan Africa is projected to grow at 4.3% in CY2026, broadly stable against 4.5% in CY2025, before improving to 4.5% in CY2027. The regional outlook masks considerable divergence across economies: Nigeria is supported by improved macroeconomic stability and favourable terms-of-trade effects, while South Africa's growth outlook continues to improve on the back of strengthened policy frameworks and ongoing structural reforms. Overall, while global growth is projected to moderate to 3.0% in CY2026 from an average of 3.5% recorded over CY2025, before recovering to 3.4% in CY2027, regional disparities persist, shaped by the opposing crosscurrents of the conflict in the Middle East and the accelerating artificial-intelligence-driven global technology cycle, alongside continued elevated policy and geopolitical uncertainty.

1.4 Global Economic scenario remains volatile

At the current juncture in CY 2026, the global economy continues to exhibit mixed performance, with divergence in outcomes across regions driven by differences in growth dynamics, inflation trends, geopolitical exposure, and policy responses. While the global economy had shown resilience through technology-led investment, accommodative financial conditions, and reduced tariff pressures, the broader outlook has weakened due to the outbreak of conflict in the Middle East, disruptions in energy markets, and elevated geopolitical risks. Structural headwinds, including tighter financial conditions, geoeconomic fragmentation, and subdued productivity growth, continue to keep global growth below historical averages.

The United States continues to demonstrate relative resilience among advanced economies, though growth is moderating as the economy absorbs the lagged effects of prior policy tightening and softer labour market conditions. Across advanced economies, growth is projected at 1.7% in CY 2026, constrained by weak industrial activity, lower productivity growth, and cautious business investment. In Europe, growth conditions remain subdued, with persistent manufacturing weakness, energy-related uncertainties, and weak external demand weighing on activity, although gradual monetary easing and fiscal support may provide some stabilization.

In China, growth prospects remain constrained by continued property sector stress, weak domestic demand, and changing trade dynamics, although export-oriented sectors and technology-linked investment continues to provide support. In contrast, India remains among the strongest-performing major economies, with GDP growth projected at 7.0% (calendar year basis) in CY 2026, supported by resilient domestic demand, sustained infrastructure investment, digitalisation, and structural reforms. Broader Emerging and Developing Asia continues to outperform other regions, although growth is moderating amid weaker global trade momentum.

In Latin America and the Caribbean, growth remains modest amid fiscal constraints, weak productivity trends, and subdued external demand, although improving macroeconomic management in some economies provides support. Sub-Saharan Africa is expected to see gradual strengthening supported by improving supply conditions and domestic demand recovery, while the Middle East and Central Asia face a more volatile outlook due to direct spillovers from conflict-related disruptions and uncertainty in commodity markets. The impact of energy supply risks, including disruptions related to the Strait of Hormuz, has increased downside risks for commodity-importing economies and vulnerable emerging markets.

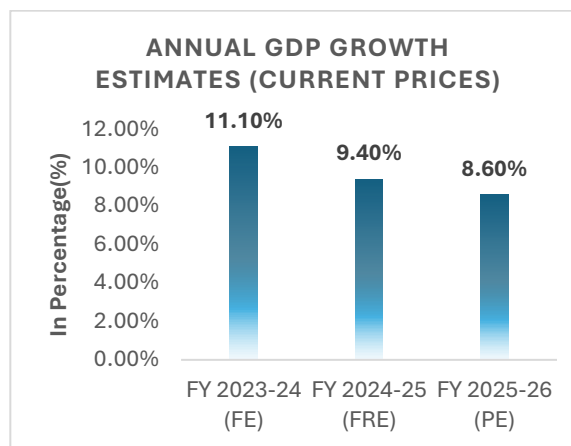
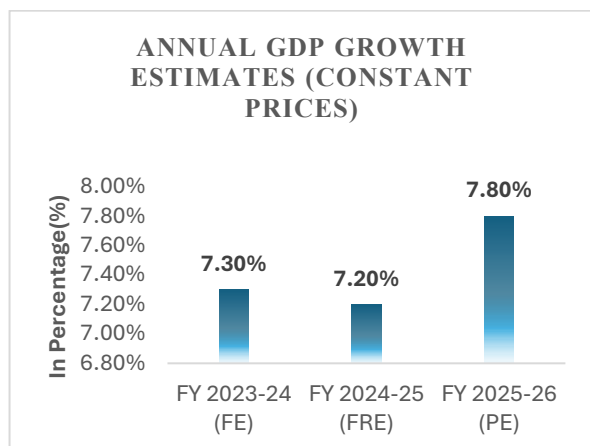
Globally, inflation dynamics have become more challenging. Global headline inflation is projected to rise to 4.7% in CY 2026 from 4.1% in CY 2025, reflecting the inflationary effects of higher energy prices, supply-side disruptions, and second-round pressures. Central banks are therefore expected to remain vigilant, with policy responses remaining cautious and data dependent. While monetary easing had been expected to support demand, renewed inflation risks may delay or moderate the pace of policy normalization in several economies.

Looking ahead, the medium-term outlook remains one of slower but stable growth, with global GDP projected at 3.4% in CY 2027, following a moderation to 3.0% in CY 2026, below the long-term historical average. Advanced economies are expected to remain on a structurally lower growth path, while emerging and developing economies continue to provide the primary engine of global growth. Prospects will depend significantly on the evolution of geopolitical tensions, the normalization of energy markets, progress in restoring trade stability, and the extent to which productivity gains from technological innovation, including artificial intelligence, translate into broader economic growth. The IMF also highlights that structural reforms, multilateral coordination, and strengthened macroeconomic resilience will be critical to sustaining growth momentum over the medium term.

Overall, while the global economy remains resilient, the outlook has become more fragile amid elevated downside risks. Growth in CY 2026 and beyond is expected to remain below historical averages, shaped by geopolitical uncertainty, tighter financial conditions and structural constraints. The continuation of geopolitical conflicts and military tensions across regions is influencing economic activity through higher energy and transportation costs, supply-chain disruptions, increased trade and insurance costs, and greater uncertainty around investment and cross-border trade. For the aerospace and defence sector, these developments are reinforcing the strategic importance of supply-chain resilience, indigenous manufacturing capabilities, defence preparedness and investment in critical aerospace and defence infrastructure and technologies. Governments are consequently reassessing strategic supply dependencies and increasing focus on domestic capabilities, which could support investment across defence platforms, aviation infrastructure, MRO, testing and other specialised aerospace and defence support activities. Emerging economies—particularly India and broader Asia—continue to provide relative support to global growth.

2. INDIA'S MACROECONOMIC SCENARIO

2.1 Gross Domestic Product (GDP)



Note: FRE - First Revised Estimates; PE – Provisional Estimate; FE = First Estimate

Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 05 June 2026).

According to World Bank, India is the sixth-largest economy globally by nominal GDP in 2026. With nominal GDP of approximately USD 3.96 trillion in 2025, India represents a significant share of global economic activity and remains one of the major economies within the emerging-market group

India's economy continues to demonstrate resilient, broad-based growth, with real GDP (constant prices) estimated at 7.3% for FY 2023-24 (First Estimate), moderating marginally to 7.2% in FY 2024-25 (First Revised Estimate), before accelerating to 7.8% in FY 2025-26 (Provisional Estimate). This trajectory places India firmly among the fastest-growing major economies globally, with growth consistently maintained above the 7% threshold across the three-year period — reflecting sustained domestic demand, robust investment activity, and policy continuity.

On a nominal basis (current prices), GDP growth is estimated at 11.1% for FY 2023-24, moderating to 9.4% in FY 2024-25, and further to 8.6% in FY 2025-26. The narrowing gap between nominal and real growth rates from a wedge of roughly 3.8 percentage points in FY 2023-24 to just 0.8 percentage points in FY 2025-26 signals a meaningful easing of the implicit GDP deflator, consistent with the broader disinflationary trend observed in the economy. This suggests price pressures across sectors have moderated considerably, aligning with softer input costs and more stable commodity prices over the period. The FY 2025-26 provisional estimate of 7.8% real growth the highest in the three-year series underscores an economy gaining momentum even as inflationary pressures recede. This combination of strengthening real output and cooling nominal growth points to expanding consumption and investment

activity without the accompanying cost escalation that typically strains margins or necessitates frequent repricing in trade and business contracts.

Overall, the data reflects a maturing growth phase: output expansion remains strong while inflationary heat subsides, creating a more predictable and stable macroeconomic environment for businesses operating in India over the near to medium term.

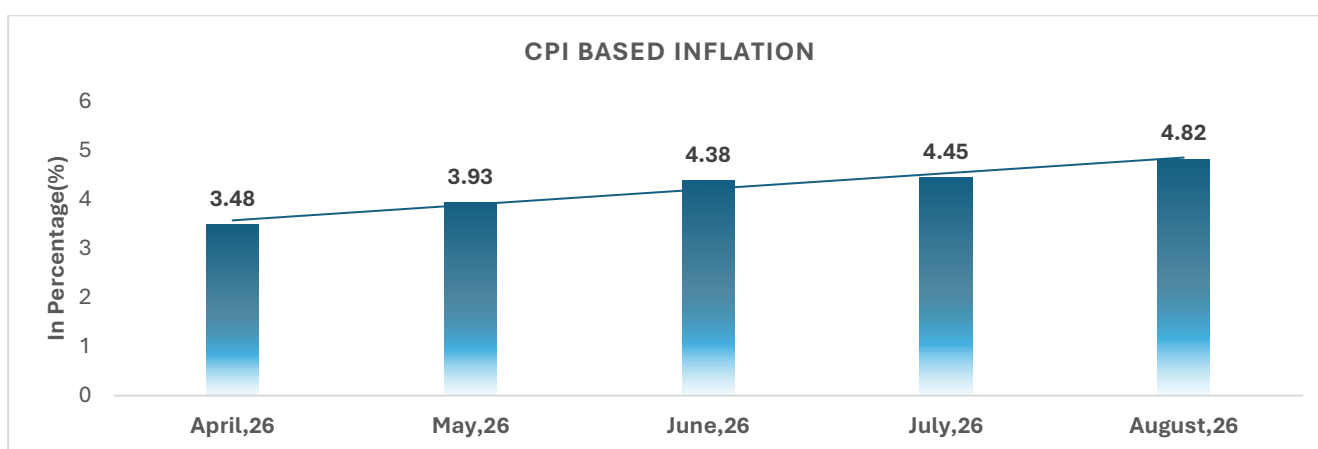
Key Drivers of Economic Growth

- **Domestic Consumption:** India's large consumer base, rising household incomes, urbanisation and improving access to formal financial and digital services continue to support private consumption and domestic demand.
- **Investment and Capital Formation:** Public infrastructure spending, capacity expansion and improving corporate and financial-sector balance sheets support investment activity and capital formation.
- **Services Sector Growth:** Financial, real estate, professional, trade, transport, communication, information technology and other services remain important contributors to economic activity, value addition and employment.

- **Manufacturing and Industrial Activity:** Expansion of manufacturing capacity, infrastructure development, domestic production and integration with global value chains support industrial growth and economic diversification.
- **Infrastructure Development:** Continued investment in transport, logistics, energy, urban infrastructure and other physical infrastructure supports productivity, connectivity and economic activity across sectors.
- **Exports and Global Integration:** Growth in merchandise and services exports, diversification of export markets and increasing participation in global value chains support external demand and foreign-exchange earnings.
- **Agriculture and Rural Demand:** Agricultural activity and rural incomes continue to influence overall economic growth through their contribution to output, employment and consumption demand.

Digitalisation and Formalisation: Increasing adoption of digital payments, digital public infrastructure and formal financial services is supporting productivity, market access and greater formalisation of economic activity.

2.2 Consumer Price Index (CPI)



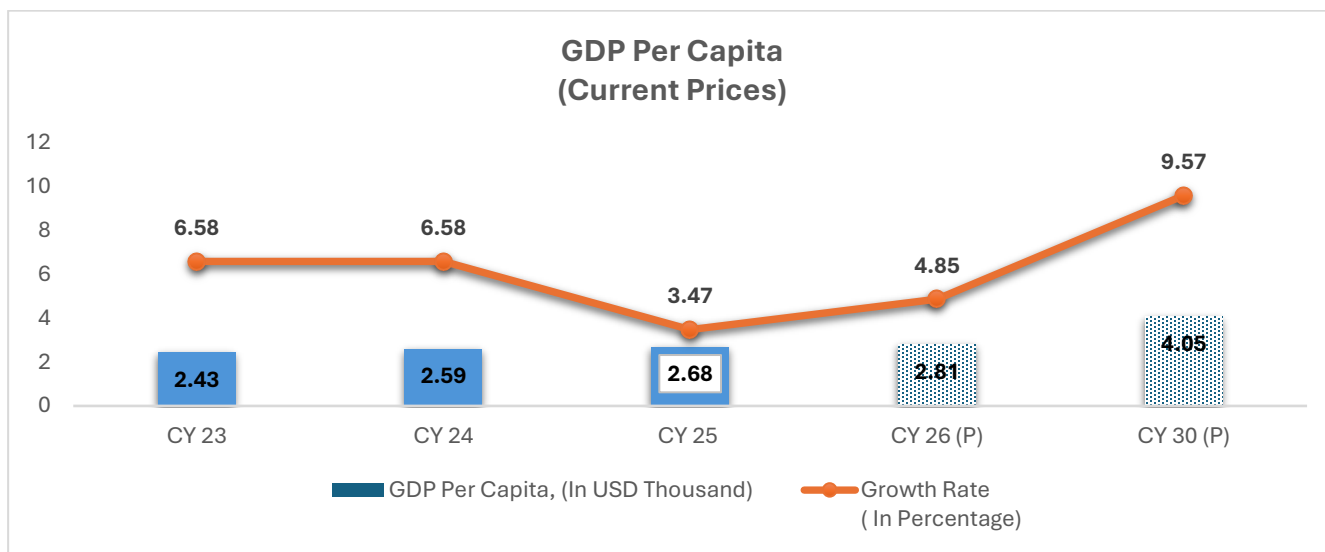
Source: MOSPI, GOI, 14 September 2026

Retail (CPI-based) inflation has followed a consistent upward trajectory over the five-month period from April to August 2026, rising from 3.48% in April-26 to 3.93% in May-26, then 4.38% in June-26, 4.45% in July-26, and further to 4.82% in August-26. This represents a cumulative increase of 134 basis points, with inflation climbing in every single month without exception — a pattern that signals sustained and broadening price pressure rather than a one-off or seasonal spike.

The pace of increase, however, has not been uniform. The rise from April to June was relatively sharp, at 90 basis points over two months, followed by a brief plateau between June and July (up just 7 basis points), before re-accelerating notably in August with a 37 basis point jump — the second-largest single-month increase in the series. This uneven trajectory suggests that while price pressures moderated briefly mid-year, they have since regained momentum.

Although the August print of 4.82% remains within the RBI's medium-term inflation target band of 2-6%, it is now edging closer to the upper end of the comfort zone relative to where the series began. The sustained upward drift over five consecutive months, combined with the renewed acceleration in August, indicates building inflationary momentum that bears close monitoring — both for its implications on the RBI's policy rate trajectory and for businesses reliant on stable input and consumption cost planning in the near term.

2.3 India's Per Capita GDP Forecast



Note: E = Estimated, P = Projected

Source: IMF Data Mapper, World Economic Outlook April 2026, India, GDP Per Capita

India's per capita income rose from USD 2,430 in CY23 to USD 2,590 in CY24 (6.58% growth), and further to USD 2,680 in CY25, though growth decelerated sharply to 3.47% that year — consistent with the broader nominal GDP moderation and easing price levels discussed earlier, rather than a genuine slowdown in underlying activity.

The trajectory is expected to re-accelerate from here: per capita income is projected at USD 2,810 by CY26 (4.85% growth) and USD 4,050 by CY30 (9.57% growth), implying a compounding growth rate of roughly 9-10% annually over CY26-CY30 nearly double the ~5% average pace seen in CY23-CY25.

This inflection is structurally significant. Rising per capita income expands purchasing power and typically deepens consumption patterns as households move up the spending curve. For businesses in India, it points to an economy where growth is increasingly visible at the individual level, supporting stronger domestic demand and greater market depth over the medium term with the CY30 acceleration flagging an early signal of India's consumption story entering a faster phase.

2.4 Union Budget FY26-27 Highlights

The Union Budget FY 2026–27, presented by Finance Minister Nirmala Sitharaman on 1st February 2026, places national security, indigenous manufacturing and infrastructure-led growth at the core of its priorities. For the aerospace and defence ecosystem, the Budget carries direct relevance through record defence allocation, continued push for domestic procurement, and targeted customs relief for aircraft MRO inputs, alongside broader capital expenditure and MSME-support measures that support the manufacturing base within which GSE, test rig and test equipment suppliers operate.

- **Record Defence Allocation and Capital Outlay**

The Ministry of Defence has received its highest-ever allocation of INR 7.85 lakh crore for FY2026-27, an increase of 15.19% over the FY2025-26 Budget Estimates, accounting for 14.67% of total Union Budget expenditure — the highest share among all Ministries. Of this, capital expenditure stands at INR 2,19,306.47 crore, up 21.84% over the previous year, reflecting continued emphasis on fleet modernisation, platform acquisition and associated support infrastructure. The allocation follows the operational lessons of Operation Sindoor and reinforces the Government's twin focus on operational readiness and self-reliance.

- **Domestic Procurement Push under Aatmanirbhar Bharat**

INR 1.39 lakh crore, equivalent to approximately 75% of the Capital Acquisition budget, has been earmarked for procurement from domestic defence industries, including private-sector enterprises. This continues the Government's structural shift toward Indian vendors across platforms, sub-systems and associated ground-support and testing equipment, directly benefiting domestic GSE and test equipment manufacturers positioned to qualify under Buy (Indian) and Buy (Indian-IDDM) categories.

- **Customs Duty Relief for Aircraft MRO Inputs**

The Budget exempts Basic Customs Duty on raw materials imported for the manufacture of aircraft parts used in Maintenance, Repair and Overhaul (MRO) by units in the defence sector, effective 2nd February 2026. This measure is expected to reduce input costs for domestic MRO and associated ground-support equipment manufacturers reliant on select imported raw materials.

- **Enhanced Defence R&D Allocation**

The Defence Research and Development Organisation (DRDO) allocation has been increased to INR 29,100.25 crore for FY2026-27 from INR 26,816.82 crore in FY2025-26, of which INR 17,250.25 crore is earmarked for capital expenditure. Continued R&D investment, including DRDO-Industry-Academia collaboration, is expected to support technology development relevant to specialised aerospace and defence equipment, including testing and diagnostic systems.

- **Capital Expenditure and Infrastructure Development**

Beyond defence, the Union Budget has increased overall public capital expenditure to INR 12.2 lakh crore from INR 11.21 lakh crore (3.1% of GDP) in FY2025–26. An Infrastructure Risk Guarantee Fund has been proposed to provide partial credit guarantees to lenders, aimed at strengthening private developer confidence during infrastructure development and construction. Sustained public capex supports the broader industrial and manufacturing ecosystem within which aerospace and defence support-equipment manufacturing operates.

- **Support for MSMEs**

The Budget introduced a dedicated INR 10,000 crore SME Growth Fund and proposed a further INR 2,000 crore top-up to the Self-Reliant India Fund to maintain MSME access to risk capital. With over INR 7 lakh crore already available to MSMEs through TReDS, the Budget proposed measures to mandate TReDS as the settlement platform for CPSE purchases from MSMEs, introduce credit guarantee support for invoice discounting via CGTMSE, and link GeM with TReDS to improve financing visibility. These measures are relevant to the aerospace and defence support-equipment ecosystem, given the significant participation of MSMEs as component suppliers and specialised equipment manufacturers.

- **Ease of Doing Business — Portfolio Investment**

Individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme, with the individual investment limit raised from 5% to 10% and the overall PROI investment limit raised to 24% from 10%. This is expected to broaden the investor base for listed Indian manufacturing and defence-sector companies.

The Union Budget FY 2026–27 reflects a continued and strengthened policy commitment toward defence indigenisation, capital-intensive manufacturing and MSME participation in the industrial supply chain, providing a supportive fiscal and policy environment for the Ground Support Equipment, test rig and test equipment industry.

2.5 Concluding Remarks about Macroeconomic Scenario

The major headwinds to global economic growth remain significant, including escalating geopolitical tensions, volatility in global energy and commodity markets, persistent inflationary pressures, tighter financial conditions, geoeconomic fragmentation, rising public debt, climate-related disruptions, and uncertainty surrounding the pace and impact of

technological transformation. In particular, the ongoing conflict in the Middle East and the associated disruption to energy flows through critical global corridors have heightened downside risks to the global outlook, while weaker trade momentum and structural productivity challenges continue to weigh on medium-term growth prospects. Such episodes of geopolitical instability have, in recent years, prompted a broader reassessment among nations of their exposure to external dependencies, reinforcing the importance of strategic autonomy and resilient domestic capability in sectors considered critical to national security and continuity of operations, including aerospace and defence manufacturing.

Despite these challenges, India's economy remains relatively well-positioned compared to other major emerging markets. According to the IMF's April 2026 WEO, India's GDP growth is projected at 6.5% in CY 2026, maintaining its position as one of the fastest-growing major economies globally and significantly above the global growth projection of 3.1%. Key positive factors supporting India's growth include resilient domestic demand, sustained public infrastructure spending, a strengthening investment cycle, expanding digital infrastructure, and continued progress in structural reforms. Inflation, as measured by the Consumer Price Index (CPI), remained contained at 3.4% in March 2026 under the revised base year, supporting household purchasing power, although rising global oil prices and supply disruptions may pose upside risks.

India's strategic position as a manufacturing and investment destination continues to strengthen, supported by government initiatives, supply chain diversification trends, a skilled labour force, and a dynamic innovation ecosystem. Public investment is expected to remain a critical growth driver, with the Union Budget FY 2026–27 increasing capital expenditure to INR 12.21 lakh crore from INR 11.21 lakh crore in the previous year, reinforcing the Government's investment-led growth strategy. In addition, the proposed Infrastructure Risk Guarantee Fund is aimed at improving private sector participation in infrastructure by mitigating project-related risks, which is expected to crowd in private investment, enhance infrastructure capacity, and support long-term productivity growth. Within this broader investment-led framework, the Government's sustained emphasis on defence capital outlay and indigenous manufacturing capability reflects the same underlying priority of building durable, self-reliant capacity in strategically significant industries — a priority directly relevant to the aerospace and defence sector.

Private sector investment intentions are also expected to strengthen alongside public capex, while rising disposable incomes, improving rural demand, and continued policy support are likely to reinforce consumption momentum. Strengthening supply chains, expanding infrastructure capacity, and sustaining inflation stability will be critical in supporting resilience against external shocks. These factors are expected to support India's medium-term growth momentum and strengthen its ability to navigate global uncertainties, providing a stable and supportive macroeconomic backdrop for continued investment across India's aerospace and defence manufacturing ecosystem.

3. INDUSTRY OVERVIEW

Part A — Industry Context

3.1 Introduction - Aerospace & Defence Industry

The aerospace and defence industry is a technology-intensive sector encompassing the design, development, manufacturing, testing, maintenance and lifecycle support of aircraft, defence platforms, aerospace systems and associated equipment. The industry comprises a broad ecosystem of aircraft and defence equipment manufacturers, component and systems suppliers, maintenance, repair and overhaul (MRO) providers, testing and certification organisations, ground support equipment (GSE) manufacturers and specialised engineering companies supporting military and civil aviation operations. The industry is characterised by stringent technical, quality and certification requirements, long product development and procurement cycles, and a strong emphasis on reliability, safety and operational readiness. Supporting activities such as aircraft servicing, testing, diagnostics, maintenance and lifecycle support are therefore integral to the overall aerospace and defence value chain.

At the global level, defence modernisation, growth in commercial aviation, expansion of MRO infrastructure, technological advancement and increasing focus on supply-chain resilience are supporting investment across the aerospace and defence value chain. Governments are also placing greater emphasis on domestic manufacturing, localisation and technological self-reliance to strengthen strategic capabilities and reduce dependence on external supply chains.

In India, the aerospace and defence ecosystem is undergoing continued development, supported by defence modernisation, expansion of civil aviation, increasing indigenous production of aerospace and defence platforms, development of domestic MRO capabilities and greater participation of private-sector manufacturers. Government initiatives relating to Atmanirbhar Bharat, indigenisation and domestic procurement are further supporting the development of domestic capabilities across the aerospace and defence value chain. This trajectory is also being supported by the expanding pipeline of indigenous and domestically manufactured aircraft programmes.

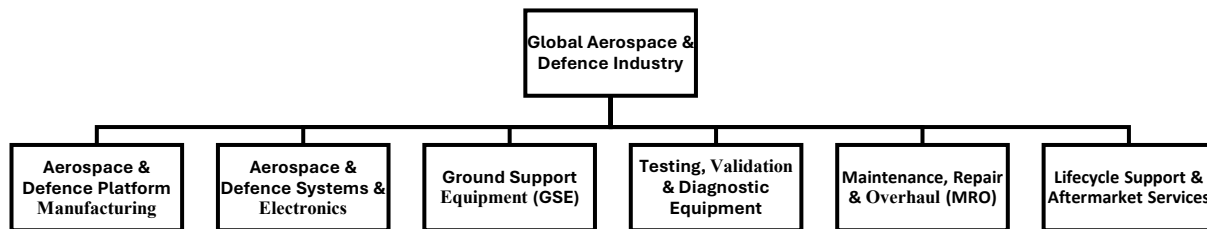
Key developments supporting this trajectory include:

- **LCA Tejas Mk1A:** The Ministry of Defence has placed an order for 97 additional LCA Mk1A aircraft, supporting continued expansion of India's indigenous fighter aircraft fleet and associated domestic aerospace manufacturing activity.
- **LCA Mk1A and HTT-40 Production Capacity:** HAL has operationalised additional production lines for the LCA Mk1A and HTT-40 at its Nashik facility, increasing its total LCA production capacity to 24 aircraft per year and strengthening indigenous aircraft manufacturing capabilities.
- **Future Defence Aviation Programmes:** LCA Mk2 and the Advanced Medium Combat Aircraft (AMCA) programme represent further development of India's indigenous fighter aircraft capabilities, with the AMCA programme being pursued through an industry-partnership model involving the public and private sectors.

Within this broader ecosystem, GSE, test rigs, test benches, test equipment, MRO and lifecycle-support services constitute important enabling segments supporting aircraft operations, manufacturing, maintenance, testing, servicing and operational readiness across defence and civil aviation applications. Demand for these segments is largely derivative in nature, with growth linked to aircraft fleet expansion, induction of new defence platforms, aircraft utilisation and the development of supporting airport, manufacturing and maintenance infrastructure.

3.2 Industry Structure and Mapping

The aerospace and defence industry comprises interconnected segments covering the design, development, manufacturing, testing, operation, maintenance and lifecycle support of aerospace platforms, defence systems and associated equipment. These segments collectively support aircraft operations, defence preparedness, maintenance, safety and long-term asset sustainment across military and civil aviation applications.



Major Segment	Scope
Aerospace & Defence Platform Manufacturing	Design, development and manufacturing of military and commercial aircraft, helicopters, unmanned platforms and other aerospace and defence platforms.
Aerospace & Defence Systems & Electronics	Development and integration of radar, surveillance, communication, electronic warfare, command and control, avionics and other defence electronics systems.
Ground Support Equipment (GSE)	Ground handling, aircraft towing, power supply, servicing, hydraulic support, weapon handling and other equipment used to support aircraft operations and maintenance across military and civil aviation.
Testing, Validation & Diagnostic Equipment	Test rigs, test benches, calibration systems, diagnostic equipment and specialised testing solutions used for performance testing, validation, reliability assessment, maintenance and quality assurance of aircraft, components and subsystems.

Maintenance, Repair & Overhaul (MRO)	Inspection, repair, overhaul, refurbishment and lifecycle maintenance of military and commercial aircraft, helicopters, aircraft components and associated aerospace equipment.
Lifecycle Support & Aftermarket Services	Installation, commissioning, technical support, upgrades, spare parts, repair, maintenance and other long-term sustainment services supporting aerospace and defence assets throughout their operational lifecycle.

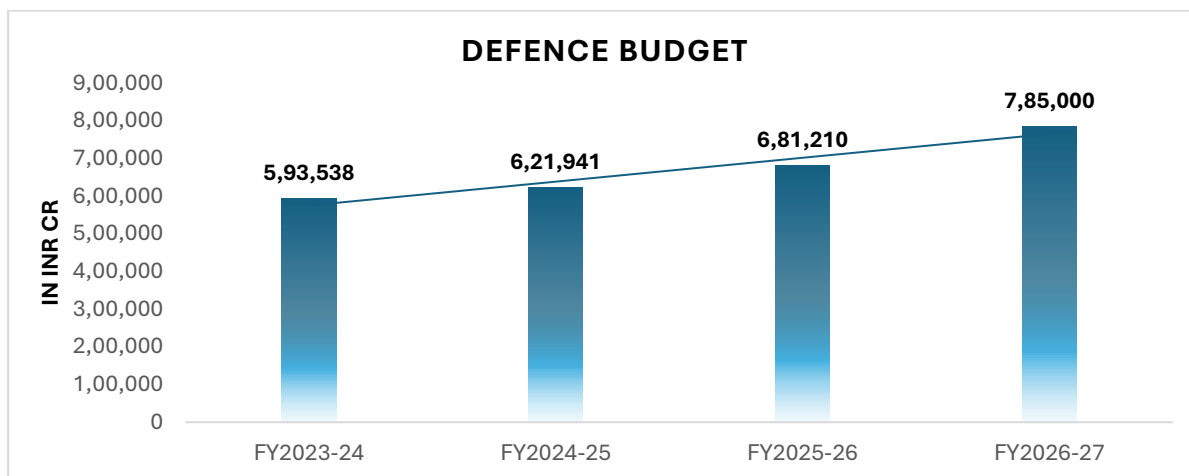
Within this broader industry structure, Ground Support Equipment, testing and diagnostic equipment, and lifecycle support services constitute important supporting segments that enable the operation, maintenance, testing and sustainment of aerospace and defence platforms. These segments are examined in greater detail in the subsequent sections.

Trend	Industry Impact
Rising Global Defence Expenditure and Military Modernisation	Increasing defence expenditure and military modernisation programmes are supporting investment in new and upgraded aircraft, defence platforms, maintenance infrastructure and operational support capabilities. This creates a broader demand environment for GSE, testing systems and specialised maintenance equipment required for aircraft operations and lifecycle sustainment.
Growth in Global Air Travel and Aircraft Fleets	Rising passenger traffic and expansion of commercial aircraft fleets are supporting investment in airport infrastructure, aircraft servicing, ground handling and MRO capabilities. The resulting increase in aircraft movements and maintenance activity supports demand for GSE and associated servicing equipment across the civil aviation ecosystem.
Growing Focus on MRO and Lifecycle Sustainment	Increasing emphasis on aircraft availability, asset life extension and lifecycle sustainment is supporting investment in MRO facilities, inspection, testing, diagnostics and maintenance capabilities. This is contributing to demand for test rigs, test benches, diagnostic equipment and specialised support equipment.
Digitalisation and Advanced Aerospace Technologies	The adoption of artificial intelligence (AI), predictive maintenance, digital twins, automation, robotics, and data-driven diagnostics is transforming both defence and civil aviation operations by improving equipment reliability, maintenance efficiency, and operational readiness.
Increasing Focus on Indigenous Manufacturing and Supply-Chain Resilience	Governments are increasingly promoting domestic aerospace and defence manufacturing, localisation and resilient supply chains to reduce dependence on external suppliers for strategically important equipment and technologies. This trend is encouraging greater investment in indigenous R&D, technology development, reverse engineering and import substitution, particularly across defence and aerospace applications. For the GSE and testing equipment ecosystem, this is supporting opportunities for domestic development and manufacturing of GSE, test rigs, test benches, testing equipment, components and specialised engineering solutions, while strengthening supply-chain resilience and technological capabilities.

3.6 Indian Defence Sector — Budget & Production

3.6.1 Defence Budget

India's defence budget has witnessed an upward trajectory over the past four financial years, increasing from INR 5,93,538 crore in FY2023-24 to INR 7,85,000 crore in FY2026-27 (Budget Estimates), representing a cumulative increase of over 32% during the period. The sustained increase in budgetary allocation reflects the Government's continued focus on strengthening national security, enhancing operational preparedness and supporting the modernisation of the armed forces.



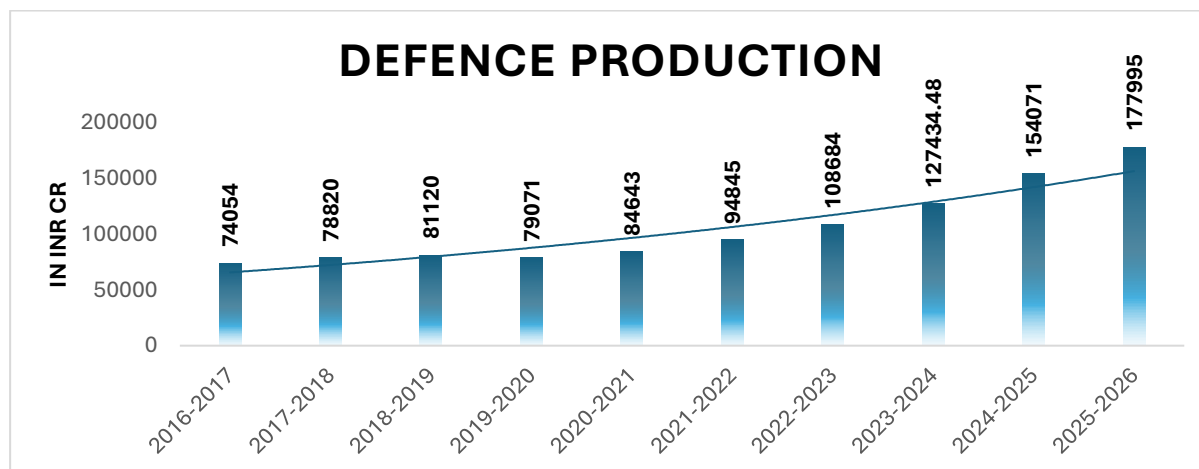
Source: collated from various PIB (Press Information Bureau) press releases

The increasing allocation towards defence is supporting procurement and modernisation of military capabilities, alongside initiatives aimed at strengthening indigenous defence manufacturing, research and development and technological capabilities. Government initiatives such as Aatmanirbhar Bharat, make in India, the Defence Acquisition Procedure (DAP) and Positive Indigenisation Lists are further promoting domestic procurement, localisation and greater participation of private-sector enterprises and MSMEs in the defence manufacturing ecosystem.

The continued expansion of defence expenditure and modernisation programmes is expected to support demand across the broader aerospace and defence support ecosystem. As military aircraft fleets are acquired, upgraded and maintained, requirements for ground handling, power supply, servicing, testing, diagnostics and maintenance also increase. Accordingly, higher defence spending, particularly when accompanied by fleet modernisation, indigenous platform development and increased maintenance and MRO activity, can support demand for Ground Support Equipment (GSE), Test Rigs and Test Benches, Test Equipment, MRO services and other specialised engineering solutions.

3.6.2 Defence Production

India's defence production has recorded significant growth over the past decade, increasing from INR 74,054 crore in 2016-17 to INR 1,77,965 crore in 2025-26, representing an increase of over 140% during the period and registering a CAGR of 10.2%. The sustained increase in defence production reflects the Government's focus on strengthening domestic manufacturing capabilities, reducing import dependence and expanding indigenous design and development across the defence sector.

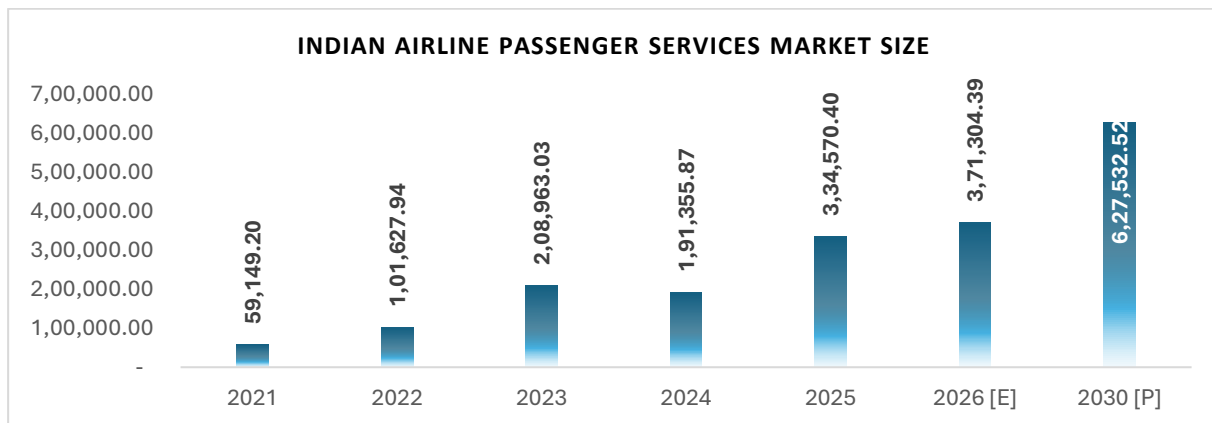


Source: Department of Defence production

The growth has been supported by policy initiatives such as Make in India, Aatmanirbhar Bharat, the Defence Acquisition Procedure (DAP) and Positive Indigenisation Lists, along with increasing participation from private-sector enterprises, MSMEs and start-ups. Investments in defence industrial corridors, research and development, advanced manufacturing capabilities and strategic partnerships have further contributed to the development of India's domestic defence manufacturing ecosystem.

The expansion of domestic defence production is strengthening the broader aerospace and defence manufacturing and support ecosystem. As indigenous production and deployment of defence platforms increase, requirements also arise for equipment supporting aircraft operations, maintenance, testing and servicing. This provides a supportive environment for segments such as Ground Support Equipment (GSE), Test Rigs and Test Benches, Test Equipment, MRO and specialised engineering solutions, although the extent of demand depends on the type of platforms produced, fleet size, procurement programmes, maintenance requirements and the level of indigenous content.

3.7 Indian Civil Aviation Industry



Source: CMIE, Infomercials Analytics & Research

Note: E: Estimated, P: Projected

The Indian airline passenger services market has grown from INR 59,149.20 crore in 2021 to INR 3,71,304.39 crore (estimated) in 2026, registering a CAGR of 30.02% during the period, and is projected to reach INR 6,27,532.52 crore by 2030. This sustained growth in the scale of airline passenger services reflects the expanding operational footprint of Indian carriers — a larger fleet, higher aircraft utilisation, and greater route density — each of which correspondingly increases the volume of ground handling, aircraft servicing, maintenance and ground support equipment (GSE) activity required to support flight operations. As airlines scale operations to meet this growth, the recurring demand for equipment used in aircraft towing, ground power supply, servicing and handling is expected to scale correspondingly, reinforcing the market-size trend as a relevant indicator of GSE demand alongside passenger traffic volumes.

As per the Union Minister for Civil Aviation, India has emerged as the third-largest domestic aviation market globally, with domestic passenger traffic reaching 191 million in 2026. The Minister further stated that the current commercial fleet of 1,100 aircraft is projected to nearly triple by 2035, reflecting continued expansion in fleet capacity to meet growing air travel demand.

Source: News On Air, Government of India, “India emerging as global hub for aircraft leasing and financing: Union Minister Ram Mohan Naidu,” May 8, 2026.

INDIA'S AIR PASSENGER TRAFFIC (2025)



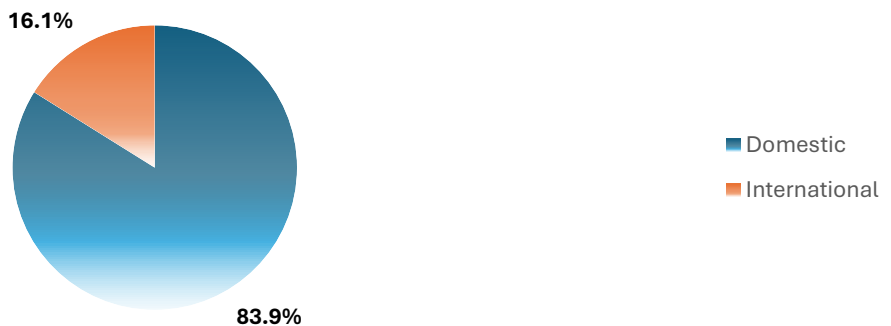
Source: Directorate General of Civil Aviation (DGCA), Government of India

Note: Figures represent combined scheduled and non-scheduled domestic/international air traffic operated by Indian carriers

Indian carriers carried 203.58 million passengers in 2025, comprising 167.71 million domestic passengers (82.4%) and 35.87 million international passengers (17.6%). The scale of domestic and international air traffic reflects the growing operational activity of India's civil aviation ecosystem and the increasing utilisation of airport and aircraft infrastructure.

Higher passenger traffic and aircraft utilisation require supporting infrastructure and services across the aviation value chain, including ground handling, aircraft servicing, maintenance and ground support equipment (GSE). Increased aircraft movements and airport operations create recurring requirements for equipment used in aircraft towing, ground power supply, servicing, handling and maintenance support. Accordingly, the scale of India's civil aviation activity provides a relevant demand indicator for GSE and other aviation support equipment.

INDIA'S AIRCRAFT DEPARTURES (2025)



Source: Directorate General of Civil Aviation (DGCA), Government of India

Note: Figures represent combined scheduled and non-scheduled domestic/international air traffic operated by Indian carriers

Indian carriers operated 11.51 lakh domestic departures and 2.21 lakh international departures in 2025, together accounting for 13.72 lakh departures. Domestic departures represented 83.9% of the total, reflecting the significant scale of India's domestic air connectivity and the high frequency of aircraft operations across the country's airport network.

The high volume of aircraft departures creates recurring requirements for ground handling, towing, ground power supply, aircraft servicing and maintenance support during aircraft turnaround and ground operations. Accordingly, the scale of aircraft operations across India's airport network provides a relevant demand indicator for Ground Support Equipment (GSE), with demand influenced by factors such as aircraft movements, fleet size, airport capacity, turnaround requirements and MRO activity.

List of Airports in India as on 31st March 2025

S. No.	Type of airport	No. of Airports
1.	INTERNATIONAL AIRPORTS OF AAI	15
2.	INTERNATIONAL AIRPORTS UNDER JVC	2
3.	INTERNATIONAL AIRPORTS UNDER LEASE / PPP	6
4.	INTERNATIONAL AIRPORTS (CIVIL ENCLAVES) OF AAI	3
5.	NON-AAI INTERNATIONAL AIRPORTS (JVC/STATE GOVT.)	7
TOTAL INTERNATIONAL AIRPORTS – (A)		33
6.	CUSTOMS AIRPORTS OF AAI	8
7.	CUSTOMS AIRPORTS OF AAI (CIVIL ENCLAVES)	3
8.	CUSTOMS AIRPORTS OF AAI (UNDER JVC)	1
TOTAL CUSTOMS AIRPORTS – (B)		12
9.	DOMESTIC AIRPORTS OF AAI (OPERATIONAL)	51
10.	DOMESTIC AIRPORTS OF AAI (OPERATIONAL UNDER JVC)	1
11.	DOMESTIC AIRPORTS OF AAI (NON-OPERATIONAL)	23
12.	DOMESTIC AIRPORTS OF AAI (CIVIL ENCLAVES)	21
13.	NON-AAI DOMESTIC AIRPORTS / CIVIL ENCLAVES (PRIVATE/STATE GOVT.)	19
14.	HELIPORTS(OPERATIONAL)	13
15.	WATER AERODROMES (OPERATIONAL)	2
16.	AERODROMES LICENSED UNDER PRIVATE CATEGORY	9
TOTAL DOMESTIC AIRPORTS – (C)		139
17.	CENTRAL GOVERNMENTS PSU OWNED AIRPORTS AND OPERATIONS(O&M)	07
18.	GREENFIELD AIRPORTS WHERE 'IN-PRINCIPLE' APPROVAL HAS BEEN ACCORDED BY GOVERNMENT OF INDIA	21
19.	LIST OF AIRPORTS/ HELIPORT/ WATER AERODROMES OPERATIONALIZED UNDER RCS-UDAN	88

Source: Handbook of Civil Aviation 2024-25

Part C — GSE & Testing: Segment Definition

3.8 Usage of GSE in the Aerospace and Defence Industry

Ground Support Equipment (GSE) comprises ground-based equipment used to support the operation, servicing, maintenance and handling of aircraft while on the ground. GSE is used across both defence and civil aviation applications, with the type and configuration of equipment varying according to aircraft type, operational environment and maintenance requirements. In the defence sector, GSE supports aircraft operations across fighter, transport, helicopter, trainer and naval aviation platforms. In civil aviation, GSE supports aircraft turnaround activities, including ground power supply, towing, passenger and cargo handling, aircraft servicing and maintenance support. The requirement for GSE is therefore linked to aircraft operations, fleet size, maintenance activity, airport infrastructure and operational readiness.

3.8.1 Usage in the Defence Sector

Within the defence sector, GSE is deployed across every branch of the armed forces operating aircraft, and its application varies by platform type and operational role:

Aircraft / Platform Type	Typical GSE Usage
Fighter Aircraft (IAF)	Ground power units for pre-flight system checks, weapon loading and armament handling equipment for combat readiness, hydraulic servicing trolleys for undercarriage and control-surface maintenance, and towing equipment for hangar and dispersal-bay movement.
Transport Aircraft	Cargo loading equipment, ground power and starting units, and towing tractors capable of handling larger aircraft dimensions and weights.
Helicopters (Army Aviation, Navy)	Ground power units, rotor-blade handling and lashing equipment, and specialised jacking equipment for maintenance in confined operational areas such as forward bases and naval decks.
Trainer Aircraft	Basic ground handling and servicing equipment supporting high-frequency flying operations at training establishments.
Naval Aviation	Corrosion-resistant, deck-compatible GSE variants adapted for shipborne and naval air station environments.

3.8.2 Usage in the Civil Aviation Sector

Within civil aviation, GSE performs an analogous function centred on aircraft turnaround efficiency and airport operational capacity rather than combat readiness:

Application / Activity	GSE Usage
Aircraft Power and Start-Up	Ground power units and air start units enabling engine start and onboard system operation without draining aircraft batteries.
Ground Movement	Towing tractors and towbars for gate, hangar and taxiway movement.
Passenger and Cargo Handling	Boarding stairs, baggage and cargo loaders supporting turnaround at the gate.
Aircraft Servicing	Hydraulic and pneumatic servicing equipment, de-icing equipment (in applicable climates), and potable water/lavatory service carts.

Convergence Across Both Segments

GSE supports common ground-based aircraft requirements across defence and civil aviation, including power supply, aircraft movement, servicing, handling and maintenance support, with specific equipment varying by aircraft type and operating environment. In defence aviation, GSE is associated with aircraft operational readiness, maintenance and deployment support; in civil aviation, GSE is associated with aircraft turnaround efficiency, ground handling and maintenance activities. Demand for GSE is influenced by aircraft fleet expansion, aircraft utilisation, maintenance requirements, airport infrastructure and defence modernisation.

3.9 Key GSE Product Categories and Applications

Ground Support Equipment (GSE) comprises a broad range of motorised and non-motorised equipment used to support aircraft during ground operations, servicing, maintenance and turnaround activities. The nature of GSE varies according to aircraft type, operating environment, airport or defence infrastructure and the specific ground-support requirement. GSE is broadly used across civil aviation, military aviation, MRO facilities, airports and other aviation operating environments.

The major categories of GSE and their typical applications are set out below:

GSE Product Category	Typical Applications
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Ground Power Equipment	Provides electrical power to aircraft while on the ground for pre-flight checks, maintenance, servicing and operation of onboard systems without relying solely on the aircraft's auxiliary power systems.
Aircraft Starting Equipment	Provides external pneumatic or other starting support for aircraft engines during ground operations and maintenance activities.
Aircraft Towing and Movement Equipment	Includes tow tractors, tugs, tow bars and related equipment used for aircraft movement between gates, aprons, hangars, maintenance areas and other designated locations.
Passenger Handling Equipment	Includes passenger boarding stairs, passenger steps and other equipment used to support passenger boarding and disembarkation, particularly where fixed airport infrastructure is unavailable or supplementary support is required.
Cargo and Baggage Handling Equipment	Includes baggage tractors, belt loaders, cargo loaders, dollies and related equipment used for loading, unloading and movement of baggage, cargo and other aircraft stores.
Aircraft Servicing Equipment	Includes equipment used for hydraulic, pneumatic, lubrication, fuel-related and other aircraft servicing requirements during ground operations and maintenance.
Potable Water and Lavatory Service Equipment	Supports replenishment of potable water and servicing of aircraft lavatory systems during aircraft turnaround and maintenance activities.
Maintenance Access and Support Equipment	Includes aircraft maintenance platforms, access stands, work platforms, jacking equipment and other specialised equipment supporting inspection, maintenance and repair activities.
De-icing and Environmental Support Equipment	Includes aircraft de-icing and related specialised equipment used where climatic conditions require removal of ice or frost from aircraft surfaces before operation.
Defence and Military-Specific Ground Equipment	Includes specialised equipment for military aircraft operations, such as weapon and armament handling systems, aircraft servicing equipment, specialised towing systems and other mission-specific ground support solutions.
Specialised and Application-Specific GSE	Includes customised or purpose-built equipment developed for specific aircraft types, operational environments, maintenance requirements or specialised ground-support applications.

In civil aviation, GSE is associated with aircraft turnaround, passenger and cargo handling, ground power, aircraft movement, servicing and airport operations. In defence aviation, GSE is associated with aircraft operational readiness, maintenance, deployment, servicing and mission-support requirements. MRO facilities use a combination of these equipment categories for inspection, servicing, repair and lifecycle maintenance activities. Demand for individual GSE categories is influenced by aircraft fleet size and composition, aircraft utilisation, airport and defence infrastructure, maintenance intensity, turnaround requirements, MRO activity, operating environment and the degree of equipment standardisation or customisation required.

3.10 Test Rigs, Test Benches and Test Equipment

Test rigs, test benches and test equipment form part of the aerospace and defence ecosystem and are used for the testing, validation, diagnosis, calibration and performance assessment of aircraft, defence platforms, components, systems and subsystems, across design and development, prototype validation, production testing, quality assurance, and maintenance and repair activities.

Testing systems are used to replicate operating conditions, measure performance parameters, identify faults, validate system functionality and assess compliance of components and assemblies with specified technical and quality requirements before deployment or during maintenance.

Key Categories of Test Rigs, Test Benches and Test Equipment

Category	Typical Application
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Component Test Rigs	Testing individual aerospace and defence components under controlled conditions to assess functional performance, durability, reliability and compliance with specified parameters.
Hydraulic & Pneumatic Test Benches	Testing and validating hydraulic and pneumatic components, assemblies and systems used in aircraft and defence platforms, including pressure, flow and leakage assessment.
Electrical & Electronic Test Systems	Testing electrical systems, power supplies, wiring assemblies, electronic components and related equipment for functionality, performance and reliability.
Avionics & Instrumentation Test Equipment	Testing, calibration and diagnostics of avionics, navigation, communication, instrumentation and other aircraft electronic systems.
Functional & Performance Test Benches	Evaluating the functional performance and operating characteristics of components, assemblies and subsystems under defined test conditions.
Calibration & Measurement Equipment	Measuring and calibrating critical parameters to maintain accuracy, consistency and traceability of aerospace and defence systems and testing equipment.
Diagnostic & Fault-Detection Equipment	Identifying faults, abnormal operating conditions and performance deviations in aircraft systems, components and equipment to support maintenance and troubleshooting.
Specialised / Application-Specific Test Systems	Customised testing solutions developed for specific aircraft platforms, defence systems, components, operating conditions or specialised testing requirements.

Applications across the Aerospace and Defence Value Chain

Test rigs, test benches and test equipment are used across the following stages:

Design and Development: Prototype testing, system validation and performance assessment.

Manufacturing and Assembly: Production testing, functional testing and quality assurance.

Component and System Validation: Verification of components, assemblies and subsystems against specified technical requirements.

MRO and Maintenance: Fault diagnosis, inspection, troubleshooting and post-maintenance testing.

Calibration and Certification Support: Measurement, calibration and verification of critical parameters.

Lifecycle Sustainment: Periodic testing and performance monitoring to support operational readiness and asset life.

In defence, test rigs and test equipment support the development, production, maintenance and operational readiness of military aircraft, defence platforms and associated systems. In civil aviation, these systems support aircraft manufacturing, component testing, MRO, maintenance and compliance with applicable safety and performance requirements. Growth in indigenous manufacturing, expansion of MRO capabilities and development of new aircraft and defence platforms is associated with the requirement for testing, validation and diagnostic capabilities.

3.11 Industry segmentation

The GSE and testing equipment ecosystem can be segmented by product category, application area and end-user group, reflecting the requirements of military aviation, civil aviation and aircraft maintenance activities.

Segmentation by Product Category

Product Category	Scope
Ground Support Equipment (GSE)	Equipment used for aircraft ground handling, movement, power supply, starting, servicing, maintenance support and other ground-based operational requirements.
Test Rigs & Test Benches	Specialised systems used for testing and validating aircraft components, assemblies and subsystems under controlled operating conditions.

Test Equipment	Measurement, calibration, diagnostic and performance-testing equipment used to assess the functionality, accuracy, reliability and operating condition of aerospace and defence systems.
Maintenance & Support Equipment	Equipment and associated solutions used for inspection, servicing, repair, calibration and lifecycle maintenance of aircraft and their components.

Segmentation by Application

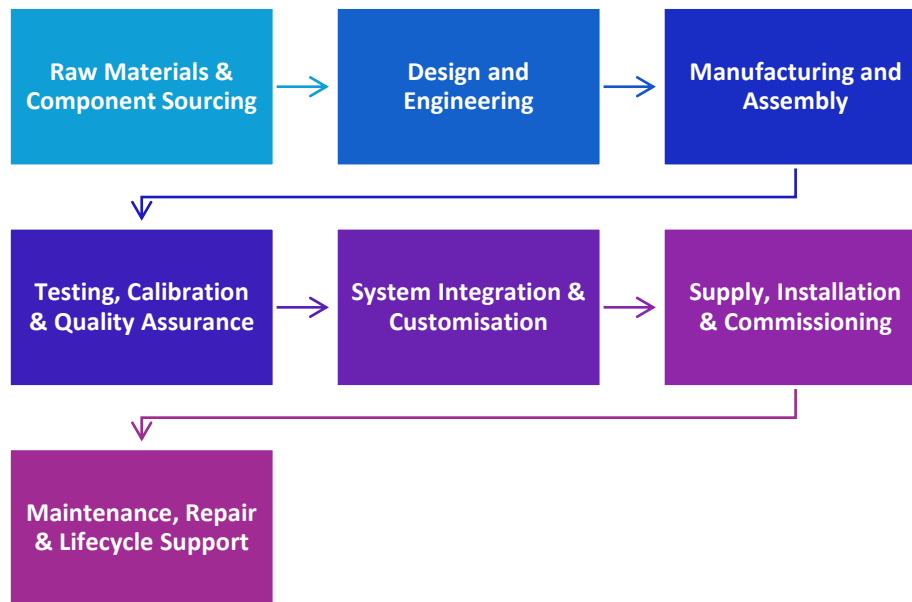
Application	Scope
Defence Aviation	Equipment supporting fighter aircraft, transport aircraft, helicopters, trainer aircraft and naval aviation, including ground handling, servicing, maintenance, testing and operational readiness activities.
Civil Aviation	Equipment supporting commercial aircraft operations, airport ground handling, aircraft servicing, maintenance and turnaround activities.
MRO & Maintenance	Equipment used during inspection, repair, overhaul, component testing, diagnostics, calibration and lifecycle maintenance of aircraft and associated systems.
Manufacturing & Assembly	Testing and support equipment used during aircraft and component manufacturing, assembly, quality assurance and performance validation.

Segmentation by End User

End User	Requirement / Application
Armed Forces	Ground support, maintenance, testing and operational readiness equipment for military aircraft and aviation assets.
Defence OEMs & DPSUs	Testing, validation, assembly, maintenance and support equipment required across defence manufacturing and platform programmes.
MRO Providers	Ground handling, diagnostic, testing, calibration and maintenance equipment used for aircraft and component maintenance.
Airlines & Airport Operators	GSE and servicing equipment supporting aircraft turnaround, passenger and cargo handling, ground movement and routine maintenance activities.
Aviation & Aerospace Manufacturers	Test rigs, test benches, diagnostic systems and specialised equipment supporting manufacturing, quality assurance and validation processes.

3.12 Value Chain Analysis- GSE, Test Rigs, Test Benches and Test Equipment

The GSE and testing equipment industry operates through a value chain comprising raw material and component sourcing, design and engineering, manufacturing and assembly, testing and quality assurance, system integration, supply and deployment, and maintenance and lifecycle support. The value chain spans GSE, which supports aircraft operations and maintenance on the ground, and test rigs, test benches and test equipment used for testing, validation, calibration, diagnostics and performance assessment of aircraft components and systems.



1. Raw Material and Component Sourcing

Inputs include steel and alloy structures, fabricated components, engines or electric motors, hydraulic and pneumatic systems, electrical and electronic components, sensors, instrumentation and control systems. For test rigs, test benches and test equipment, the component base additionally includes measurement and instrumentation systems, data acquisition components and precision components required for testing and diagnostics.

2. Design and Engineering

Design and engineering translate customer requirements, aircraft specifications and operating conditions into equipment configurations. This stage requires experienced engineering teams with capabilities in specialised CAD, FEA and other design and analysis software, along with programming and automation platforms such as NI LabVIEW for testing, measurement, data acquisition and control applications. Such technical expertise and application-specific engineering capabilities can represent an important capability requirement for industry participants.

3. Manufacturing and Assembly

Manufacturing and assembly involve the fabrication, machining, processing and integration of components into finished GSE and testing systems, and require manufacturing capabilities, technical manpower, process control and adherence to specified engineering and quality requirements

4. Testing, Calibration and Certification

Finished equipment is subject to functional checks, performance testing, inspection and, where applicable, calibration and validation before deployment. In the defence ecosystem, technical specifications, quality assurance plans, test procedures, acceptance procedures and inspections form part of the qualification and procurement process for ground equipment.

5. System Integration and Customisation

Equipment may undergo system integration and application-specific customisation, integrating mechanical, electrical, hydraulic, pneumatic, electronic, instrumentation and control elements based on aircraft type, platform specifications and end-user requirements.

6. Supply, Installation and Commissioning

Equipment is supplied and deployed at end-user locations, including defence establishments, aircraft manufacturing facilities, MRO facilities, airports and airlines, with deployment including transportation, installation, commissioning and technical support.

7. Maintenance, Repair and Lifecycle Support

The value chain extends beyond initial delivery through preventive maintenance, breakdown repairs, spare parts supply, calibration, refurbishment, upgrades and technical support. Given the application-specific nature of GSE and testing equipment, suppliers may also maintain dedicated product-support teams to provide technical assistance, troubleshooting, maintenance and repair services, supporting equipment availability and performance throughout its lifecycle.

Part D — Policy Framework

3.13 Government Initiatives, Indigenisation and Policy Support

The Government of India has undertaken a range of policy measures to strengthen domestic aerospace and defence capabilities, promote indigenous design and manufacturing, reduce import dependence and increase participation of Indian industry in defence procurement. These initiatives are relevant to the broader aerospace and defence ecosystem, including ground support equipment, testing and diagnostic systems, specialised engineering equipment and associated maintenance and lifecycle-support capabilities. The policy framework combines preferential procurement from domestic industry, indigenisation programmes, defence innovation initiatives, industrial infrastructure development and expansion of civil aviation connectivity.

Defence Acquisition Procedure (DAP) 2020

The Defence Acquisition Procedure (DAP) 2020 provides the framework for capital procurement by the Indian Armed Forces and places greater emphasis on domestic participation and indigenous capability development. The procedure reserves specified procurement categories, including Buy (Indian-IDD), Buy (Indian), Make and other identified categories, for eligible Indian vendors and enhances indigenous content requirements across procurement categories. Under the Buy (Indian-IDD) category, equipment is required to be indigenously designed, developed and manufactured, with a minimum Indigenous Content of 50% on the applicable cost basis. The framework also provides for indigenous production and technology transfer through categories involving Indian industry and foreign Original Equipment Manufacturers.

For the aerospace and defence support ecosystem, the emphasis on indigenous design, manufacturing and content can encourage greater localisation of equipment, components and supporting systems used in the operation, maintenance and sustainment of defence platforms. This provides a policy-supported environment for domestic suppliers across specialised engineering, ground-support and testing-related activities.

Atmanirbhar Bharat

The Government of India's **Aatmanirbhar Bharat** initiative has placed greater emphasis on strengthening domestic defence manufacturing capabilities, reducing dependence on overseas suppliers and promoting indigenous design and technology development. The initiative encourages greater participation of Indian private-sector enterprises, MSMEs and other domestic manufacturers across the defence value chain, while supporting localisation of critical components, systems and technologies. This policy direction is relevant to specialised aerospace and defence support segments, as increasing domestic production of defence platforms can create opportunities for Indian suppliers of GSE, testing equipment, specialised engineering systems and lifecycle-support solutions.

Increased focus on Import substitution

The Government of India has been actively promoting import substitution in the defence sector through the Positive Indigenisation Lists (PILs), under which defence items are identified for indigenous development and procurement from Indian industry. The first five PILs covered 5,012 items, while the Sixth PIL added a further 405 items, taking the cumulative coverage under the six PILs to 5,417 items. Through these measures, the Government is encouraging domestic development and manufacturing of items previously dependent on external sources, thereby strengthening indigenous defence supply chains and creating opportunities for Indian manufacturers across specialised engineering, testing and support equipment.

SRIJAN and Defence Industry Participation

The SRIJAN Defence Portal, launched by the Ministry of Defence in 2020, facilitates indigenisation by enabling DPSUs and Service Headquarters to identify defence items previously sourced through imports and invite Indian industry, including

MSMEs and start-ups, to develop them domestically. As of May 2026, more than 15,700 defence items had been indigenised through the SRIJAN ecosystem, including 3,204 items from the Positive Indigenisation Lists.

The Government has also developed SRIJAN DEEP, a digital database of defence manufacturers, MSMEs, services and technology providers. As of May 2026, the database included more than 41,000 vendors and 2,70,000 products supplied to Defence PSUs and other defence organisations. This expanding vendor ecosystem supports deeper participation of domestic enterprises across the defence supply chain.

Innovations for Defence Excellence (iDEX)

The Innovations for Defence Excellence (iDEX) initiative was launched to promote innovation and technology development by start-ups, MSMEs, academia and innovators in the defence sector. The Government has stated that iDEX supports the development of new defence technologies through grants, funding and structured engagement with the armed forces and industry. As of July 2026, 676 start-ups and innovators were engaged through iDEX and 551 contracts had been inked, with procurement worth more than INR 2,400 crore approved from start-ups and MSMEs.

The initiative is relevant to specialised aerospace and defence equipment because innovation-led procurement can facilitate the development of indigenous solutions in areas requiring specialised engineering, testing, diagnostics, automation and other technology-intensive capabilities.

Defence Industrial Corridors

The Government has established Defence Industrial Corridors in Uttar Pradesh and Tamil Nadu to develop an integrated domestic defence manufacturing ecosystem and strengthen supply-chain capabilities. The corridors are intended to support manufacturing, testing, certification, technology development and related industrial infrastructure.

As of April 2026, the Uttar Pradesh Defence Industrial Corridor had attracted investment commitments of INR 42,057 crore, with grounded investments of INR 4,409 crore, while the Tamil Nadu Defence Industrial Corridor had attracted investment commitments of INR 32,699 crore, with actual investments of INR 6,446 crore. The Uttar Pradesh corridor also includes the Defence Technology & Test Centre (DTTC) to support testing and innovation capabilities.

The development of such industrial clusters can strengthen the domestic ecosystem for defence manufacturing, testing, certification and specialised engineering, while improving access to supporting infrastructure and supply-chain partners.

Domestic Procurement and Budgetary Support

The Government has continued to increase the share of defence capital procurement allocated to domestic industry. Under Union Budget 2026-27, INR 1.39 lakh crore, equivalent to approximately 75% of the Capital Acquisition budget, was earmarked for procurement from domestic defence industries, including private-sector enterprises. The Government has stated that this allocation is intended to encourage domestic capability development, investment and participation in defence modernisation.

This procurement preference provides greater visibility for Indian manufacturers across the defence supply chain. For equipment supporting aircraft operation, maintenance and testing, the resulting increase in domestic procurement and platform modernisation can support demand for associated ground-support, testing, diagnostic and lifecycle-support capabilities.

Civil Aviation and Regional Connectivity – UDAN

Government policy support also extends to the civil aviation ecosystem through the Regional Connectivity Scheme (RCS) – UDAN, which aims to improve air connectivity and develop aviation infrastructure across underserved regions. As of October 2025, the scheme had operationalised 649 routes connecting 93 unserved and underserved airports, including 15 heliports and two water aerodromes. More than 1.56 crore passengers had travelled through UDAN flights, supported by over INR 4,300 crore in Viability Gap Funding and INR 4,638 crore invested in airport development under RCS.

The expansion of regional connectivity and airport infrastructure supports the broader civil aviation operating ecosystem, including aircraft ground handling, servicing and maintenance infrastructure. Consequently, continued development of airports and aircraft operations can support the requirement for GSE and related ground-support capabilities.

Overall, Policy Implication

Taken together, these initiatives are strengthening India's domestic aerospace and defence ecosystem by promoting indigenisation, domestic procurement, private-sector and MSME participation, technology development and localisation of supply chains. The continued expansion of indigenous defence programmes and supporting infrastructure is expected to create a favourable environment for specialised segments such as Ground Support Equipment, test rigs, test benches, test equipment and associated maintenance and lifecycle-support services. However, these policy measures provide a supportive structural framework rather than a direct measure of the standalone market size of these segments.

3.14 Relevance of Government Initiatives to GSE, Test Rigs, Test Benches and Test Equipment

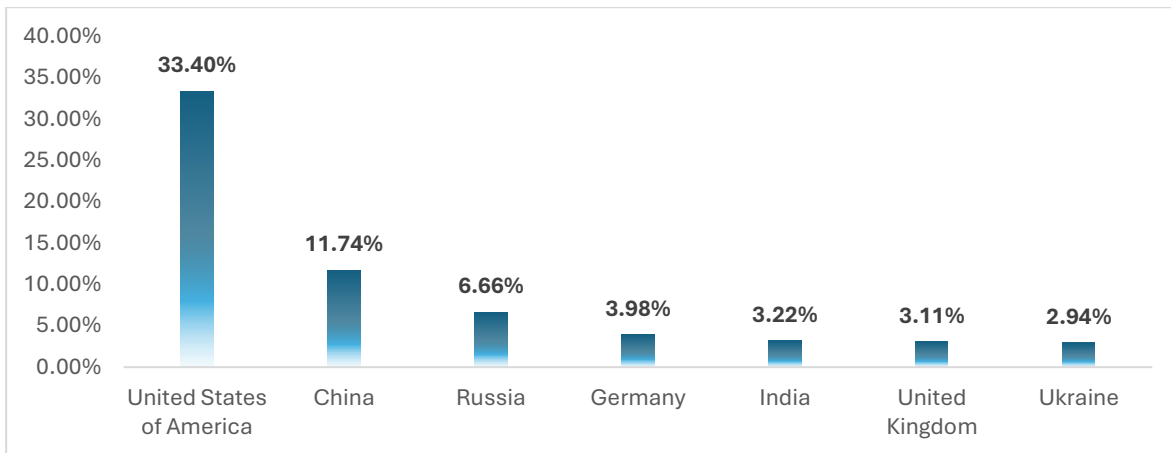
Government Initiative / Policy	Relevance to GSE, Test Rigs, Test Benches & Test Equipment
Defence Acquisition Procedure (DAP) 2020	Emphasis on indigenous procurement and higher domestic content supports localisation of equipment and supporting systems required for the operation, maintenance and sustainment of defence platforms, including ground-support and testing infrastructure.
Atmanirbhar Bharat & Positive Indigenisation Lists	The focus on reducing import dependence and developing indigenous defence capabilities supports opportunities for domestic manufacturers of specialised equipment, components and support systems used across the defence lifecycle.
Sixth Positive Indigenisation List (PIL)	The notification of 405 strategically important items, with an estimated business potential of INR 3,070 crore, further expands the pipeline for indigenous development and domestic procurement. The inclusion of items associated with platforms such as LCA, ALH and LUH supports broader localisation across the aerospace and defence supply chain, including associated engineering, testing and support capabilities.
SRIJAN Portal	Encourages Indian industry to develop indigenous alternatives for defence items previously sourced through imports, potentially supporting localisation of specialised ground-support, diagnostic and testing solutions.
iDEX	Promotes innovation by start-ups and MSMEs in defence technology, creating an enabling environment for development of specialised engineering, testing, diagnostic and technology-intensive support solutions.
Defence Industrial Corridors	Development of manufacturing, testing, technology and supply-chain infrastructure strengthens the domestic ecosystem for specialised aerospace and defence equipment and associated engineering capabilities.
Domestic Defence Procurement	Higher allocation towards procurement from domestic industry provides greater visibility and market opportunities for Indian suppliers across the defence value chain. In addition, procurement mechanisms supporting indigenised and localised products can enable eligible domestic manufacturers to supply certain equipment directly to defence users, subject to applicable procurement provisions and approvals. This can provide greater continuity of demand and improve revenue visibility for manufacturers of specialised equipment, including GSE, testing and diagnostic systems.
UDAN & Civil Aviation	Expansion of airports, aircraft operations and regional connectivity supports recurring requirements for ground handling, aircraft servicing, towing, power supply and other GSE used across civil aviation operations.

Government Initiative / Policy	Relevance to GSE, Test Rigs, Test Benches & Test Equipment
Infrastructure Development	

Part B – Demand Fundamentals

3.3 Global Defence Expenditure

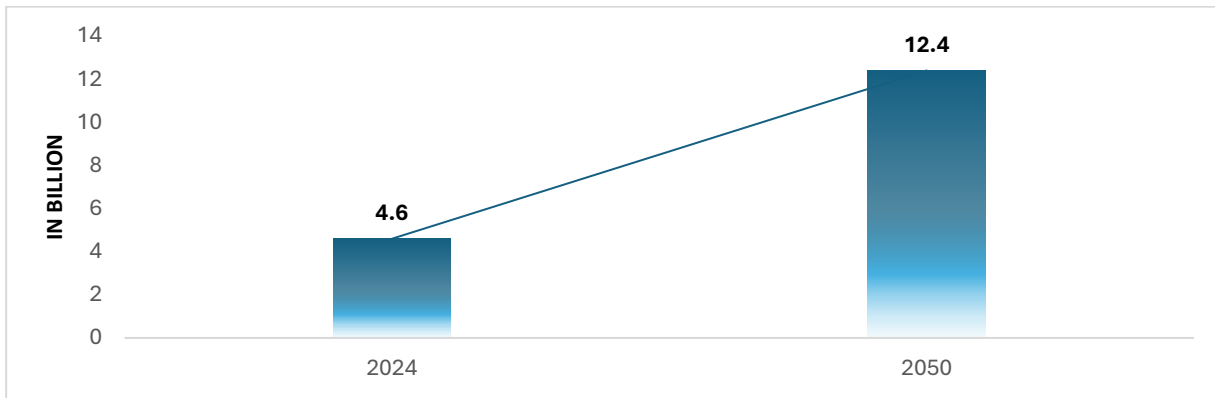
Global defence expenditure reached USD 2,857,214.9 Million in 2025, highlighting the continued strategic importance of defence preparedness and military modernisation across major economies. The United States remained the largest defence spender, accounting for 33.40% of global expenditure, followed by China at 11.74% and Russia at 6.66%. Germany, India, the United Kingdom and Ukraine accounted for 3.98%, 3.22%, 3.11% and 2.94%, respectively.



Source: SIPRI - Military Expenditure Database

The sustained level of global defence expenditure reflects continued investment in defence procurement, fleet modernisation, aircraft operations and maintenance infrastructure. As defence forces expand, upgrade and maintain their aircraft fleets, the requirement for supporting ground equipment and maintenance infrastructure also increases. Ground Support Equipment (GSE), including ground power units, aircraft towing and handling equipment, hydraulic servicing equipment and other specialised ground support systems, plays an important role in aircraft servicing, maintenance and operational readiness. Accordingly, continued defence spending and fleet modernisation across major economies provide a supportive demand environment for GSE, although the extent of demand depends on factors such as aircraft fleet size, platform mix, procurement programmes, maintenance requirements and MRO activity.

3.4 Global Air Passenger Traffic



Source: International Civil Aviation Organization (ICAO), Strategic Plan 2026–2050.

The global aviation industry is expected to witness sustained long-term growth in passenger traffic over the coming decades. As illustrated in the figure above, annual global passenger traffic is projected to increase from approximately 4.6 billion passengers in 2024 to 12.4 billion passengers by 2050, representing nearly a 2.7-fold increase over the forecast period. This projected expansion reflects the continued recovery of the aviation sector following the COVID-19 pandemic, increasing air travel penetration across emerging economies, rising disposable incomes, expanding middle-class populations and ongoing improvements in global air connectivity.

The anticipated increase in passenger volumes is expected to support investments across the aviation ecosystem, including aircraft fleet expansion, airport infrastructure, MRO facilities, ground handling services and associated ground support equipment (GSE). As aircraft movements and airport operations increase, the requirement for equipment used in aircraft ground handling, power supply, towing, servicing and maintenance is also expected to expand. Accordingly, sustained growth in global air passenger traffic provides a supportive demand environment for GSE and other aviation support equipment, particularly through its linkage with aircraft utilisation, airport activity and MRO requirements.

3.5 Key Global Trends

3.15 Indian Military Airworthiness Framework – IMAP-2023 and IMTAR-21

The Indian Military Airworthiness Procedure (IMAP-2023) and Indian Military Technical Airworthiness Requirements (IMTAR-21) provide the framework for airworthiness, certification, testing and quality assurance of military air systems and associated equipment. The framework is relevant to the aerospace and defence support ecosystem, including GSE, test rigs, test benches, test equipment and other specialised ground-support systems, particularly through its provisions relating to indigenous substitution, qualification testing, technical approval and quality assurance.

1. Indigenous Substitution and Import Replacement

IMAP-2023 provides a framework for the indigenous substitution of products previously sourced from foreign suppliers, covering their development, prototyping, testing, evaluation and clearance. The procedure also provides for indigenous substitution of Tools, Testers and Ground Equipment (TTGE), supporting the development of domestic capabilities across specialised aerospace and defence equipment.

2. Testing and Qualification Requirements

The framework requires indigenous products to undergo appropriate verification, validation and qualification before clearance. It also provides for the availability of necessary test facilities and prescribes qualification and acceptance testing for applicable equipment. These requirements reinforce the importance of testing infrastructure and technical capabilities within the domestic GSE and aerospace testing equipment ecosystem.

3. Tools, Testers and Ground Equipment (TTGE)

IMTAR-21 contains a dedicated section covering Tools, Testers & Ground Equipment (TTGE), including their categorisation, identification of requirements, approval basis, technical specifications, design and development, software, fabrication, qualification testing, documentation, acceptance, production and upgradation. This provides a direct regulatory linkage between military airworthiness requirements and the GSE and testing equipment segments.

4. Technical Approval and Quality Assurance

The framework assigns defined responsibilities for technical airworthiness and quality assurance, including design approval and quality-assurance oversight. The requirements for inspection, testing, documentation and compliance therefore increase the importance of quality systems, technical documentation, testing capabilities and qualification infrastructure for manufacturers supplying equipment to the aerospace and defence sector.

3.16 Addressable Opportunity – GSE, Test Rigs, Test Benches and Test Equipment

India's defence capital acquisition programme provides an important indicator of the broader demand environment for aerospace and defence equipment and supporting infrastructure. Within the defence capital acquisition budget, the “Other Equipment’s” head stood at INR 82,217.82 crore in BE 2026-27, compared with INR 50,760.27 crore in RE 2025-26, representing an increase of approximately 62%. This increase forms part of the broader expansion in India's defence capital expenditure and reflects continued investment in modernisation and capability enhancement.

The “Other Equipment’s” head represents a broad category of defence expenditure and does not separately disclose expenditure attributable to Ground Support Equipment (GSE), test rigs, test benches or test equipment. Accordingly, the above allocation should not be interpreted as the standalone market size of these segments. However, these equipment categories form part of the supporting infrastructure required for the operation, servicing, maintenance, testing and lifecycle sustainment of defence platforms. As defence platforms are inducted, upgraded and maintained, corresponding requirements arise for ground support and testing infrastructure.

The Indian Air Force currently has 238 trainer aircraft against a sanctioned strength of 368, while its authorised fighter squadron strength of 42 compares with 31 active squadrons. Ongoing modernisation programmes, including LCA Mk1A, Multi Role Fighter Aircraft, LCA Mk-II, Advanced Medium Combat Aircraft, helicopters and transport aircraft, are expected to expand and modernise the aviation fleet. The IAF has contracted for 83 LCA Mk1A aircraft and has progressed with procurement of an additional 97 LCA Mk1A aircraft, which would take the number of LCA Mk-I and Mk-IA aircraft to 220. The induction, operation and maintenance of these platforms create corresponding requirements for ground support, testing, diagnostic and maintenance infrastructure.

A similar demand relationship exists within India's civil aviation ecosystem. Indian carriers recorded approximately 1.37 million aircraft departures in 2025, comprising 1.15 million domestic and 0.22 million international departures, and carried approximately 203.6 million passengers during the year, with domestic passenger traffic registering 4.26% year-on-year growth. The expansion in aviation activity is accompanied by continued development of airport infrastructure, with India's airport network expanding from 74 airports in 2014 to 166 airports. The increasing number of aircraft movements and operating locations supports recurring requirements for ground handling, aircraft servicing, towing, ground power and other GSE applications.

The increase in aircraft operations and airport infrastructure supports demand for equipment used in aircraft turnaround, ground handling, servicing and maintenance. Unlike aircraft procurement, which generally involves large and periodic capital expenditure, GSE is required across the day-to-day operating cycle of aircraft, creating a linkage between equipment demand, aircraft fleet size, utilisation and the number of operating locations. As aircraft movements and aviation facilities expand, the underlying requirement for ground-support infrastructure correspondingly increases.

The expansion of the installed aircraft base also supports the requirement for test rigs, test benches and test equipment, as aircraft, components and associated systems require testing, diagnostics, calibration, inspection and performance validation during manufacturing, maintenance and overhaul activities. Increasing fleet size, continued platform modernisation and

growing technological complexity therefore create a parallel requirement for specialised testing infrastructure. This requirement extends beyond the initial deployment of equipment, as GSE and testing systems may require periodic maintenance, repair, calibration, refurbishment, upgrades and technical support throughout their operating life, creating an associated opportunity for lifecycle-support services.

Taken together, defence capital expenditure, aircraft fleet modernisation, increasing civil aviation activity, expansion of airport infrastructure and the growing requirement for testing and maintenance capabilities provide multiple demand drivers for the GSE, test rigs, test benches and test equipment industry. While these indicators do not represent the standalone market size of these segments, their convergence provides a relevant basis for assessing the broader demand environment and addressable opportunity and medium- to long-term demand environment for specialised aerospace and defence support equipment.

3.17 Indigenous Aircraft & Platform Programmes: Implications for GSE and Testing Infrastructure

The Government of India's Aatmanirbhar Bharat initiative extends to the design, development and manufacture of aircraft and helicopter platforms, with implications for the ground-support and testing infrastructure required to operate and sustain them. Programmes such as the HTT-40 basic trainer, the ALH Rudra and other Advanced Light Helicopter variants, the Naval Utility Helicopter (NUH) and the Advanced Medium Combat Aircraft (AMCA) illustrate the Government's continued emphasis on domestic aircraft and helicopter development across the Indian Air Force, Army Aviation and Indian Navy. As these programmes progress from development to induction and sustained service, they generate requirements for ground-support equipment, test rigs, test benches and test equipment across the operating lifecycle. The table below sets out the relevance of specific platform programmes to the GSE, test rigs, test benches and test equipment industry.

Indigenous Platform / Programme	Government-backed Development	Relevance to GSE, Test Rigs, Test Benches & Test Equipment
LCA Tejas / LCA Mk-1A	Indigenous fighter aircraft programme with ongoing production and induction by the Indian Air Force.	Expansion and induction of the platform creates requirements for associated ground-support, maintenance and testing infrastructure.
HTT-40	Indigenous basic trainer aircraft developed for the Indian Air Force.	Induction of indigenous trainer aircraft supports requirements for aircraft servicing, ground handling and associated testing equipment.
ALH Rudra	Weaponised variant of the indigenous Advanced Light Helicopter, operated by Army Aviation and the Indian Air Force	Operation and sustainment of the platform require corresponding ground-support, maintenance and testing infrastructure across its service life.
Naval Utility Helicopter (NUH)	Indigenous helicopter programme for the Indian Navy, structured to build domestic manufacturing capability for naval utility helicopter requirements.	Induction and shipborne operation of the platform are expected to create corresponding requirements for ground-support and testing infrastructure suited to naval operating environments.
LCH / LUH	Indigenous helicopter programmes developed for Indian defence requirements.	Platform induction and sustainment create requirements for compatible GSE and testing infrastructure for operation, maintenance and servicing.
AMCA	Indigenous advanced fighter aircraft development programme aimed at strengthening India's domestic aerospace design and manufacturing capability.	Future induction of advanced aircraft is expected to require specialised ground-support and testing infrastructure aligned with platform-specific technical requirements.
Indigenous Defence	Government initiatives continue to promote indigenous design, development,	Increasing indigenous platform development creates a broader domestic requirement for supporting GSE, test

Indigenous Platform / Programme	Government-backed Development	Relevance to GSE, Test Rigs, Test Benches & Test Equipment
Aerospace Ecosystem	manufacturing and procurement of defence platforms.	rigs, test benches, test equipment and lifecycle-support capabilities.

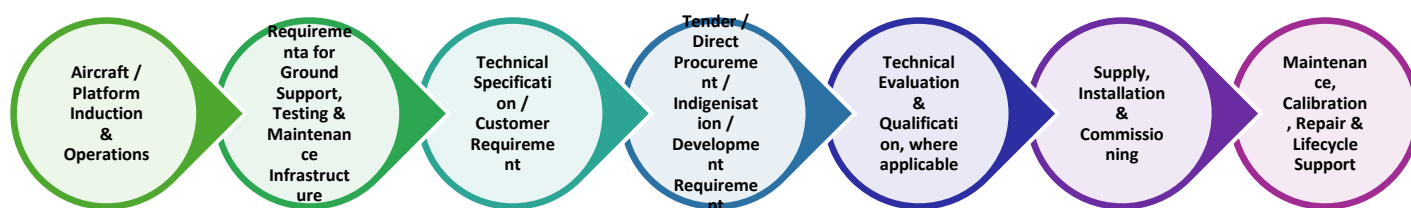
Source: Press Information Bureau (PIB), Government of India.

Part F — Customer & Procurement Ecosystem

3.18 Customer and Procurement Ecosystem

The market for GSE, Test Rigs, Test Benches and Test Equipment is supported by a customer and procurement ecosystem spanning defence organisations, aerospace manufacturers, defence public sector undertakings, research and development establishments, maintenance and overhaul facilities, and civil aviation operators. Demand arises from requirements associated with aircraft operations, maintenance, testing, production, repair and lifecycle support.

Customer Segment	Key Requirements
Indian Armed Forces	GSE for aircraft ground handling, towing, power supply, servicing, recovery and maintenance; specialised test rigs, test benches and test equipment for inspection, calibration, diagnostics and testing.
Defence Public Sector Undertakings & Aerospace Manufacturers	GSE and testing infrastructure supporting aircraft production, assembly, integration, maintenance, repair and overhaul activities.
Defence R&D and Testing Establishments	Specialised test rigs, test benches and test equipment required for development, validation, qualification and performance assessment of aircraft systems, components and subsystems.
MRO and Maintenance Facilities	GSE, testing and diagnostic equipment required for routine maintenance, inspection, repair, overhaul and calibration activities.
Civil Aviation Operators & Airport Ecosystem	GSE supporting aircraft turnaround, ground handling, towing, power supply, servicing and maintenance activities, along with relevant testing and diagnostic equipment.
Private Aerospace & Defence Manufacturers	Equipment required for manufacturing, testing, integration, maintenance and indigenous development of aerospace and defence platforms and subsystems.



Procurement is generally characterised by technical specifications, qualification requirements, product evaluation, quality inspection and acceptance procedures, particularly for defence and aerospace applications. For specialised or customised equipment, manufacturers may participate through Build-to-Print, Build-to-Specification, Indigenisation and Localisation models, with procurement routes varying by equipment category, customer requirements, technical complexity and end application. Vendor qualification and product acceptance may also require compliance with applicable aerospace and defence quality, testing and certification requirements. Depending on the nature and intended application of the equipment, these may include DGAQA approvals, testing in accordance with applicable Joint Service Specification (JSS) requirements such as JSS 55555, and quality-management certifications such as AS9100D. These requirements necessitate appropriate technical, quality and testing capabilities and can influence the qualification and selection of suppliers.

The evolving procurement framework for indigenised and localised defence equipment is also supporting greater market access for domestic manufacturers. Under applicable procurement provisions, users may procure certain localised and indigenised equipment directly from eligible manufacturers without following the standard tendering process. This provides a more direct procurement channel for indigenous manufacturers and can improve order visibility and continuity of demand for qualified suppliers, supporting more predictable production, inventory planning and sales.

As GSE and testing equipment remain in use over extended periods, manufacturers may generate additional demand through AMC, repair and maintenance, calibration, refurbishment, replacement of components, upgrades and technical support.

4. MARKET DYNAMICS

4.1 Growth Drivers

The Ground Support Equipment (GSE), test rigs, test benches and test equipment industry is supported by developments in India's aerospace and defence ecosystem, including defence modernisation, expansion of civil aviation, increasing emphasis on indigenisation, growth of domestic manufacturing capabilities and increasing lifecycle-support requirements. The key growth drivers are as follows:

Market Drivers and Impact Assessment

(All values represent directional impact based on industry estimates and qualitative analysis)

Growth Driver	(1–2 yrs)	(3–4 yrs)	(5–7 yrs)
1. Defence Capital Expenditure and Sustained Fleet Modernisation Programmes	High	High	High
2. Civil Aviation Traffic and Airport Infrastructure Expansion	High	High	High
3. Indigenisation and Import Substitution under Atmanirbhar Bharat	High	High	High
4. Domestic Manufacturing Capability and Private Sector Participation in Aerospace and Defence Production	Moderate	High	High
5. Demand for Lifecycle Support, AMC and Aftersales Services	Moderate	High	High
6. Defence Procurement Reforms and Evolving Procurement Framework	Moderate	Moderate	High

Source: Infomerics Analytics & Research

Detailed Driver Commentary

1. Defence Capital Expenditure and Sustained Fleet Modernisation Programmes

Investment in fleet modernisation across fighter, transport, trainer and helicopter platforms is associated with requirements for ground-support, servicing and testing infrastructure. Induction of new aircraft platforms and upgrade and maintenance of existing platforms is associated with requirements for ground power, towing, handling, servicing, inspection and testing equipment.

2. Civil Aviation Traffic and Airport Infrastructure Expansion

Growth in domestic and international passenger traffic, aircraft movements and airport infrastructure is associated with demand for ground handling, servicing and maintenance infrastructure across civil aviation, providing an additional demand channel for GSE used in aircraft turnaround, ground movement, power supply and servicing.

3. Indigenisation and Import Substitution under Atmanirbhar Bharat

Government measures to reduce import dependence through Atmanirbhar Bharat, Positive Indigenisation Lists and the Defence Acquisition Procedure are relevant to domestic manufacturing across the aerospace and defence supply chain, including for Indian manufacturers of GSE, test rigs, test benches and test equipment that meet applicable technical, quality, certification and procurement requirements.

4. Domestic Manufacturing Capability and Private Sector Participation in Aerospace and Defence Production

Participation of private-sector enterprises, MSMEs and other domestic manufacturers in aerospace and defence production is relevant to the availability of suppliers and capabilities required for specialised GSE, testing equipment and engineering solutions.

5. Demand for Lifecycle Support, AMC and After sales Services

GSE, test rigs, test benches and test equipment require periodic maintenance, calibration, repair, refurbishment, upgrades and technical support during their operating life, creating recurring demand for AMC, repair and maintenance services, calibration and technical support alongside the initial supply of equipment.

6. Defence Procurement Reforms and Evolving Procurement Framework

Developments in India's defence procurement framework, including measures relating to domestic participation, indigenous content and procurement efficiency, are relevant to participation by qualified Indian manufacturers, subject to applicable technical specifications, qualification requirements, vendor approvals and end-user requirements.

4.2 Market Restraints

The GSE, test rigs, test benches and test equipment industry is subject to technical requirements, procurement dependencies, qualification processes and supply-chain considerations. The key challenges, with their directional impact over three time horizons, are set out below.

Market Challenges and Impact Assessment

(All values represent directional impact based on industry estimates and qualitative analysis)

Challenge	(1–2 yrs)	(3–4 yrs)	(5–7 yrs)
1. Qualification, Certification and Vendor Approval Cycles	High	High	High
2. Dependence on Government Defence Budgets and Procurement Timelines	High	High	Moderate
3. Quality, Safety and Technical Requirements	High	High	High
4. Competition from Established Domestic and International Manufacturers	Moderate	High	High
5. Dependence on Imports for Certain High-Precision Electronic and Hydraulic Components	High	Moderate	Moderate
6. Customer Concentration and Tender-Based Procurement	Moderate	High	High

Source: Infomerics Analytics & Research

Detailed Overview

1. Qualification, Certification and Vendor Approval Cycles

Manufacturers of GSE, test rigs, test benches and test equipment may require to undergo technical evaluation, inspection, testing, field trials and vendor qualification processes. Depending on the equipment and end-user requirements, this may include applicable DGAQA approvals, JSS testing requirements such as JSS 55555 and AS9100D certification, increasing the time and resources required for supplier qualification and market entry.

2. Dependence on Government Defence Budgets and Procurement Timelines

As government and defence establishments are end-users across the defence segment, revenue visibility for suppliers is linked to defence budget allocations and procurement timelines. Delays in budgetary approvals, procurement priorities or contracting processes can result in order deferrals. Demand from civil aviation provides some diversification, although suppliers with exposure to defence customers remain sensitive to defence procurement cycles.

3. Quality, Safety and Technical Requirements

GSE and testing equipment used in aerospace and defence applications are required to meet applicable technical, quality, safety, testing and performance requirements. The availability of in-house test facilities is also an important factor for manufacturers, particularly for specialised equipment, and may include environmental testing facilities, load-testing facilities, in-house test benches and other equipment-specific testing infrastructure. Maintaining such facilities, along with appropriate quality-control systems and technical personnel, increases the capability and investment requirements for industry participants.

4. Competition from Established Domestic and International Manufacturers

The industry includes established domestic manufacturers and international companies operating across GSE, testing and specialised aerospace equipment segments. Participation from domestic enterprises, together with competition from established international suppliers, may increase competitive pressure, particularly for standardised or lower-complexity equipment.

5. Dependence on Imports for Certain High-Precision Electronic and Hydraulic Components

Certain high-precision electronic components, sensors, control systems and hydraulic components may continue to be sourced from international suppliers where domestic capacity is limited, exposing manufacturers to supply-chain disruptions, foreign exchange movements, longer lead times and changes in international trade conditions.

6. Customer Concentration and Tender-Based Procurement

Demand for specialised aerospace and defence support equipment is generated substantially through institutional, tender-based procurement processes. Orders may concentrate among a limited number of customers or programmes, and order timing may depend on tender issuance, technical evaluation, budget availability and contracting timelines, resulting in variability in revenue visibility.

5. PESTEL ANALYSIS –GROUND SUPPORT AND TESTING EQUIPMENT INDUSTRY

Factor	Key Insights and Implications
Political	- Government initiatives such as Atmanirbhar Bharat, Make in India and the Defence Acquisition Procedure (DAP) are promoting indigenous manufacturing, domestic procurement and reduced import dependence across the aerospace and defence ecosystem. - Defence procurement policies and civil aviation infrastructure initiatives, including UDAN, are supporting the development of domestic aerospace and defence capabilities and expanding the operating environment for GSE, test rigs, test benches and test equipment.
Economic	- Sustained growth in India's defence capital expenditure and increasing allocation towards domestic procurement are supporting demand for indigenous defence equipment and associated ground-support and testing infrastructure. - India's civil aviation sector recorded approximately 203.58 million passengers in 2025, supporting continued requirements for airport infrastructure, ground handling, aircraft servicing and maintenance capabilities.

	• Dependence on imports for selected high-precision electronic, hydraulic and specialised components exposes manufacturers to foreign-exchange movements, input-cost volatility, supply-chain disruptions and extended lead times.
Social	• Expansion of India's aviation network and increasing air travel are increasing the operational requirement for ground handling, servicing and maintenance capabilities across airports. • Growth in aerospace and defence manufacturing is increasing the requirement for skilled manpower across engineering, testing, maintenance, quality assurance and technical support functions.
Technological	• Increasing adoption of electrification, automation and remotely operated systems is influencing GSE design, operational efficiency, safety and environmental performance across military and civil aviation applications. • Integration of digital diagnostics, sensor-based monitoring and predictive maintenance technologies is improving testing, monitoring, maintenance planning and lifecycle-support capabilities for aircraft and associated systems.
Environmental	• Increasing emphasis on electric and low-emission GSE is encouraging consideration of alternatives to conventional diesel-powered equipment, particularly in civil airport ground operations. • Environmental considerations relating to batteries, hydraulic fluids, emissions and equipment disposal are becoming increasingly relevant in the design, manufacture and operation of aerospace ground-support equipment.
Legal	• Aerospace and defence equipment is subject to applicable procurement, quality assurance, safety, certification and vendor qualification requirements, which can influence market-entry requirements and procurement timelines. • Positive Indigenisation Lists impose import restrictions on specified defence items beyond notified timelines, encouraging domestic sourcing and indigenous development of identified defence equipment and components. • Civil aviation operations and airport activities are subject to applicable DGCA safety and regulatory requirements, influencing the deployment and operation of equipment within the civil aviation ecosystem.

The PESTEL environment is broadly supportive for the GSE, test rigs, test benches and test equipment industry, particularly due to defence indigenisation, domestic procurement, aviation infrastructure expansion and technological advancement. However, stringent qualification requirements, selected import dependencies and evolving technology and environmental requirements remain important considerations for industry participants.

6. TECHNOLOGY AND THE DIGITAL TRANSFORMATION

The aerospace support and testing equipment industry is witnessing increasing adoption of advanced engineering, automation, digital testing and data-driven technologies across equipment design, manufacturing, testing and lifecycle support. The adoption of Industry 4.0 technologies, including automation, connected systems, digital modelling, data analytics and intelligent monitoring, is supporting improvements in equipment reliability, operational efficiency, testing accuracy, safety and maintainability, while enabling manufacturers to address evolving technical requirements of aerospace and defence platforms.

1. Electrification of Ground Support Equipment

The transition towards electric-powered GSE is influencing the development of ground power units, towing equipment and other ground-support systems. Electric equipment can reduce direct emissions, noise and dependence on conventional fuel-based power sources, particularly in civil airport ground operations. The adoption of electrification is also encouraging development of higher-capacity batteries, charging systems and associated power-management technologies.

2. Automation and Remote-Controlled Systems

Automation and remote-control technologies are being incorporated into selected ground handling and servicing applications to improve operational precision, reduce manual intervention and enhance safety. These technologies can support aircraft movement, positioning and servicing activities across civil and defence aviation environments, particularly where repetitive or precision-intensive operations are involved.

3. Advanced Testing, Calibration and Diagnostic Technologies

Test rigs, test benches and test equipment are increasingly incorporating automation, precision instrumentation, digital measurement systems, sensors, advanced data-acquisition and data-analysis technologies. Existing test benches are being upgraded with automated systems to improve testing efficiency, accuracy and repeatability, while new test facilities are increasingly being developed with higher levels of automation and advanced data-acquisition and analysis capabilities. These technologies enable automated test execution, real-time monitoring, data recording and performance evaluation, supporting more accurate testing, calibration, diagnostics and performance validation of aircraft components, systems and sub-systems. They also help reduce manual intervention, improve test traceability and support quality assurance and maintenance activities.

4. Predictive Maintenance and Condition Monitoring

Sensor-based condition monitoring and data-driven maintenance technologies are enabling earlier identification of equipment degradation and potential faults. Their application across GSE and testing equipment can improve equipment availability, support preventive maintenance planning and reduce unplanned downtime. Such technologies are particularly relevant where equipment is deployed continuously across aircraft maintenance and ground operations.

5. Computer-Aided Design and Simulation

Computer-Aided Design (CAD), engineering simulation and digital modelling tools are increasingly used in the design and development of GSE, test rigs, test benches and specialised testing equipment. Simulation software enables manufacturers to model equipment configurations, evaluate performance parameters and identify potential design issues before physical prototyping, thereby improving engineering accuracy and development efficiency. Access to advanced simulation and analysis capabilities can also support the development of customised and application-specific equipment.

6. Digital Quality Management and Inspection Systems

Digital quality-management systems, electronic documentation, inspection tracking and data-based process controls are increasingly being integrated into aerospace and defence manufacturing and testing processes. These systems improve traceability, documentation, inspection consistency and quality-control efficiency across equipment manufacturing and testing activities.

7. Digital Documentation and Lifecycle Support

Digital maintenance records, equipment-history databases and computerised service-management systems are improving traceability and lifecycle management of GSE and testing equipment. Such systems can support maintenance scheduling, service history tracking, spare-parts management, calibration records and after-sales technical support, particularly for equipment deployed across multiple operating locations.

8. Indigenous Engineering and Reverse Engineering Capabilities

The development of indigenous engineering, reverse-engineering and technical documentation capabilities is supporting the localisation of specialised aerospace and defence equipment previously dependent on imported technologies or components. These capabilities can facilitate the development of import-substitute GSE, test rigs, test benches and test equipment while strengthening domestic engineering and manufacturing capabilities.

Technological development across the aerospace support and testing equipment industry is increasingly centred on electrification, automation, precision testing, digitalisation, condition monitoring and indigenous engineering capabilities. The adoption of these technologies is expected to improve equipment performance, testing accuracy, operational efficiency and lifecycle support, while also increasing the technical requirements for manufacturers operating in the aerospace and defence ecosystem.

7. COMPETITIVE LANDSCAPE

7.1 Key factor Shaping Competition

Competition in the GSE, test rigs and test equipment industry in India is influenced by multiple factors. Key factors shaping competition in the industry include:

1. Design, Engineering and Customisation Capability

The ability to design, engineer and customise GSE, test rigs, test benches and test equipment according to aircraft-specific and end-user requirements is an important competitive factor. This includes experienced engineering teams with capabilities in specialised design, simulation and analysis software, as well as automation and data-acquisition systems. Manufacturers with established in-house engineering capabilities are better positioned to address complex Build-to-Specification and Indigenisation requirements.

2. Quality, Testing and Compliance Capability

Quality assurance and adherence to applicable technical, safety and testing requirements are important considerations in the procurement of GSE, test rigs, test benches and test equipment. Manufacturers with established quality-management systems, compliance with applicable DGAQA requirements and in-house performance verification and qualification test facilities can demonstrate equipment reliability and compliance more effectively. A proven quality and compliance record can strengthen a manufacturer's ability to qualify for institutional procurement.

3. Customer Qualification and Track Record

A demonstrated track record of supplying GSE and testing equipment to defence establishments, DPSUs, aerospace manufacturers, MRO organisations, airlines, airports and other institutional customers can provide a competitive advantage. Procurement of specialised equipment may involve technical evaluation, vendor qualification, product demonstrations or field trials. Existing suppliers with an established performance history may therefore be better positioned to secure repeat orders and participate in subsequent requirements.

4. Product Portfolio and Technical Breadth

The ability to offer products across GSE, test rigs, test benches and test equipment enable manufacturers to address multiple requirements related to aircraft ground operations, maintenance, testing, diagnostics and performance validation. Broader technical and application coverage can also enable manufacturers to serve diverse customer requirements and reduce dependence on a single product category.

5. Manufacturing and Delivery Capability

Manufacturing capacity, precision fabrication capabilities, availability of skilled technical manpower and the ability to meet specified delivery schedules are important competitive considerations. Consistent delivery performance is particularly relevant for customised GSE and testing equipment where manufacturing, assembly, testing and commissioning may form part of the overall supply requirement.

6. After-Sales Support and Lifecycle Capability

GSE, test rigs, test benches and test equipment generally require maintenance, repair, calibration, refurbishment, upgrades and technical support during their operating life. Manufacturers with established after-sales capabilities and the ability to provide lifecycle support, including Annual Maintenance Contracts (AMC) where applicable, can strengthen customer retention and generate recurring business beyond the initial equipment supply.

7.2 Key Competitive Strategies

Companies operating in the GSE, test rigs and test equipment industry in India adopt various competitive strategies to strengthen market position and sustain long-term growth. Key competitive strategies adopted by industry participants include:

1. Strengthening In-House Design and Engineering Capability

Manufacturers are developing dedicated engineering capabilities to design and customise GSE, test rigs, test benches and test equipment according to customer-specific technical requirements. Access to specialised design and simulation software, including CAD, FEA and other analysis tools, along with automation and data-acquisition capabilities, can support the development of complex and application-specific equipment and enable participation in higher-value Build-to-Specification and Indigenisation requirements.

2. Increasing Indigenisation and Import Substitution

Companies are focusing on the development of indigenous alternatives to GSE and testing equipment previously sourced from overseas suppliers. Reverse engineering, technical documentation, product redesign and localisation of components can support import-substitution opportunities and strengthen domestic engineering and manufacturing capabilities.

3. Expanding Product and Application Coverage

Companies are expanding their product and application coverage to address a wider range of aircraft ground handling, servicing, maintenance, testing and diagnostic requirements. Broader application coverage can help manufacturers access multiple customer segments, increase opportunities for cross-selling and reduce dependence on individual product categories.

4. Strengthening Quality and Testing Infrastructure

Manufacturers are investing in quality-management systems, testing and validation capabilities to demonstrate equipment reliability and compliance with customer-specific requirements. Relevant quality-management standards and applicable regulatory or customer approval requirements, together with in-house performance verification and qualification facilities, can support supplier qualification and participation in aerospace and defence procurement.

5. Diversifying Product Portfolio Across GSE, Test Rigs and Test Equipment

Companies seek to establish long-term relationships with defence establishments, DPSUs, aerospace manufacturers, MRO providers, airlines and airport operators through consistent delivery, technical support and after-sales service. Successful execution of initial projects and effective lifecycle support can improve the potential for repeat orders and follow-on requirements.

6. Expanding Manufacturing and Technical Capacity

Manufacturers are investing in manufacturing infrastructure, precision engineering capabilities and skilled technical manpower to accommodate higher order volumes and increasingly complex GSE and testing requirements. Capacity expansion can improve delivery capability and support participation in larger and more technically demanding projects.

7. Increasing Lifecycle and Aftermarket Services

Companies are expanding maintenance, repair, calibration, refurbishment, upgrades and AMC-related services alongside equipment sales. Such services can create recurring revenue opportunities while strengthening customer relationships throughout the operating life of GSE, test rigs, test benches and test equipment.

7.3 Barriers to Entry

The industry has several entry barriers arising from technical requirements, customer qualification processes, specialised manufacturing capabilities and the need to establish credibility with institutional customers.

1. Technical Qualification and Vendor Approval Requirements

Defence and aerospace procurement can involve vendor registration, technical evaluation, product qualification, inspections, demonstrations and, depending on the requirement, field trials or other validation processes. Applicable quality-management, testing and approval requirements, including AS9100D, DGAQA requirements and relevant JSS specifications, may also form part of supplier qualification depending on the equipment and end-user requirements. New entrants may therefore require considerable time and resources to establish the qualifications necessary to participate in institutional procurement.

2. Specialised Design and Engineering Expertise

Development of GSE, test rigs, test benches and test equipment requires specialised knowledge across areas such as mechanical engineering, electrical systems, hydraulics, pneumatics, instrumentation and control systems, depending on the product. Access to specialised design, simulation, automation and data-acquisition software, together with experienced engineering personnel, can further increase the technical capability required for new entrants.

3. Manufacturing and Testing Infrastructure

Manufacturing GSE and specialised testing equipment requires appropriate fabrication, machining, assembly, inspection and testing infrastructure. In-house performance verification and qualification capabilities, including environmental testing, load testing and dedicated test benches, may also be required depending on product and customer requirements.

The investment required to establish and maintain such facilities can increase the initial capital and capability requirements for new participants.

4. Long Qualification and Procurement Cycles

Institutional procurement can involve lengthy technical evaluation, qualification, testing and approval processes before commercial orders are secured. New entrants may therefore need to incur design, development, testing and qualification-related expenditure well before receiving orders, creating a time and cost disadvantage compared with established suppliers.

5. Working Capital Requirements

Manufacturing customised GSE, test rigs, test benches and test equipment may involve procurement of specialised components, engineering, fabrication, assembly, testing and delivery before payment is fully realised. Extended project timelines and inventory requirements can therefore create working-capital requirements, particularly for smaller manufacturers.

6. Established Customer Relationships and Track Record

Customer confidence is an important consideration for equipment supporting aircraft ground operations, maintenance and testing. Established manufacturers with successful delivery records, demonstrated equipment performance and established service capabilities may therefore have an advantage over new entrants. Building comparable credibility requires time and successful execution of initial projects.

7. Access to Skilled Technical Manpower

The industry requires engineers, technicians, quality personnel and other skilled professionals with experience in precision manufacturing, testing, instrumentation and equipment development. The availability and retention of specialised technical manpower can therefore act as an additional barrier for new participants.

7.4 About the Company- NEXA DEFENCE (I) Limited

The Company is engaged in the design, development, indigenisation, manufacture, assembly, testing and supply of Ground Support Equipment (“GSE”), Test Rigs and Test Benches, and Test Equipment, catering to the aviation, aerospace and defence sectors. It offers its products through three business models — Build-to-Print (BTP), Build-to-Specification (BTS), and Indigenisation — and additionally provides Annual Maintenance Contracts (AMC), repair and maintenance, and technical support services for such equipment, or equipment of any other make.

Under the Build-to-Print model, the Company manufactures products strictly to technical drawings and specifications provided by the customer, with design ownership remaining with the customer; this model is used by customers such as HAL and DRDO. Under the Build-to-Specification model, the Company undertakes design, engineering and manufacturing based on customer-specified functional requirements and performance criteria. Under the Indigenisation model, the Company independently studies, designs and manufactures products in India that were earlier imported, using its own engineering analysis and technical documentation.

The Company's product offering spans Ground Support Equipment — including aircraft towing equipment, hydraulic servicing trolleys, Ground Power Units, weapon loading and armament handling equipment, aircraft jacking/weighing/levelling equipment, aircraft recovery and crash/salvage equipment, and fuel consumption trolleys; Test Rigs and Test Benches — including hydraulic, fuel system, generator and fuel pump test rigs, and tilt table arrangements for automatic transmission systems; and Test Equipment — including pitot-static test sets, fuel transmitter calibration equipment, pneumatic control panels, and charging trolley equipment. Its customers include the Indian Air Force, Indian Navy, Army Aviation, and defence public sector undertakings such as Hindustan Aeronautics Limited.

Orders are typically secured through a tender process under the Defence Acquisition Procedure (DAP), involving technical evaluation, field trials, and vendor qualification, or in certain cases, including under the Indigenisation model, through direct engagement with the relevant defence organisation. Supplying to defence customers requires registration as an approved vendor and, in certain cases, security clearance and quality certification from the Directorate General of Quality Assurance

(DGQA) or other defence quality authorities. Manufacturing and testing operations adhere to standards including AS9100D and, for select products, military specifications such as JSS 55555. Service offerings include annual maintenance services, repair and refurbishment of GSE and Ground Handling Equipment, and technical support including installation, commissioning and troubleshooting assistance.

7.5 Product Classification — NEXA DEFENCE (I) Limited

The Company's product offering, catering to the aviation, aerospace, defence and marine industries, is organised into three principle categories — Ground Support Equipment (GSE), Test Rigs and Test Benches, and Test Equipment — supplied under the Build-to-Print (BTP), Build-to-Specification (BTS) and Indigenisation business models, and supported by a dedicated Maintenance and Support Services offering across the operational life of the equipment. Set out below is a mapping of the Company's specific product portfolio against each category, together with the platform types and end-use applications served.

A. Ground Support Equipment (GSE)

Product	Description	Platform / Application
Aircraft Towing Equipment (Universal and Class-Specific Towbars)	Towbars designed for specific classes of fighter aircraft, enabling ground movement and manoeuvring without requiring aircraft engines to be started, thereby reducing fuel consumption, engine operating hours and associated wear	Fighter aircraft; hangar and dispersal-bay movement
Hydraulic Servicing Trolleys	Used to check, calibrate and service aircraft hydraulic systems, including undercarriage (landing gear) systems, flight control surfaces and armament-related mechanisms	Fighter, transport and trainer aircraft
Ground Power Units (GPUs)	Provide external electrical power and pneumatic/engine-starting capability to aircraft while grounded, enabling onboard systems to remain operational without reliance on internal power sources; includes mobile and ruggedised field variants	Fighter, transport, trainer aircraft and helicopters; forward and field operating bases
Weapon Loading and Armament Handling Equipment (Weapon Loading Trolleys, Bomb Lifts, Munitions Handling Trailers)	Used for the safe transportation and loading of armaments and munitions onto fighter aircraft, in accordance with applicable defence safety and handling protocols	Fighter aircraft; combat readiness and armament handling
Aircraft Jacking, Weighing and Levelling Equipment	Used during scheduled maintenance of the undercarriage system, shock absorbers and tyre-related servicing, including inspection, replacement and servicing of tyres and brake systems	Fighter, transport and trainer aircraft; helicopters
Aircraft Recovery and Crash/Salvage Equipment	Provides immediate response and recovery services for aircraft involved in emergency landings, crashes or runway excursions, covering weighing and handling of the disabled aircraft, tyre changes, recovery from the runway/dispersal area and safe transportation to a repair station	Fighter, transport and trainer aircraft; emergency response
Fuel Consumption Trolley	Ground-based test system used to simulate the fuel storage and consumption status of a fighter aircraft without starting the engine, enabling calibration of fuel tank/consumption patterns and verification of fuel system safety warnings and indications	Fighter aircraft

B. Test Rigs and Test Benches

Product	Description	Platform / Application
Hydraulic Test Rig	Bench-mounted system used to pressure-test, calibrate and verify hydraulic system components (actuators, pumps, control valves) removed from the aircraft, simulating aircraft hydraulic circuit conditions and measuring flow rate, pressure and leak-rate	Aircraft hydraulic system components
Fuel System Test Rig	Used to verify flow rate, pressure and leak-tightness of aircraft fuel system components, including fuel pumps, valves and quantity-gauging sensors, and to calibrate fuel gauging systems	Aircraft fuel system components
Generator Test Rig	Bench-mounted system used to test and verify the performance of aircraft electrical generators (AC/DC) removed from the aircraft, confirming output voltage, frequency, current-carrying capacity and insulation integrity	Aircraft electrical generators
Fuel Pump Test Rig	Used to test, calibrate and verify the performance of aircraft fuel pumps removed from the aircraft, measuring flow rate, discharge pressure and output characteristics against specified acceptance parameters	Aircraft fuel pumps
Tilt Table Arrangement for Automatic Transmission	Used to evaluate the effect of vehicle tilt/inclination on oil lubrication distribution within the automatic transmission system of combat vehicles, by simulating varying angles of vehicle orientation	Combat vehicles (land systems)

C. Test Equipment

Product	Description	Platform / Application
Pitot-Static Test Sets	Precision instruments used to test and calibrate an aircraft's pitot-static system, including airspeed indicators, altimeters and vertical speed indicators, by simulating altitude and airspeed conditions	Aircraft flight instrument systems
Fuel Transmitter Calibration Test Equipment	Precision test equipment used to test and calibrate aircraft fuel quantity transmitters, verifying that transmitter signal output corresponds accurately to actual fuel level/quantity	Aircraft fuel gauging systems
Pneumatic Control Panel	Portable device used to apply and measure controlled pressure to test aircraft pneumatic, hydraulic and instrument systems for leaks, correct operation and calibration accuracy	Aircraft pneumatic, hydraulic and instrument systems
Charging Trolley Equipment	Used to replenish hydraulic oil, engine oil and coolant liquid into the aircraft, enabling controlled, contamination-free topping-up as part of routine ground servicing	Aircraft fluid servicing

7.6 Key Industry Players

TechEra Engineering (India) Limited

TechEra Engineering (India) Limited is headquartered in Pune, Maharashtra, and operates within the aerospace and defence precision manufacturing space, with a core focus on Aerospace and Automation. The Company is engaged in the design, manufacture, and supply of precision tooling, components for the aerospace and defence industries, and automation system solutions, catering to clients within the country's technological and national security ecosystem. Its product portfolio spans assembly tooling's, jigs, fixtures, maintenance, repair and overhaul (MRO) tooling's, ground support equipment, and precision machined components, supported by advanced manufacturing capabilities such as 5-axis machining and 3-D modelling for design visualisation. The Company has undertaken complex engineering projects, including tooling for a commercial aircraft vertical fin assembly line and a fighter wing skin layup tool, reflecting its capability to execute precision tooling programmes for demanding aerospace applications. TechEra Engineering holds ISO 9001:2015 and AS9100D:2018 certifications, underscoring its adherence to recognised quality management systems applicable to the aerospace and defence manufacturing sector, and is listed on the Indian stock exchanges.

7.7 Product and Segment Comparison

Product and Segment Comparison	
Company	Key Products
Nexa Defence (I) Limited	Aircraft Towbars, Hydraulic Servicing Trolleys, Ground Power Units (GPUs), Weapon Loading & Armament Handling Equipment, Aircraft Jacking/Weighing/Levelling Equipment, Aircraft Recovery & Crash/Salvage Equipment, Fuel Consumption Trolleys, Ground Run Blast Deflectors, Hydraulic Test Rig, Fuel System Test Rig, Generator Test Rig, Fuel Pump Test Rig, Tilt Table Arrangement, Pitot-Static Test Sets, Fuel Transmitter Calibration Equipment, Pneumatic Control Panel, Charging Trolley Equipment.
TechEra Engineering (India) Limited	Assembly Tooling's, Jigs, Fixtures, MRO Tooling's, Ground Support Equipment, Precision Machined Components

7.8 Financial Performance Analysis

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
Financial KPI				
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38
EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.04%

7.9 Peer Benchmarking – Financial performance analysis

Key Financial Performance	Nexa Defence (I) Limited (Refer Note 1)				TechEra Engineering (India) Limited		
	For three-month period June 30, 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024	Fiscal 2026	Fiscal 2025	Fiscal 2024
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82	4,849.78	4,950.17	3,874.88
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA	-2.03%	27.75%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38	872.49	822.33	837.60

EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%	17.99%	16.61%	21.62%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13	276.84	336.05	482.25
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%	5.71%	6.79%	12.45%
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.05%	5.26%	6.74%	30.33%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00	5,259.85	4,982.53	1,590.14

7.10 Company Positioning

The Company occupies a differentiated position within India's defence and aviation ground-support ecosystem, structured around three distinct engineering and delivery models rather than a single manufacturing approach. This multi-model structure allows it to participate across the full spectrum of customer requirements — from precise replication under Build-to-Print, to functionally-driven design under Build-to-Specification, to fully independent import-substitution under Indigenisation — rather than being confined to a narrow band of the defence supply chain.

Its Build-to-Specification and Indigenisation capabilities position it beyond a pure contract manufacturer. The ability to independently develop drawings, specifications and technical documentation for previously imported equipment reflects an in-house engineering and reverse-engineering competency that is not universally available among domestic vendors and aligns the Company directly with the Government's Atmanirbhar Bharat and import-substitution priorities under the Positive Indigenisation Lists.

The Company's presence spans three complementary product categories — Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment — rather than a single product line. This breadth allows it to address customer needs across whole-aircraft ground servicing, component-level test and calibration, and portable field diagnostics, positioning it as a multi-category rather than single-product vendor within its served market.

Its customer base — spanning the Indian Air Force, Indian Navy, Army Aviation, and DPSUs such as HAL — reflects institutional relationships across all three services and the DPSU ecosystem, rather than dependence on a single branch of the armed forces or a single anchor customer. Compliance with AS9100D and applicable military specifications such as JSS 55555, together with structured Qualification Test Procedures, underpins the Company's ability to qualify for and sustain supply under the Defence Acquisition Procedure's technical evaluation and field trial requirements.

Beyond equipment supply, the Company's AMC, repair, refurbishment and technical support offerings extend its engagement with customers across the operational life of the equipment, rather than ending at the point of delivery — providing a recurring, service-based revenue stream that complements its order-based manufacturing revenue and is structurally distinct from the cyclicity typically associated with one-time equipment sales.

7.11 Swot Analysis

Strength (Internal / Competitive Advantages)	Weaknesses (Internal / Limitations)
✓ Strong government policy support driving sustained domestic demand for indigenous aerospace and defence equipment ✓ Growing indigenisation and reverse-engineering capability reducing reliance on imported ground support and testing equipment ✓ Diversified product base spanning Ground Support Equipment, Test Rigs & Test Benches, and Test Equipment, addressing multiple customer needs across defence and civil aviation ✓ Established institutional relationships across the armed forces and defence public sector undertakings	✗ Long qualification, certification and vendor approval cycles delaying revenue realisation ✗ Continued dependence on imports for select high-precision electronic, hydraulic and sensor components ✗ High working capital intensity given extended procurement and payment cycles typical of defence contracts ✗ Customer base currently concentrated within the defence and DPSU ecosystem, with limited established presence in civil aviation
Opportunities (External / Market Realities)	Threats (External / Sector Challenges)
🌱 Rising defence capital expenditure with growing budgetary earmarks for domestic procurement 🌱 Sustained fleet modernisation across the armed forces driving demand for compatible ground support and test infrastructure 🌱 Sustained growth in India's civil aviation sector and expanding airport infrastructure, offering a diversification avenue beyond defence-cycle dependency 🌱 Growing emphasis on Annual Maintenance Contracts and lifecycle support services as an ageing operational fleet requires sustained servicing 🌱 Expanding private sector and MSME participation in defence manufacturing, supported by defence industrial corridors and simplified vendor registration	⚠️ High dependence on annual defence budget allocations and government procurement timelines ⚠️ Intensifying competition from established domestic and select international manufacturers ⚠️ Stringent and evolving quality, safety and technical certification requirements raising compliance costs ⚠️ Potential delays or shifts in procurement priorities due to fiscal constraints or changing defence requirements

8. FUTURE OUTLOOK

The Ground Support Equipment (GSE), test rigs and test equipment industry in India is expected to witness sustained growth over the medium to long term, supported by rising defence capital expenditure, sustained fleet modernisation across the armed forces, continued growth in civil aviation traffic and airport infrastructure, and a progressive policy environment promoting indigenous manufacturing and import substitution. Given India's strategic emphasis on national security, self-reliance in critical aerospace and defence infrastructure, and its growing civil aviation market, the sector's deep integration with the

country's broader aerospace and defence industrial ecosystem positions it for continued strategic significance within India's evolving Atmanirbhar Bharat and modernisation agenda.

Demand for GSE, test rigs and test equipment is expected to remain strong, driven by ongoing induction of new aircraft and helicopter platforms, progressive upgradation of legacy defence fleets, expansion of India's commercial aircraft fleet and airport network, and the corresponding need for compatible ground handling, servicing and testing infrastructure across both segments. Test rigs, test benches and test equipment are anticipated to see steady demand growth alongside equipment supply, supported by the increasing complexity of aircraft systems and the growing emphasis on component-level testing, calibration and certification as part of routine maintenance and overhaul cycles for both military and commercial aircraft. Consequently, manufacturers with diversified product portfolios spanning GSE, test rigs and test equipment, alongside strong design and indigenisation capability, are expected to be well placed to capture a growing share of this evolving demand.

The industry is also expected to benefit from continued expansion of domestic manufacturing capacity, increasing private sector and MSME participation supported by defence industrial corridors, sustained government policy support through frameworks such as the Defence Acquisition Procedure, Positive Indigenisation Lists, and budgetary reservations for domestic procurement, as well as civil aviation infrastructure initiatives such as the UDAN regional connectivity scheme. These initiatives are expected to progressively strengthen the domestic supply base, reduce import dependence for critical ground support and testing infrastructure, and support the formalisation and expansion of indigenous manufacturing capacity across the sector. Manufacturers are increasingly focusing on design capability, quality certification and lifecycle service infrastructure to cater to evolving defence and civil aviation requirements and reinforce their competitive positioning within the organised segment of the industry.

Overall, the GSE, test rigs and test equipment industry is expected to remain a strategically important segment within India's broader aerospace and defence manufacturing ecosystem, with long-term expansion supported by rising defence capital outlay, sustained fleet modernisation, continued growth in civil aviation traffic and infrastructure, growing recurring demand for maintenance and aftermarket services, and continued government policy focus on strengthening India's position as a self-reliant aerospace and defence manufacturing hub.

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OUR BUSINESS

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 by any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. 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 Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus. Our fiscal ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The following discussion contains certain forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled “Forward-looking Statements”, “Risk Factors”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 23, 25, 270 and 359 respectively.

Further, names of certain customers and suppliers have not been included in this Draft Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.

Unless the context otherwise requires, references in this section to “we”, “us”, “our”, “our Company” or “Nexa Defence”, “the Company” refer to Nexa Defence (I) Limited and, where the context relates to the business operations, experience, customers, contracts, manufacturing capabilities, projects, orders, products, services or track record prior to the acquisition of the business undertaking by our Company, also include the business carried on by “Nexa Mumbai”, the sole proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, whose business undertaking was acquired by our Company on a going concern basis pursuant to a Business Transfer Agreement dated February 09, 2026. For further details, see “History and certain corporate matters” and “Definitions and Abbreviations” beginning on pages 236 and 1, respectively, of this Draft Red Herring Prospectus.

OVERVIEW

Our business of the Company traces its origins to the proprietorship concern, “Nexa Mumbai”, established in Fiscal 2015 by our Promoter, Mr. Jyothi Kumar Nannat, leveraging his experience in aerospace & defence support equipment through the proprietorship business, our Promoter incorporated our Company as “Nexa Defence (I) Private Limited” under the Companies Act, 2013, pursuant to a certificate of incorporation bearing Corporate Identification Number U41002MH2025PTC442318 dated March 7, 2025, issued by the Registrar of Companies, Central Processing Centre (“ROC”). Thereafter, our Company was converted into a public limited company, and a fresh certificate of incorporation dated February 6, 2026 was issued by the ROC. Pursuant to such conversion, the name of our Company was changed from “Nexa Defence (I) Private Limited” to “Nexa Defence (I) Limited”, and the Corporate Identification Number of our Company was changed to U41002MH2025PLC442318. Subsequently, our Company acquired the running business undertaking of the sole proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat, namely “Nexa Mumbai”, on a going concern basis pursuant to a Business Transfer Agreement dated February 9, 2026, which became effective from March 31, 2026. For further details, please refer to the chapter titled “History and certain corporate matters” beginning on page 236 of this Draft Red Herring Prospectus.

Our Company, having its registered office in Panvel, Raigad, Maharashtra, is an engineering-driven manufacturing company engaged in the design, manufacturing, assembly, development, indigenisation (that is, developing and manufacturing in India products that were previously sourced through imports), testing, supply and servicing of Ground Support Equipment (“GSE”), Test Rigs and Test Benches, and Test Equipment, catering to customers in the aerospace & defence sectors, Including end users such as Air Force stations, the Indian Army, the Indian Coast Guard, the Indian Navy and defence research organisations.

Our product portfolio is categorized into Ground Support Equipment (“GSE”), Test Rigs and Test Benches, and Test Equipment. Our products are differentiated based on their technology and capacity, depending upon the requirements of our customers. For details of our products, refer to “Our Business Model-Our Product Offerings” on page 187.

In addition to our product offerings, we provide maintenance and servicing services, including the provision of equipment spare parts required during the maintenance and servicing of equipment. For further details, see “Business Model – Our Services Portfolio” on page 198.

We supply our products and services under the business-to-business (“B2B”) model to customers including Maharatna Central Public Sector Enterprises under the Ministry of Defence, Government of India, aerospace and defence companies, and other entities operating in the aerospace & defence sectors. Under the business-to-consumer (“B2C”) model, we supply our products and services directly to end users including Air Force stations, the Indian Coast Guard, the Indian Navy and defence research organisations.

Our products are designed, developed and manufactured through three product development and manufacturing models, namely, the Build-to-Print (“BTP”) model, the Build-to-Specification (“BTS”) model and the Indigenisation model. Through the business acquired from the proprietorship concern of our Promoter, our Company has inherited over a decade of experience in the design, development and manufacture of Ground Support Equipment (“GSE”), Test Rigs and Test Benches, and Test Equipment across these models. For further details, see “Business Model” on page 185.

Our company procures raw materials, components, and consumables based on the specifications, technical requirements, and quality standards prescribed for the products to be manufactured and the orders received from customers. Refer to the section titled “**Procurement and Raw Materials**” beginning on page 203 of this Draft Red Herring Prospectus.

As of the date of this Draft Red Herring Prospectus, our Company operates two manufacturing facilities located at Panvel and Belavali. The manufacturing processes at these facilities are interlinked. As of March 31, 2026, our Company had an annualized aggregate installed manufacturing capacity of 240 units, diversified across all three product categories. For further details, please refer to “Manufacturing Facilities” on page 209 of this Draft Red Herring Prospectus.

Our Company undertakes quality control and testing procedures at various stages of the manufacturing process to ensure that products conform to prescribed technical specifications and quality requirements. We have in-house testing facilities for conducting various tests, including functional, performance, life cycle and durability tests, as applicable to the relevant product. The nature and extent of testing undertaken vary depending on the type of equipment, its intended application, operating conditions and customer specifications.

In addition to our internal quality control procedures, customers may conduct inspections, audits and verification of raw materials, components, work-in-progress and finished products at our manufacturing facilities. Such inspections and audits are undertaken to assess compliance with prescribed technical specifications, quality standards and contractual requirements prior to acceptance and delivery of the products.

Our Company has obtained key quality certifications applicable to the aviation and defence sectors, including AS9100D, ISO 9001:2015 and certification from the Directorate General of Aeronautical Quality Assurance (“DGAQA”), which support our ability to design, manufacture and supply products for these sectors. Our products are also tested in accordance with JSS 55555, an environmental test standard developed by the Ministry of Defence, Government of India, for military electronic and electrical equipment. We also have an in-house testing facility for conducting tests on relevant products. In addition to our internal quality control procedures, customers may conduct inspections, audits and verification of raw materials, components, work-in-progress and finished products at our manufacturing facilities prior to acceptance and delivery of the products. For further details, see “Quality Control and Quality Assurance” on page 204.

Our business operations are led by our promoter and managing director, Mr. Jyothi Kumar Nannat, who has over 20 years of experience in the aerospace & defence support equipment industry. His industry knowledge, technical expertise, and involvement in the day-to-day operations of our company provide strategic direction to our business. As of August 31, 2026, our company had a workforce of 151 employees comprising engineering personnel, skilled and semi-skilled workmen, administrative staff, and management personnel. For further details, please refer to the chapters titled “Our Management” and “Our Business” on page 241 and 183 of this draft red herring prospectus.

Our marketing and business development activities are primarily undertaken through participation in industry exhibitions, trade shows, business forums, and industry publications. Further, our Promoter, Mr. Jyothi Kumar Nannat, travels directly to various countries as part of industry delegations to explore opportunities for joint ventures and collaborations with foreign companies. For details, refer to the “Marketing and Distribution” section on Page 205.

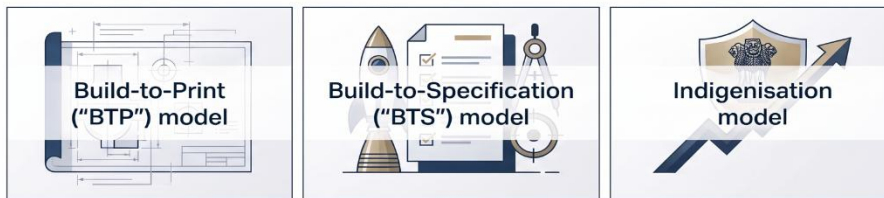
Our Company was incorporated on March 07, 2025. However, our business commenced in Fiscal 2015, when our current Promoter, Chairman and Managing Director, Mr. Jyothi Kumar Nannat, started a sole proprietorship firm under the name “M/s. Nexa Mumbai”. For key milestones, refer to the chapter titled “History and certain corporate matters” beginning on page 236 of this Draft Red Herring Prospectus.

OUR BUSINESS MODEL

We supply our products and services under the business-to-business (“B2B”) model to customers including Maharatna Central Public Sector Enterprises under the Ministry of Defence, Government of India, aerospace and defence companies, and other entities operating in the aerospace & defence sectors. Under the business-to-consumer (“B2C”) model, we supply our products and services directly to end users including Air Force stations, the Indian Coast Guard, the Indian Navy and defence research organisations.

Product Development and Manufacturing Models

Product Development & Manufacturing Model



Our products are designed, developed and manufactured through three product development and manufacturing models, namely, the Build-to-Print (“BTP”) model, the Build-to-Specification (“BTS”) model and the Indigenisation model. Through the business acquired from the proprietorship concern of our Promoter, our Company has inherited over a decade of experience in the design, manufacturing, assembly, development, indigenisation of Ground Support Equipment (“GSE”), Test Rigs & Test Benches, and Test Equipment under these models. The details of each model are set out below:

Build-to-Print (BTP)

The Build-to-Print (“BTP”) model is a product development and manufacturing model in which our Company manufactures, assembles and supplies products strictly based on the technical drawings, specifications and documentation provided by the customer. Under this model, the customer is responsible for the design and engineering of the product, while our Company's role is to manufacture, assemble and supply the products in accordance with the technical drawings, specifications and documentation provided by the customer.

Key characteristics of the built to print model include:

- **Customer Ownership of Design:** All intellectual property, design authority, and engineering responsibility remain with the customer.

- **Company's Responsibility:** The company focuses on manufacturing, assembly, quality control, and meeting delivery deadlines.
- **Quality Assurance:** Our Company follows quality control processes in accordance with the guidelines of AS9100D to ensure that finished products meet the specifications and requirements of customers. The products are also subject to inspection and testing by the customer or, where engaged by the customer, an independent third-party quality inspection agency, in accordance with the prescribed quality inspection and testing procedures. This is in addition to our in-house testing, which is conducted in accordance with the applicable customer specifications and requirements.
- **Application:** This model is applicable when a customer needs to replace an existing item or scale up production of an existing item in larger quantities, without requiring any change to their specifications.

Build-to-Specification (BTS)

Under the Build-to-Specification ("BTS") model, the customer provides a set of functional requirements, performance criteria and general specifications for a product, rather than technical drawings or blueprints. Under this model, our Company is responsible for the design, engineering and manufacturing processes required to meet the customer's specified requirements.

Key characteristics of the BTS model include:

- **Design Responsibility:** Our Company designs the product based on the customer's specifications, ensuring that the final product meets the defined performance, quality, and functional requirements.
- **Customer Provided Requirements:** The customer specifies what the product should do, how it should perform, and any regulatory or industry standards it must meet, but does not provide detailed drawings or product designs.
- **Collaboration and Innovation:** Involves close collaboration between the customer and our team, allowing for our input, innovation, and technical expertise during the design and development phases such as primarily design review and critical design review.
- **Quality Assurance:** Under this model, detailed process planning and Qualification Test Procedures ("QTPs") are prepared for each stage, including preliminary design preparation & review, design approval, qualification testing of bought-out components, and stage-wise inspection of manufactured parts. Acceptance procedures are further defined jointly with the customer's quality team, and products are tested to meet all specifications and requirements outlined by the customer.

This model is commonly used for complex or custom products in the aviation and defence industry, specialised machinery, or critical equipment, where the customer requires a solution tailored to specific objectives but does not have a fixed design in mind. It allows us to apply our technical expertise in production, design, and the realisation of innovative ideas, which we believe serves as a significant barrier to entry for other companies.

Indigenisation

Under the Indigenisation model, our Company redesigns, engineers, develops and manufactures in India products that were previously imported by our customers, in line with the objectives of the Atmanirbhar Bharat initiative. This involves our own engineering analysis, design and technical documentation to develop such products in India, without dependence on the original foreign manufacturer.

Key characteristics of the Indigenisation model include:

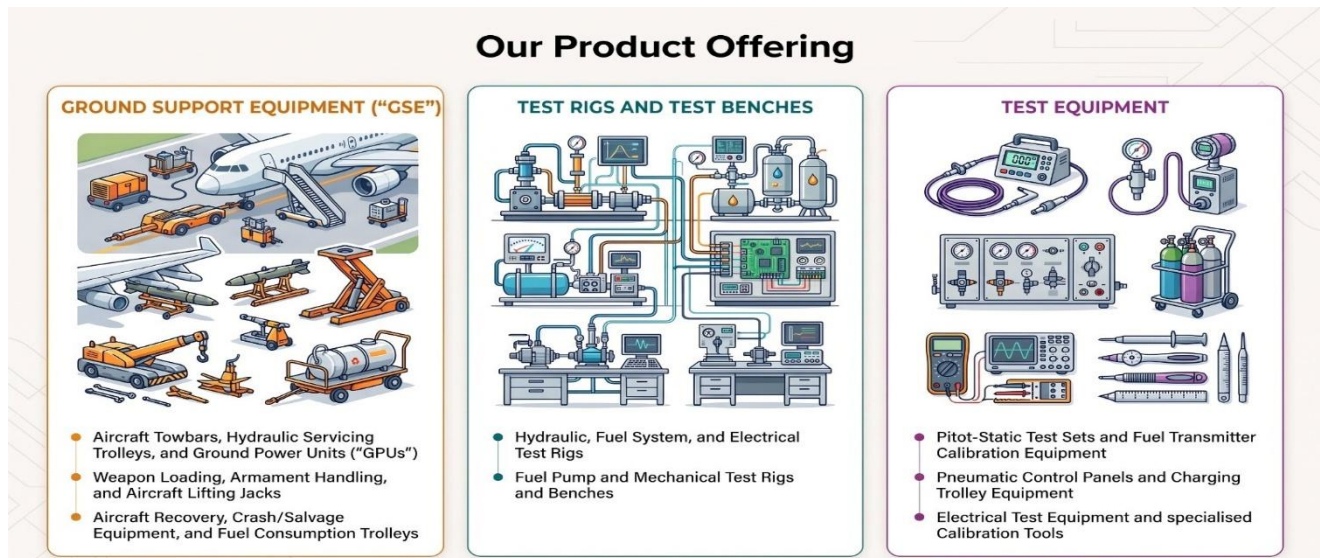
- Following the applicable requirements prescribed under the Indian Military Technical Airworthiness Requirements, 2021.

- **In-House Design and Engineering:** Our team develops its own drawings, specifications, and technical documents for the product.
- **Design Responsibility:** Our Company designs the specifications of products that were previously imported by customers, ensuring that the final products meet the defined performance, quality and functional requirements.
- **Quality Assurance:** Products developed through Indigenisation undergo the same testing and quality checks as our other products, including compliance with applicable standards such as AS9100D to ensure they meet the required performance and safety levels.
- **Application:** This model is commonly used when a customer wants to replace an imported product with a locally made where there is a strategic need to reduce import dependence and improve national security.

Importance of Indigenisation for the Nation and the Company:

- **Support for “Atmanirbhar Bharat”:** This model directly supports India's Atmanirbhar Bharat (self-reliant India) initiative, by helping build local manufacturing capability for aerospace & defence equipment.
- **Reducing Import Dependence:** We study and analyse existing imported equipment, and then independently design and manufacture a similar product in India, reducing the country's reliance on foreign suppliers.
- The Company may receive orders for such products upon obtaining the applicable Localisation Certificate (“LC”), Provisional Clearance (“PC”) and Type Approval. Following such approvals, customers may procure these products through **single-tender or direct orders**, as and when required.

Our Product Offering



Our product portfolio is categorized into Ground Support Equipment (“GSE”), Test Rigs and Test Benches, and Test Equipment. Our product offerings and specifications are differentiated based on their technology and capacity, depending upon the requirements of our customers. The key products under each product category are set out below:

a) Ground Support Equipment (GSE):

GSE refers to the specialised vehicles, systems, and equipment used to move, power, arm, service, maintain, and recover military aircraft including fighter aircraft, transport aircraft, trainer aircraft, and helicopters while stationed at air force stations, naval air stations, forward operating bases, and other defence establishments.

GSE finds application at Air Force stations, naval air stations, Coast Guard establishments and other defence establishments, including defence research organisations.

Our key Products under **Ground Support Equipment (“GSE”)** category:

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S. No.	Product	Indicative Image	Key Specifications	Application / Use
1	Aircraft Towbar		- Working Media: Hydraulic Fluid oil - Tank Capacity: 2 Liters - Pulling Capacity: Up to 15 Tons - Weight: 200 ±15kg - Overall Dimensions: L=7010 ±100 mm W=650 ±50mm H=650 ±50mm	Used to move fighter, trainer, or transport aircraft on the ground including in hangars, on dispersal areas, and along the flight line without starting the aircraft's engine. This helps save fuel, reduces engine running hours, and lowers wear and tear during routine ground movement. It is mainly used with aircraft such as: - Tejas. - Mirage-2000. - Jaguar. - MIG-21 Bison. - Hawk. - Rafale
2	Hydraulic Servicing Trolley		Working Media: Hydraulic Oil, MIL-PRF-83282 Reservoir Capacity: 70 Liters Each Tank Main Pump: Max 120 LPM at 4500 PSI Each System Boost Pump: Max 170 LPM @ 40 to 140 PSI Each System	Used to check, calibrate and service an aircraft's hydraulic systems, including the undercarriage (landing gear) system, flight control surfaces and armament-related mechanisms, in support of routine and scheduled maintenance of hydraulic circuits. This product is also referred to as the Universal Servicing Trolley ("U-HST").

S. No.	Product	Indicative Image	Key Specifications	Application / Use
3	Ground Power Unit (GPU)	 	• Output: 25–180 kVA, 115V / 200V AC (3-Phase), 28V DC, Single/Double output (model-dependent) • Engine: 3-cylinder to 6-cylinder (varies by model) • Frequency: 400 Hz • Dimensions: Self-propelled and tow-type variants available, ranging from 2,300 mm to 3,800 mm in length • Weight: 1,800 kg to 3,500 kg (model-dependent) • Operable in ambient temperature range: -30°C to $+50^{\circ}\text{C}$ (as standard)	It supplies external AC and DC electrical power to aircraft while on the ground, providing the power required to operate the aircraft's electrical systems without the need to start the aircraft's engines or auxiliary power unit.
4	Weapon Loading & Armament Handling Equipment		• Maximum Weight lifting of the trolley: 500 to 1000 kg • Overall dimensions: Length $4,000 \pm 50$ mm, Width $1,000 \pm 30$ mm, Height 550 ± 10 mm Extended Height 900 ± 20 mm • Vertical adjustment: 350 ± 10 mm; Lateral adjustment of cradle: 80 ± 5 mm • Hydraulic Jack: Length 690 mm, Dia 160 mm • Wheel assembly: Rear & Front Pneumatic Wheels, 200×100 mm	It is used for the safe transportation, positioning and loading of armaments and munitions onto combat aircraft. The trolley facilitates the movement and loading of bombs and missiles in accordance with applicable defence safety and handling protocols.

S. No.	Product	Indicative Image	Key Specifications	Application / Use
5	Aircraft Lifting Jacks		• Lifting Capacity: 5 tons (5,000 kg) to 70 tons (70,000 kg) • Tank Capacity: 18 Liters • Lift height/travel range: 760 mm $\pm$ 15 mm (min) to 2,130 mm $\pm$ 20 mm (max) • Power stroke travel 1,030 mm $\pm$ 10 mm • Hydraulic system operating pressure: 130 + 5 kg/cm² • Weight: 240 kg (approx.) • Overall dimensions: L = 1,475 mm, W = 1,040 mm, H = 945 mm	Provides the capability to lift aircraft for maintenance and servicing operations. Used during scheduled maintenance and servicing of aircraft, including routine maintenance of the undercarriage (landing gear) system and shock absorbers, and for tyre and brake system inspection, replacement, and servicing. Its robust construction and precise engineering make it an essential tool for maintenance teams, helping ensure safe and reliable aircraft lifting operations that meet stringent safety standards. Equipment is primarily used to support • SU-30 MKI aircraft. • IL-76 Cargo Aircraft • Hawk Aircraft • AN-32 Aircraft • HTT-40 Aircraft • Rafale aircraft
6	Aircraft Recovery & Crash/Salvage Equipment		• Drive type: Diesel-based, self-driven, 4-Wheel Drive • Engine power: More than 80 BHP • Ground clearance: Minimum 260 mm • Payload > 1300 Kg • Response speed: 0–60 km/hr in <15 sec; top speed 80 km/hr • Braking: Stops within 12 m at 32 km/hr • Cargo capacity: 3.4 $\times$ 1.8 $\times$ 0.45 m platform	Used to provide immediate response and recovery of aircraft involved in emergency landings, crashes or runway excursions covering weighing and handling of the disabled aircraft, tyre changes, recovery from the runway or dispersal area, and safe transportation to a repair station or designated safe location.

S. No.	Product	Indicative Image	Key Specifications	Application / Use
7	Fuel Consumption Trolley		• Working medium: Aviation Turbine Fuel (ATF), Type Jet A-1 • Fuel drain system- working pressure: 6 + 2 kg/cm² • Delivery rate - fuel drain system: 30–700 LPM • Working pressure- fuel boost system: 18 + 2 kg/cm² • Overall dimensions (max): 4,000 × 2,200 × 1,700 mm • Cleanliness standard of working fluid: Class 8 of GOST 17216-2001, or Class 4 as per NAS 1638	Used to simulate the fuel storage and fuel consumption status of a fighter aircraft on the ground, without starting the aircraft's engine. Using this trolley, the aircraft's fuel tank and fuel consumption patterns can be calibrated, along with verification of the necessary safety warnings and indications of the fuel system, including calibration of the aircraft's fuel consumption meters. This equipment is designed for carrying out defueling and fuel consumption sequencing check of Su-30MKI aircraft.

***Note:** The images, specifications and applications set out above for each product category are indicative and may vary depending on customer requirements, applicable technology, and the specifications and capacity required for a given order. The images, applications and specifications provided are based on our past work and orders delivered.*

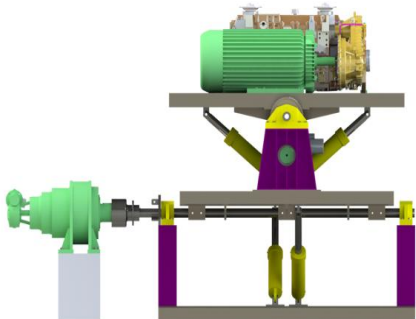
In addition to the products described above, we also design, develop, manufacture and assemble other specialised Ground Support Equipment, including Ground Run Blast Deflectors, Ground Air Conditioning Units, Single Tyre Inflators, Blast Deflectors, Devices for Lift and Fixing, and other similar equipment, catering to a range of aviation, defence and aerospace applications.

b) Test Rigs & Test Benches:

Test Rigs & Test Benches refer to ground-based test, diagnostic and calibration systems used to verify the functional performance, safety and airworthiness of aircraft components, sub-systems and line-replaceable units, either after removal from the aircraft or as part of manufacturing specifically for Jet Engine components, overhaul and periodic maintenance processes.

Our key product test rigs & test benches category are as below:

S. No.	Test Rigs & Test Benches	Indicative Image	Key Specifications	Application / Use
1	Hydraulic Test Rig		- Working media: Hydraulic Oil - MIL-H-5606E/OM-15 - Pump flow rate: 30 LPM to 120 LPM - Delivery line pressure: 0–350 kg/cm² - Hand pump pressure: 0–600 kg/cm² - DC power supply: 0–28 V, 10 Amp - Electric power supply to rig: 3-Phase, 415 V ± 10%, 50 Hz - Overall dimensions: L = 2,200 mm, W = 1,020 mm, H = 1,920 mm	This bench-mounted rig tests hydraulic parts like jacks, shut-off valves, selector valves, sequence valves and charging valves after they're removed from the aircraft. It works at high pressure and flow to recreate real aircraft hydraulic conditions, checking for pressure retention, flow and leaks confirming the part is fit to be re-fitted onto the aircraft.
2	Fuel System Test Rig		- Working Fluid: Aviation Turbine Fuel - Pump- Vane Pump - Volume Tank-4000Liter - Pressure Range -0-50 kg/ Cm² - Weight – 20 Ton - Overall dimension of the rig - 30m X 12m X 4 m	A test system used to verify the flow rate, pressure and leak-tightness of aircraft fuel system components, including fuel pumps, valves and quantity-gauging sensors, and to calibrate fuel gauging systems to required accuracy standards.
3	Electrical Test Rig		- Regulated Power Supply: 0-135 V Single Phase, 330 - 440Hz - Digital Multimeter: Auto Range : V= 0-750v AC/DC, C=0-3amp AC/DC ,R=0-10Mohm.	A bench-mounted system used to test and verify the performance of aircraft electrical generators (AC/DC) removed from the aircraft. The rig simulates operating speed, load and electrical output conditions to confirm output voltage, frequency, current-carrying capacity and insulation integrity, and to verify generator serviceability prior to re-fitment.

S. No.	Test Rigs & Test Benches	Indicative Image	Key Specifications	Application / Use
4	Fuel Pump Test Rig		- Working Fluid: Diesel (Pump & Valve Test Bench, Burner Test Rigs); Lub Oil – VG 100; Cooling-Water - Working Pressure (Diesel Lines): 170 Bar Max. - Diesel tank capacity-700 Litres - Nozzle test system pump-60 LPM at 170 kg/cm - Power supply-415 V, 3-Phase, 50 Hz - Gear box drive motor-75 kW - Data acquisition system-NI PXIe-based, multi-channel	A test system used to test, calibrate and verify the performance of aircraft jet engine fuel pumps removed from the war ship. The rig simulates operating conditions to measure flow rate, discharge pressure and output characteristics against specified acceptance parameters, confirming pump serviceability prior to re-installation on the ship.
5	Mechanical test rigs and benches		- Overall Dimension: 4,242 × 3,285 × 3,140 mm (±20 mm) - Test Stand Component Weight: Motor (200 KW) – 1,200 Kg; Gear Box – 1,400 Kg; Frames – 4,978 Kg - Electrical Power: 415 V, 3-Phase AC, 50 Hz - Gradient range: 0° to 35° (both positive and negative) - Side slope range: 0° to 20° (both positive and negative) - Max component weight handled- Up to ~4,978 kg (frame)	A test rig used to evaluate the effect of tilt or inclination of an armoured vehicle on oil lubrication distribution within its automatic transmission system. The test rig simulates varying vehicle orientation angles to verify that adequate lubrication is maintained across the range of specified operating positions.

Note: The images, specifications and applications set out above for each product category are indicative and may vary depending on customer requirements, applicable technology, and the specifications and capacity required for a given order. The images, applications and specifications provided are based on our past work and orders delivered.

In addition to the products described above, we also design, develop, manufacture and assemble other specialised test rigs and test benches, including Trim Actuator, Vapour Release Valve and other similar equipment, catering to a range of aviation, defence and aerospace applications

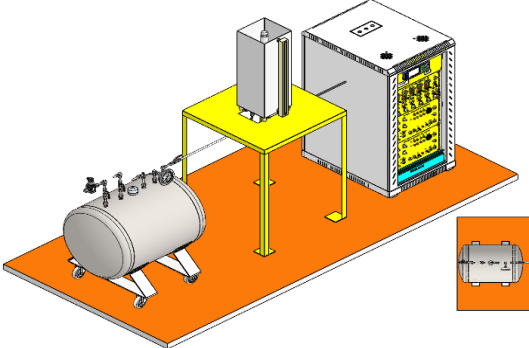
c) Test Equipment

Test Equipment refers to portable, hand-held or standalone instruments and devices used to measure, verify, diagnose or troubleshoot specific parameters or functions of an aircraft's systems and components, either on the aircraft (in-situ) or on components removed for inspection. Test Equipment is generally portable and deployable directly at the flight line, hangar or field location, enabling rapid, on-the-spot measurement and fault diagnosis without necessarily requiring component removal.

Our key product under test equipment is as below:

S. No.	Test Equipment	Indicative Image	Key Specifications	Application / Use
1	Pitot-Static Test Set		• Size: 420 X 260 X 305 mm • Temperature Range: -20°C to $+55^{\circ}\text{C}$ • Operating power supply- 27 VDC $\pm 10\%$ • Indicated air speed range: 0–1,499 km/hr • Indicated altitude range: 0–16,000 m • Weight: 18 kg	The Pitot-Static Test Set is used during aircraft instrument maintenance to check that pitot-static line connections are sealed properly and free of leaks. A technician connects it to the aircraft's pitot-static system, applies pressure or vacuum through the unit, and watches the readings to confirm the lines are holding steady. This helps catch faults early, keeps flight instruments accurate, and reduces the chance of unexpected readings. It's portable and user friendly so it can be used across different maintenance locations, not just in a fixed workshop.
2	Pneumatic Control Panel		• Working fluid: Gases (Nitrogen) • Pressure range Line 1: 5 to 200 kg/cm² (max.) • Pressure range Line 2: Up to 8 kg/cm² (max.) • Pressure leak check line: Up to 1.6 kg/cm² (max.) • Overall dimensions (L×W×H): 640 × 475 × 250 mm	The Pneumatic Control Panel is a test equipment used to charge aircraft pneumatic systems with controlled pressure and to check those systems for leaks. It is used during maintenance and testing to verify that pneumatic lines, seals and fittings are holding pressure correctly, helping confirm the system is airtight and fit for use before the aircraft returns to service.

S. No.	Test Equipment	Indicative Image	Key Specifications	Application / Use
3	Charging Trolley Equipment		- Working fluid: Nitrogen (N₂) - Charging/outlet pressure: Up to 2.5 kg/cm² - Boosted supply pressure: Up to 400 kg/cm² - Cylinder working pressure: Up to 150 kg/cm² - Mobility: Trolley-mounted, portable	Used to charge aircraft systems with pressurised nitrogen and to verify that those systems are correctly pressurised and free of leaks. It is used to charge landing gear struts and other pneumatic systems to their required operating pressure, and to fill or top up onboard nitrogen supply during servicing. As a testing tool, it also allows the operator to check the charged system for leaks before the aircraft is released for use. Being trolley-mounted, it can be wheeled to different aircraft and work areas as needed.
4	Electrical Test Equipment		- Working Media: Air - Input: 28 VDC, 25A - Output Air Range: 25-200°C - Probe Length: 1680 mm - Indicator Size: 120 x 120 mm - Thermocouple Gun Weight: 1.5 kg - Indicator Panel Weight: 2.1 kg	Used to test and verify thermocouple junctions, particularly in Su-30 engine exhaust systems. It delivers hot air, up to 200°C, through a precisely designed pointed probe to accurately test the thermocouple's response. The device has a digital meter that gives direct readings of thermocouple output, making the testing process simple and quick. Its compact, sturdy build makes it easy to carry and use, even in demanding field conditions.

S. No.	Test Equipment	Indicative Image	Key Specifications	Application / Use
5	Fuel Transmitter Calibration Test Equipment		• Connector: Part No. 95102E-14-19S50 or equivalent • Connectors: P1 to P6 • Banana terminals: 5 A, Ø4 mm, red and black (B1 to B50) • High and Low terminals with (+) and (-) • Input current • Output current	Used for testing and calibration of fuel transmitters used in aircraft fuel systems. The equipment enables calibration and functional testing of fuel transmitters using Aviation Turbine Fuel (“ATF”), tanks, valves, connectors and pipes, are designed to be compatible with ATF to facilitate safe and reliable testing and calibration.

***Note:** The images, specifications and applications set out above for each product category are indicative and may vary depending on customer requirements, applicable technology, and the specifications and capacity required for a given order. The images, applications and specifications provided are based on our past work and orders delivered.*

Our Service Offering- Maintenance and Servicing

In addition to our product offerings, we provide maintenance and servicing services for equipment manufactured by our Company as well as equipment manufactured by other manufacturers. These services include the provision of required spare parts and other equipment necessary for maintenance, servicing, replacement and repair, based on customer requirements and contractual arrangements. We primarily provide maintenance and servicing services to Air Force stations, defence research organisations, the Indian Navy and other organisations operating in the aerospace & defence sectors.

Revenue Bifurcations

Below is a revenue bifurcation of our Products and Services based upon operational model:

Business Operational Model	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations
Our Product Offerings								
Build-to-Specification (BTS)	251.72	17.50%	2,496.41	46.89%	973.58	36.80%	523.32	27.63%
Build-to-Print (BTP)	191.76	13.33%	315.38	5.92%	494.20	18.68%	287.83	15.20%
Indigenisation	917.73	63.79%	2,371.07	44.54%	928.21	35.09%	404.04	21.33%
Service Offering								
Maintenance and Servicing	77.54	5.39%	141.07	2.65%	249.46	9.43%	678.62	35.83%
Total Revenue from Operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

We supply our products and services under the business-to-business (“B2B”) model and business-to-consumer (“B2C”) model. The revenue bifurcation of our products and services is set out below:

Business Model	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Business-to-business (“B2B”)	1,392.97	96.82%	1,877.23	35.26%	1,238.55	46.82%	486.36	25.68%
Business-to-consumer (“B2C”)	45.77	3.18%	3,446.69	64.74%	1,406.90	53.18%	1,407.46	74.32%
Total Revenue from Operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

The table below sets out the bifurcation of our products and services by category, along with the key products under each category:

Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai		Nexa Mumbai	
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Product								
Ground Support Equipment								
Aircraft Towbar	-	0.00%	6.55	0.12%	-	0.00%	19.28	1.02%
Hydraulic Servicing Trolleys	103.48	7.19%	94.74	1.78%	63.91	2.42%	93.88	4.96%
Ground Power Units (“GPUs”)	42.12	2.93%	1,741.34	32.71%	751.99	28.43%	91.38	4.83%
Weapon Loading and Armament Handling Equipment	-	0.00%	29.28	0.55%	12.61	0.48%	2.40	0.13%
Aircraft Lifting Jacks	64.95	4.51%	111.40	2.09%	87.94	3.32%	107.12	5.66%
Aircraft Recovery and Crash/Salvage Equipment	30.88	2.15%	61.76	1.16%	-	0.00%	-	0.00%
Fuel Consumption Trolley	732.83	50.94%	325.70	6.12%	-	0.00%	69.36	3.66%
Other Ground Support Equipment	17.88	1.24%	187.01	3.51%	131.98	4.99%	214.45	11.32%

Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai		Nexa Mumbai	
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Grand Total-Ground Support Equipment	992.15	68.96%	2,557.78	48.04%	1,048.44	39.63%	597.87	31.57%
Test Rigs & Test Benches								
Hydraulic Test Rig	-	0.00%	12.10	0.23%	157.28	5.95%	38.82	2.05%
Fuel System Test Rig	-	0.00%	1,112.88	20.90%	288.35	10.90%	134.58	7.11%
Electrical Test Rig	-	0.00%	77.16	1.45%	37.73	1.43%	121.97	6.44%
Fuel Pump Test Rig	-	0.00%	995.88	18.71%	636.34	24.05%	-	0.00%
Mechanical test rigs and benches	147.07	10.22%	308.04	5.79%	80.23	3.03%	229.19	12.10%
Other Test Rigs and Benches	2.81	0.20%	-	0.00%	-	0.00%	-	0.00%
Grand Total-Test Rigs & Test Benches	149.88	10.42%	2,506.06	47.07%	1,199.92	45.36%	524.56	27.70%
Test Equipment								
Pitot-Static Test Set	11.09	0.77%	75.25	1.41%	85.01	3.21%	11.98	0.63%
Fuel Transmitter Calibration Test Equipment	170.04	11.82%	-	0.00%	-	0.00%	-	0.00%
Pneumatic Control Panel	23.94	1.66%	20.59	0.39%	6.13	0.23%	10.70	0.57%
Charging Trolley Equipment	-	0.00%	13.90	0.26%	-	0.00%	-	0.00%
Electrical Test Equipment	-	0.00%	7.57	0.14%	56.50	2.14%	35.21	1.86%
Other Test Equipment	14.11	0.98%	1.70	0.03%	-	0.00%	34.88	1.84%
Grand Total-Test Equipment	219.18	15.23%	119.01	2.24%	147.64	5.58%	92.77	4.90%
Total Revenue from Product	1,361.21	94.61%	5,182.85	97.35%	2,395.99	90.57%	1,215.20	64.17%
Service Category								
Maintenance and Servicing	77.54	5.39%	141.07	2.65%	249.46	9.43%	678.62	35.83%
Total Revenue	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai		Nexa Mumbai	
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
from Operations								

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

We supply our products and services to customers operating in the aerospace & defence sectors, including Air Force stations, the Indian Army, the Indian Coast Guard, the Indian Navy and defence research organisations. The revenue bifurcation by customer type is set out below:

Customer / End-User Category	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operation	% of total revenue from operations	Revenue from operation	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Aerospace & defence ¹	1,153.52	80.17%	3,816.49	71.69%	2,373.77	89.73%	1,623.29	85.72%
Defence Research Organizations	-	0.00%	19.97	0.38%	155.51	5.88%	206.07	10.88%
Indian Navy	-	0.00%	1,197.82	22.50%	63.93	2.42%	24.99	1.32%
Indian Army	-	0.00%	279.60	5.25%	46.60	1.76%	-	0.00%
Indian Coast Guard	-	0.00%	-	0.00%	-	0.00%	14.90	0.79%
Others ²	285.23	19.83%	10.04	0.19%	5.65	0.21%	24.58	1.30%
Total Revenue from Operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

1. It includes a supply made to Airforce stations, Maharatna Central Public Sector Enterprises under the Ministry of Defence

2. "Other" includes supplies made to customers operating in the defence sector for Ground Support Equipment, as well as customers operating in the industrial automation and control panel and semiconductor sectors.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

A majority of our products and services are supplied to government and government-related enterprises. The table below sets out the revenue bifurcation between government and non-government organisations and enterprises:

Customer Type	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operation	% of total revenue from operations	Revenue from operation	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Government	1,187.92	82.57%	5,315.39	99.84%	2,639.80	99.79%	1,893.82	100.00%

Customer Type	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue from operation	% of total revenue from operations	Revenue from operation	% of total revenue from operations	Revenue from operations	% of total revenue from operations	Revenue from operations	% of total revenue from operations
Non-Government ¹	250.83	17.43%	8.53	0.16%	5.65	0.21%	-	0.00%
Total Revenue from Operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

1. Non-Government¹ includes revenue from back-to-back billing to M/s. Nexa Mumbai pursuant to the Business Transfer Agreement in relation to the transition of the outstanding order book. While the underlying work is undertaken by our Company, M/s. Nexa Mumbai raises invoices to the respective end customers. Accordingly, such revenue is classified under the “Non-Government” category based on the billing arrangement.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Order Book

As of June 30, 2026, our Company has a consolidated outstanding order book of approximately ₹5,453.69 lakhs, comprising orders of ₹3,611.59 lakhs in the name of our Company and orders of ₹1,842.10 lakhs in the name of M/s. Nexa Mumbai, a proprietorship concern of our Promoter, Mr. Jyothi Kumar Nannat. The orders amounting to ₹1,842.10 lakhs continue to be in the name of M/s. Nexa Mumbai pursuant to the transition of the business to our Company. However, the execution of such orders is undertaken by our Company on a back-to-back basis. The order book comprises orders for the manufacture and supply of product under category of Ground Support Equipment (“GSE”), Test Rigs & Test Benches, and Test Equipment and services under category of Maintenance and Servicing for customers in the aerospace & defence sectors, including Air Force stations, defence research organisations, the Indian Army and other defence organisations. Further, Nexa Mumbai, a proprietorship concern of Mr. Jyothi Kumar Nannat, is in the process of transferring the orders from Nexa Mumbai to Nexa Defence (I) Limited. Where a change of name in the existing orders is not feasible, the same shall be executed on a back-to-back basis by Nexa Defence (I) Limited.

The following table sets forth certain key ongoing projects forming part of our order book as of June 30, 2026:

Category of Customer ¹	Business Operational Model	Order Value (₹ in lakhs)
Aerospace & defence	Indigenisation	1,889.24
Aerospace & defence	Build-to-Specification (BTS)	1,351.14
Aerospace & defence	Maintenance and Servicing	908.23
Defence Navy	Build-to-Specification (BTS)	476.95
Defence Army	Build-to-Specification (BTS)	421.77
Aerospace & defence	Build-to-Print (BTP)	281.48
Defence Research Organizations	Build-to-Specification (BTS)	78.00
Defence Research Organizations	Maintenance and Servicing	46.87
Total		5,453.69

Note: In case of orders received in the name of Nexa Mumbai, for the purpose of categorisation of the order value as on the relevant date, the categorisation should be based on the original customer/end user from whom the order was received. Further, all orders disclosed above are orders received from third-party customers and exclude any internal orders of Nexa Mumbai issued for execution by our Company on a back-to-back basis pursuant to the transition of such orders.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Confirmation:

We hereby confirm that, pursuant to the transfer of business with effect from March 31, 2026, Nexa Mumbai does not carry out any business operations or undertake any new transactions. The business, including the relevant

operations, customers, suppliers and orders, has been transferred to Nexa Defence (I) Limited with effect from March 31, 2026.

Procurement and Raw Materials

Our Company uses a variety of product-specific raw materials, components, assemblies and consumables in the manufacture and assembly of its products. The nature of raw materials required varies depending on the product design, customer specifications, technical requirements and end-use application. A majority of our raw materials and components are sourced from suppliers located in India. However, where required to meet specific technical, quality or performance requirements prescribed by customers, we also procure certain raw materials, components and equipment from suppliers located outside India.

The table below sets forth certain key raw materials, components and assemblies used in the manufacture of our products, along with their specifications and principle sources of procurement:

Category	Key Raw Material with Specifications	Specific Finished Goods	Source (Domestic / International)
Mild Steels	C-Channel, Angles, Plates, Pipes, Rounds, Hexagon with various sizes/dimensions	All	India
Stainless steel	Angles, Plates, Pipes, Rounds, Hexagon	All	India
Aluminum	Plates, Hex, Angles, Round, Pipe & Square Pipes	All	India
Hydraulic Pump	Axial Piston Pump, Radial Piston Pump, Gear Pump, Centrifugal Pump	Hydraulic Test Rig, Hydraulic Servicing Trolley	India
Diesel Engine	Up-to 310 hp and depend upon product lines	GPU, Hydraulic Servicing Trolley	India
Hydraulic and Pneumatic Regulators and Valves	Rated Pressure, Rated Flow	Hydraulic Test Rig, Hydraulic Servicing Trolleys, Fuel Consumption Trolley	India
Electrical Equipment & Cables/Wires	Motor, sensor, switch, digital indicator, electric wire, electric connector, etc.	All	India

The table below provides a bifurcation of the Company's total raw material purchases between domestic procurement and imports (outside India):

Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total Purchase	% of total purchase	Total Purchase	% of total purchase	Total Purchase	% of total purchase	Total Purchase	% of total purchase
Domestic Purchases								
Maharashtra	437.66	77.72%	2,264.46	76.94%	1,429.27	83.22%	1,046.08	77.23%
Karnataka	26.19	4.65%	383.58	13.03%	156.39	9.11%	153.17	11.31%
Gujarat	48.87	8.68%	102.39	3.48%	29.66	1.73%	42.54	3.14%
Uttar Pradesh	23.41	4.16%	31.98	1.09%	9.81	0.57%	35.02	2.59%
Tamil Nadu	3.45	0.61%	30.26	1.03%	40.54	2.36%	23.71	1.75%
Delhi	1.23	0.22%	20.27	0.69%	16.65	0.97%	5.94	0.44%
Haryana	7.89	1.40%	3.35	0.11%	3.28	0.19%	17.58	1.30%
West Bengal	0.77	0.14%	11.54	0.39%	11.27	0.66%	6.87	0.51%

Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Total Purchase	% of total purchase	Total Purchase	% of total purchase	Total Purchase	% of total purchase	Total Purchase	% of total purchase
Madhya Pradesh	1.61	0.29%	11.26	0.38%	10.27	0.60%	2.13	0.16%
Telangana	9.86	1.75%	11.91	0.40%	1.06	0.06%	1.26	0.09%
Others	2.15	0.38%	9.32	0.32%	0.52	0.03%	4.73	0.35%
Sub-total (A)	563.10	100.00%	2,880.30	97.87%	1,708.74	99.49%	1,339.03	98.86%
Imports (Outside India)								
Ireland	-	0.00%	36.79	1.25%	-	0.00%	-	0.00%
Estonia	-	0.00%	21.60	0.73%	-	0.00%	-	0.00%
USA	-	0.00%	0.51	0.02%	1.33	0.08%	4.00	0.30%
Germany	-	0.00%	-	0.00%	-	0.00%	5.45	0.40%
Others	-	0.00%	3.87	0.13%	7.44	0.43%	6.03	0.45%
Sub-total (B)	-	0.00%	62.77	2.13%	8.78	0.51%	15.48	1.14%
Total Purchases (A+B)	563.10	100.00%	2,943.07	100.00%	1,717.52	100.00%	1,354.51	100.00%

Note: Our Company has made domestic purchases from suppliers located in various states and Union Territories, including Goa, Punjab, Assam, Kerala, Rajasthan, Chandigarh, Jammu and Kashmir and Bihar. Further, our Company has also made purchases from suppliers located outside India, including the United Kingdom, Italy, Germany and China.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Our procurement of raw materials is dependent on a number of suppliers, who contribute a significant portion of our total purchases. The table set forth below are contribution of our top suppliers towards our total purchases during the period:

Particulars	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Fiscal 2026							
	Total Purchase	% of total purchase	Total Purchase	% of total purchase	Fiscal 2025	Total Purchase	% of total purchase	Total Purchase
Top 1	61.42	10.91%	289.73	9.84%	297.09	17.30%	129.58	9.57%
Top 3	133.54	23.71%	773.89	26.30%	537.80	31.31%	299.61	22.12%
Top 5	189.31	33.62%	1,112.03	37.78%	723.53	42.13%	389.35	28.74%
Top 10	279.62	49.66%	1,556.98	52.90%	931.28	54.22%	558.91	41.26%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Quality Control and Quality Assurance

Quality assurance and adherence to prescribed technical standards are integral to our operations. Our Company has established quality control procedures across various stages of procurement, manufacturing, assembly, testing and delivery of products. We undertake quality inspections and testing procedures to ensure that our products conform to customer specifications, applicable technical requirements and prescribed quality standards.

Our Company has obtained AS9100D and ISO 9001:2015 certifications. AS9100D is a quality management system standard developed specifically for organizations operating in the aviation, space and defence industries and incorporates additional requirements relating to product safety, risk management, configuration management, traceability and counterfeit part prevention. We have also obtained approval from the Director General of Aeronautical Quality Assurance (“DGAQA”), and our products are subject to inspection, testing and acceptance procedures in accordance with applicable customer and regulatory requirements, including, where required, customer audits and quality-related acceptance testing prior to delivery.

We also maintain in-house testing facilities for functional, performance, quality and reliability testing, tailored to each product's application and customer requirements. For further details see “Machinery & Equipment” and “Human Resource” on page 222 and 224 respectively.

Sales and Marketing

Our marketing and business development activities are primarily undertaken through participation in industry exhibitions, trade shows, business forums and industry publications. Through the business acquired from “Nexa Mumbai”, our Company has participated in various industry events and exhibitions, including the International Defence Aviation Exposition 2024, Inter Passenger Terminal Show 2025, Wings India 2026, Aeromart 2026, Airport 360 2026 etc. Our Promoter and Managing Director, Mr. Jyothi Kumar Nannat, has actively represented the business at such events, facilitating engagement with customers, prospective customers, industry participants and other stakeholders.

Our Promoter and Managing Director, Mr. Jyothi Kumar Nannat, has been invited to and participated in various business delegations, summits and industry forums in India and overseas, alongside Indian leaders and government and industry representatives. Such participation has provided opportunities to engage with international delegations, companies and organisations and explore potential business opportunities, collaborations and partnerships in relation to the Company’s business.

Further, our business and products have been featured in Aviation 360 magazine through its Special Editions for 2025 and 2026. Such participation in industry events and publications provides us with opportunities to showcase our products, manufacturing capabilities and service offerings and to engage with participants in the aviation, aerospace and defence sectors.

Illustrative Photographs of Participation in Industry Exhibitions, Trade Shows and Business Forums:

AIRPORT 360 2026



AEROMART 2026



AERODEF 2026

AVIATION 360 MAGAZINE (EDITION 2025 & 2026)



WINGS INDIA 2026 (HYDERABAD)



INTER PASSENGER TERMINAL SHOW 2025 (MUMBAI)



INTERNATIONAL DEFENCE AVIATION EXPOSITION 2024



Logistics and Supply Chain

Our Company relies on third-party logistics service providers for its supply chain and transportation requirements, including the procurement of raw materials and the supply of finished products.

Finished goods are dispatched within India through road transportation, based on contractual arrangements with customers, under which the Company is responsible for transportation and delivery obligations up to the agreed delivery point. For third-party freight and transportation activities, our Company engages logistics service providers, who coordinate the movement of goods and track shipments to monitor timely delivery.

The table below sets out the Company's total transportation and freight expenses as a percentage of total costs:

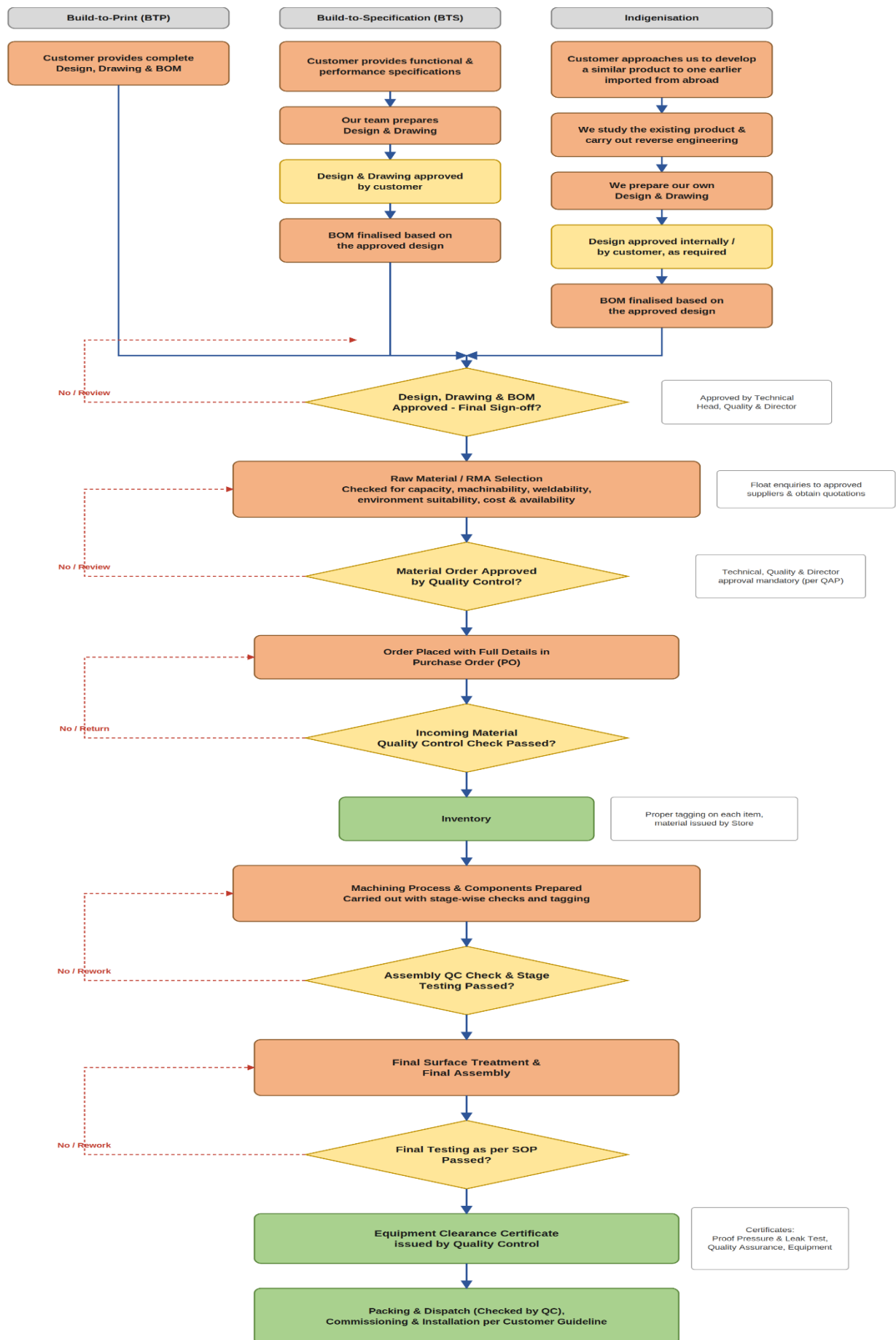
Particulars	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Defence			
	For three months period June 30, 2026	% of Total Cost	Fiscal 2026	% Total Cost	Fiscal 2025	% Total Cost	Fiscal 2024	% Total Cost
Freight and Transportation Expenses	17.64	1.55	92.82	1.98	48.34	1.92	45.55	2.53

MANUFACTURING PROCESS

Our products are designed, developed and manufactured through three product development and manufacturing models, namely, the Build-to-Print (“BTP”) model, the Build-to-Specification (“BTS”) model and the Indigenisation model, the manufacturing process may vary depending upon the nature of the product, customer requirements, applicable technical standards and end-use application. The process generally involves design and development (where applicable), procurement of raw materials and components, manufacturing, assembly, testing, inspection and final delivery of the product.

Our Company follows a structured, quality-controlled process for executing projects, whether undertaken under the Build-to-Print (BTP), Build-to-Specification (BTS), or Indigenisation model. The three models differ only in how the design, drawing, and Bill of Materials (“BOM”) originate, before converging into a common process for material sourcing, manufacturing, and quality control, as set out below.

Below are a Manufacturing Process of Build-to-Specification (BTS) Model, Build-to-Print (BTP) and Indigenisation Model:



Build-to-Print (BTP)

Under this model, the customer provides the complete design, drawing, and bill of material (BOM), and our Company manufactures the product strictly in accordance with these customer-supplied specifications.

Build-to-Specification (BTS)

Under this model, the customer provides functional and performance specifications. Our engineering team prepares the design and drawing based on these specifications, which are approved by the customer, following which the bill of material (BOM) is finalised based on the approved design.

Indigenisation

Under this model, a customer approaches our Company to develop a domestically manufactured equivalent of a product previously imported from abroad. Our Company studies the existing product, prepares its own design and drawing, and obtains approval internally or from the customer, as required, following which the bill of material (BOM) is finalised.

Common Process (applicable to all three models)

1. **Final Sign-off:** the design, drawing, and bill of material (BOM) undergo final approval by the Technical Head of Department, Quality, and Director. If not approved, the design is reviewed and revised before resubmission.
2. **Raw Material / RMA Selection:** materials are selected based on suitable capacity, machinability, weldability, environmental suitability, cost, and availability, with enquiries floated to approved suppliers and quotations obtained.
3. **Material Order Approval:** the proposed material order is reviewed and approved by Quality Control, with mandatory sign-off from Technical, Quality, and Director functions (in accordance with the applicable Quality Assurance Plan). If not approved, the material selection is reviewed and reconsidered.
4. **Order Placement:** upon approval, the order is placed with full details specified in the Purchase Order.
5. **Incoming Material Quality Check:** materials received are inspected; failed materials are returned to the supplier, while approved materials are tagged and moved into inventory.
6. **Machining and Component Preparation:** components are machined and prepared, with quality checks and tagging carried out at each stage.
7. **Assembly and Stage Testing:** assembled products undergo stage-wise testing; any failure is reworked before the product proceeds further.
8. **Final Surface Treatment and Final Assembly:** the product undergoes final surface treatment and is assembled into its finished form.
9. **Final Testing:** the product undergoes final testing in accordance with the applicable Standard Operating Procedure; any failure is reworked before re-testing.
10. **Equipment Clearance Certification:** Upon successful testing, an Equipment Clearance Certificate is issued by Quality Control, supported by a Proof Pressure and Leak Test Certificate, a Quality Assurance Certificate, and an Equipment Certificate. Quality inspections and testing activities are conducted at various stages of manufacturing to monitor ongoing compliance with design specifications and quality standards.
11. **Customer Acceptance:** Customer representatives visit our facility to verify and approve the finished goods, and, where required, undertake inspection, witness testing, or acceptance testing prior to dispatch.
12. **Packing, Dispatch, and Commissioning:** the cleared product is packed and dispatched after being checked by Quality Control, and is commissioned and installed at the customer's site in accordance with the customer's guidelines.

Our Company has a manufacturing facility located at below locations:

Location	Total Area	Own/Leased	Usage Purpose
Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India	270.09 Square Meter	Leased	Manufacturing of Products/Workshop
Plot No. 1055, Survey No. 114, Belavali Post, Chakhale, Panvel, Village Belavali, District – Raigad, Maharashtra, 410221, India	724.64 Square Meter	Leased	Manufacturing of Products/Workshop

Note: The Company manufactures a diverse range of specialized defence equipment on an order-based manufacturing model across both Unit 1 (Plot No 118, Sector 1 (S), CIDCO Industrial Area, New Panvel East, Maharashtra- 410206) and Unit 2 (Plot no. 1055, Survey No. 114, Belavali, The. Panvel, Dist. Raigad, Maharashtra). Unit 1 primarily undertakes the initial machining and basic manufacturing operations, following which the semi-finished components are transferred to Unit 2 for subsequent processing and specialized operations using dedicated machinery installed at the unit.

CAPACITY AND CAPACITY UTILIZATION

The installed capacity of our manufacturing facilities has been assessed by an independent Chartered Engineer based on available manufacturing infrastructure, machinery and equipment, assembly facilities, testing capabilities, manpower deployment and estimated production hours under normal operating conditions.

Considering the customized and project-based nature of our products, actual production volumes may vary depending upon the product mix, technical specifications, complexity and execution timelines associated with individual customer orders. Based on the Chartered Engineer's assessment, our manufacturing facilities have an installed capacity to manufacture approximately 240 units of Ground Support Equipment, Test Rigs & Test Benches and Test Equipment.

Product Category	UOM	1-Apr-23 to 31-Mar-24 2023-24			1-Apr-24 to 31-Mar-25 2024-25			1-Apr-25 to 31-Mar-26 2025-26			1-Apr-26 to 30-Jun-26 2026-27		
		Plant Capacity	Utilized Capacity	%	Plant Capacity	Utilized Capacity	%	Plant Capacity	Utilized Capacity	%	Plant Capacity	Utilized Capacity	%
Ground Support Equipment (GSE)	NOS	240.00	22.00	9.16%	240.00	65.00	27.08%	240.00	117.00	48.75%	60.00	18.00	30.00%
Test Equipment	NOS		1.00	0.41%		15.00	6.25%		7.00	2.91%		14.00	5.83%
Test Rigs & Test Benches	NOS		3.00	1.25%		2.00	0.83%		10.00	4.16%		1.00	1.66%
Total	NOS	240.00	26.00	10.83%	240.00	82.00	34.16%	240.00	134.00	55.83%	60.00	33.00	55.00%

The above details relating to Installed Capacity and Utilized Capacity are based on the certificate dated September 21, 2026, issued by Garg & Associates, Chartered Engineers.

Note: The manufacturing facilities have interlinked processes, wherein the output of one facility/process may form an input for the subsequent process at the other facility. Accordingly, the installed capacity is determined based on the final output stage, after considering the interlinked manufacturing processes, to avoid duplication of capacity.

GLIMPSES FROM OUR MANUFACTURING FACILITY

<u>Manufacturing Facility 01</u>
Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India:



Manufacturing Facility 02

Plot No. 1055, Survey No. 114, Belavali Post, Chakhale, Panvel, Village Belavali, District – Raigad, Maharashtra, 410221, India:



FACILITY EXTERIOR



KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ In Lakhs except percentages and ratios)

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
Financial KPI				
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.04%
Operational KPI				
No of Airforce Station served (8)	8	42	45	50
Average Revenue per Order (₹ in lakhs) (9)	20.85	26.49	11.31	1.91
Average revenue per state (₹ in lakhs) (10)	159.86	313.17	125.97	94.69
No of Customers Served (11)	14	51	55	60
No of Repeated Customers (12)	9	44	45	51
% of repeated Customer (13)	64.29%	86.27%	81.82%	85.00%
Average Revenue per Customer (₹ in lakhs) (14)	102.77	104.39	48.10	31.56

Note: For March 2026, the Balance Sheet line items have been considered from the restated financial statements of Nexa Defence (I) Limited, as the Company acquired the business of “Nexa Mumbai” pursuant to the Business Transfer Agreement with effect from March 31, 2026. Accordingly, Balance Sheet line items, such as Net Worth and Total Equity, have been considered only for Nexa Defence (I) Limited. The Profit and Loss Account line items have been considered on a combined basis for Nexa Defence (I) Limited and “Nexa Mumbai”, after eliminating inter-company transactions, to provide a consistent and comparable presentation of the financial performance.

Notes:

8. Revenue from operation means revenue from sale of the products
9. EBITDA is calculated as Profit before tax + Depreciation + Interest Costs-Other Income
10. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
11. PAT Means Profit for the year as appearing in the Restated Financial Statements.
12. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
13. Net Worth amounts are calculated as Share capital and Reserve & Surplus or Proprietor's Capital - Deferred expenses as per Restated Financial Statements
14. Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by total equity
15. No of Airforce Station served means no of Airforce station from which revenue has been recorded
16. Average revenue per order is calculated is total revenue from operations divided by no of order from which revenue has been recorded during the period
17. Average revenue per states is calculated total revenue divided by no of states company has billed during the period
18. Number of customers served means the number of customers from whom we have generated revenue during the relevant period.
19. No of repeated customer means company has recorded a revenue in current period where those customers are also in past year
20. % of repeated customer means no of repeated customers divided by number of customers served
21. Average revenue per customer is equal to total revenue divided by no of customer from revenue recorded

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

GEOGRAPHICAL PRESENCE

The Company currently has a domestic presence across 22 states and union territories in India through the supply of its products and services to customers operating in the aerospace & defence, defence research organizations, Indian Navy, Indian Army and Indian Coast Guard and defence support organisations.

The following table sets forth the state-wise distribution of revenue from operations for the periods indicated:

States	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations	Revenue From Operations	% of total revenue from operations
Maharashtra	1,073.82	74.64%	1,885.68	35.42%	195.66	7.40%	285.64	15.08%
Uttar Pradesh	173.19	12.04%	1,320.61	24.81%	981.18	37.09%	488.41	25.79%
Delhi	32.78	2.28%	1,721.13	32.33%	637.10	24.08%	57.24	3.02%
Karnataka	147.07	10.22%	12.58	0.24%	236.80	8.95%	95.69	5.05%
Assam	1.80	0.13%	61.37	1.15%	248.86	9.41%	217.85	11.50%
Tamil Nadu	2.40	0.17%	22.21	0.42%	60.14	2.27%	191.70	10.12%
Gujarat	2.16	0.15%	10.78	0.20%	59.06	2.23%	81.59	4.31%
Haryana	-	0.00%	23.29	0.44%	19.47	0.74%	47.67	2.52%
Punjab	-	0.00%	54.18	1.02%	22.62	0.86%	56.43	2.98%
Madhya Pradesh	-	0.00%	37.95	0.71%	4.75	0.18%	197.09	10.41%
Others	5.53	0.38%	174.13	3.27%	179.80	6.80%	174.50	9.21%
Total Revenue from Operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

Note: Our Company has made supplies to customers across various other states and Union Territories, including Andaman and Nicobar Islands, Andhra Pradesh, Bihar, Chandigarh, Goa, Jammu and Kashmir, Kerala, Ladakh, Madhya Pradesh, Odisha, Rajasthan, Telangana and West Bengal.

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Our Company has not undertaken any exports during the last three financial years and the stub period ended June 30, 2026. However, our Company has received first order from an aircraft maintenance, repair and overhaul (“MRO”) company based in Malaysia for the supply of a Ground Power Unit (“GPU”) for an order value of USD 26,647.

Further table set forth below is contribution of our major customers towards our revenue from operations:

Customer	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three months period ended June 30, 2026		Fiscal 2026		Fiscal 2025		Fiscal 2024	
	Revenue From	% of total revenue	Revenue From	% of total revenue	Revenue From	% of total revenue	Revenue From	% of total revenue

	Operatio ns	from operatio ns	Operatio ns	from operatio ns	Operatio ns	from operatio ns	Operatio ns	from operatio ns
Top 1	937.22	65.14%	1,720.49	32.32%	1,180.24	44.61%	453.50	23.95%
Top 3	1,392.18	96.76%	4,351.61	81.74%	1,951.68	73.78%	802.92	42.40%
Top 5	1,429.07	99.33%	4,721.94	88.69%	2,179.12	82.37%	997.91	52.69%
Top 10	1,436.48	99.84%	5,019.64	94.28%	2,402.39	90.81%	1,249.05	65.95%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

Note: Our customers include entities operating in the aerospace & defence sectors, including Air Force stations, the Indian Coast Guard, the Indian Navy, defence research organisations and Maharatna Central Public Sector Enterprises under the Ministry of Defence, Government of India. However, we have not obtained consent from the respective customers to disclose their names.

ORDER PROCUREMENT AND CUSTOMER ACQUISITION PROCESS:

Our Company procures orders and acquires customers primarily through participation in tender-based procurement processes and through relationships with existing customers operating in the aerospace & defence sectors, including Air Force stations, the Indian Navy, the Indian Coast Guard, defence research organisations and other defence entities. In addition, under the Indigenisation model, we may receive subsequent orders directly from customers without a formal tender process. In certain cases, we also receive orders under the single tender facility of customers. The details relating to these processes are described below.

a) Through tender based Participation

A significant portion of our orders is obtained through participation in tenders, requests for quotations (“RFQs”), limited tenders and other procurement processes issued by government entities, public sector undertakings, defence establishments and other institutional customers. Upon identification of suitable opportunities, we evaluate the technical specifications, qualification requirements, commercial terms and delivery schedules prescribed by the customer and submit technical and commercial bids. Upon successful qualification and selection, we execute the order in accordance with the contractual terms and customer requirements. Our process for securing orders through this route involves the following:

1. **Identification of Opportunities:** We monitor tender notifications issued through government e-procurement portals, defence and public sector undertaking portals, and customer-specific tender processes, in addition to relying on common public tender portals, so as to diversify our sources of opportunities.
2. **Evaluation of Requirements:** Upon identifying a suitable opportunity, we evaluate the technical specifications, eligibility and qualification criteria (including any vendor registration, security clearance, or quality certification requirements), commercial terms, and delivery schedules prescribed by the customer.
3. **Bid Preparation and Submission:** We prepare and submit technical and commercial bids in accordance with the requirements set out in the tender documentation.
4. **Technical Evaluation and Field Trials:** Our bids and, where applicable, our products are subject to technical evaluation, field trials, and vendor qualification processes conducted by the customer.
5. **Award and Execution:** Upon successful qualification and selection, the order or contract is awarded to us, and we execute the same in accordance with the contractual terms and customer requirements and entered into formal agreements.

Under the **Single Tender Facility**, the procurement process is similar to the tender-based procurement process described above; however, the tender is issued specifically to our Company based on the applicable Localisation Certificate (“LC”), Provisional Clearance (“PC”) and Type Approval. In some cases, the Request for Proposal (“RFP”) specifically mentions only our Company as the eligible participant, or refers to the applicable certification or approval held by or granted to our Company, and specifies the corresponding certification or approval requirements for procurement of the relevant product.

b) Through director order from customer (offline order)

We receive repeat orders and additional business from existing customers with whom we have established relationships through the business acquired from “Nexa Mumbai” and our Company's operations. Our technical capabilities, product quality and after-sales support enable us to identify and respond to customer requirements for maintenance, replacement, upgrades and new equipment. Under the Indigenisation model, we may also receive subsequent orders directly from customers without a formal tender process, based on our demonstrated capability to develop indigenous alternatives to products previously imported by such customers.

The table below sets out the bifurcation of revenue generated through tender based participation or through existing customer relationships during the respective periods:

Sale Channels	Nexa Defence		Combined (Nexa Mumbai & Nexa Defence)		Nexa Mumbai			
	Three month ended June 30, 2026	% of total revenue from operations	Fiscal 2026	% of total revenue from operations	Fiscal 2025	% of total revenue from operations	Fiscal 2024	% of total revenue from operations
Through tender based Participation	1,140.35	79.26%	4,670.71	87.73%	2,352.19	88.91%	1,071.40	56.57%
Single Tender Facility	-	0.00%	353.38	6.64%	1.25	0.05%	2.51	0.13%
Total from tender-based contracts	1,140.35	79.26%	5,024.09	94.37%	2,353.44	88.96%	1,073.91	56.71%
Direct Order from Customer	298.40	20.74%	299.83	5.63%	292.01	11.04%	819.92	43.29%
Total Revenue from operations	1,438.75	100.00%	5,323.92	100.00%	2,645.45	100.00%	1,893.82	100.00%

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

1 Direct Orders from Customers for the three-month period ended June 30, 2026 include revenue from back-to-back billing to M/s. Nexa Mumbai pursuant to the Business Transfer Agreement in relation to the transition of the outstanding order book. While the underlying work is undertaken by our Company, M/s. Nexa Mumbai raises invoices to the respective end customers, who are primarily sourced through tender-based procurement. Accordingly, such revenue has been classified under the “Direct Order” category based on the billing arrangement.

STRATEGIC PARTNERSHIP AGREEMENTS/MOU

Our Company has entered into the following non-binding Memoranda of Understanding (“MoUs”) with foreign original equipment manufacturers, in furtherance of its business strategy of expanding its product offerings and manufacturing capabilities through collaborative and technology transfer arrangements:

a) MoU with an Estonia-based original equipment manufacturer

Our Company has entered into an MoU dated November 6, 2025 with an Estonia-based original equipment manufacturer (OEM), for the supply of Ground Power Units, Bridge Mount Equipment, and Cable Assembly to Indian defence and related organisations, with assembly to be carried out in India in line with the “Make in India” initiative. Key terms include:

- GPU units will initially be developed at OEM’s facility, with our Company undertaking marketing across Indian defence organisations; feasibility of parts/assembly at our Company's facility will be explored over time.
- Our Company's technical team will receive training from OEM in Estonia, covering rectification, maintenance, and (as volumes increase) assembly/disassembly procedures.
- Equipment will be shipped to India by OEM with transportation costs borne by our Company and packing costs borne by OEM.
- Our Company will supply the equipment to end users and carry out commissioning, with remote (video call) assistance from OEM as needed, and joint engineer support for serious breakdowns, with expenses shared equally.

- Supplied units will carry joint branding of both companies, unless otherwise agreed in writing.
- The MoU remains in force until mutually discontinued by both parties; amendments require mutual agreement.

b) MoU with Portugal-based global manufacturer for Civil Aviation

Our Company has entered into an MoU dated February 12, 2026 with a Portugal-based global manufacturer (OEM) of Ground Power Units for civil aviation, for phase-wise collaboration in the Indian civil aviation market. The MoU contemplates three phases:

- **Phase 1 (Authorised Representation):**
Our Company acts as OEM's exclusive Indian partner and authorised representative, undertaking market representation, sales and marketing, and after-sales support, while Portugal-based global manufacture ensures product supply, technical support, pricing/commercial support, and compliance and quality assurance.
- **Phase 2 (Transfer of Technology):**
Subject to progress under Phase 1, our Company will establish assembly and manufacturing infrastructure in India, localise mutually agreed components in line with "Make in India" objectives, recruit and train workforce, and implement quality protocols, while OEM provides the technology transfer package, training, localisation support, critical/proprietary components, technical oversight, and IP protection guidelines.
- **Phase 3 (Joint Venture):**
Subject to successful completion of earlier phases, the parties intend to establish a joint venture in India for full-scale manufacturing under a joint brand, with defined contribution and oversight responsibilities for both parties.
- The MoU is limited to a 12-month period for the parties to explore, evaluate, and negotiate the above opportunities, extendable by mutual agreement, and requires execution of a separate Non-Disclosure Agreement before confidential information is shared. Liability under the MoU is limited to gross negligence or wilful misconduct, excludes force majeure and consequential damages, and includes standard good faith and severability provisions.

c) MoU with Malaysia-based aircraft MRO company

Our Company has entered into a Memorandum of Understanding ("MoU") dated August 27, 2026 with a Malaysia-based aircraft Maintenance, Repair and Overhaul ("MRO") company, to establish a framework for cooperation in pursuing business opportunities in Malaysia and such other territories as may be mutually agreed. The MoU contemplates collaboration in the following areas:

- **Ground Support Equipment and related equipment:** Collaboration for the promotion, marketing, supply, support and implementation of Ground Support Equipment ("GSE"), Ground Handling Equipment and Ground Power Units ("GPU").
- **Aircraft MRO and support:** Collaboration in aircraft maintenance, repair and overhaul services, aircraft maintenance tooling and support equipment.
- **Engineering and training:** Collaboration in engineering, modification and refurbishment projects, technical training and capability development, and other aviation and defence-related opportunities.
- **Responsibilities of the parties:** The Malaysia-based company will act as our local partner and assist in identifying business opportunities, customer engagement, marketing, local implementation and after-sales support. Our Company will be responsible for manufacturing and supplying GSE, Ground Handling Equipment, GPU, aircraft maintenance tooling and other products, and providing technical documentation, technical assistance, training, warranty and spare parts support, as mutually agreed.
- **Commercial arrangements:** Commercial terms, including pricing, commissions, margins, discounts, payment terms and scope of work, will be agreed separately on a project-by-project basis. The MoU does not create any minimum purchase obligation, minimum sales commitment or guaranteed revenue for either party.

- **Term and termination:** The MoU is effective from the date of execution and remains valid for three years, unless terminated earlier. Either party may terminate the MoU by providing 90 days' prior written notice or in specified circumstances, including material breach.

Based upon such MOU, Company has received a first order for the supply of a Ground Power Unit ("GPU") for an order value of USD 26,647.

OUR COMPETITIVE STRENGTHS

a) **Established Presence in the Aviation and Defence Equipment Industry with Industry Experience, Customer Relationships and Execution Track Record**

Through the business acquired from "Nexa Mumbai", our Company has inherited over a decade of experience in the aviation and defence equipment industry. Over the years, we have developed relationships with customers operating in the defence, aviation and aerospace sectors and have executed projects involving Ground Support Equipment ("GSE"), Test Rigs & Test Benches, Test Equipment and other specialized engineering products. We believe our experience, execution track record and customer relationships support our ability to secure repeat business and participate in future procurement opportunities.

b) **Industry Entry Barriers Supported by Technical Qualification and Vendor Approval Requirements, Specialised Design and Engineering Expertise, Manufacturing and Testing Infrastructure, and Long Qualification and Procurement Cycles**

Participation in the aviation and defence equipment industry requires compliance with stringent quality standards, technical specifications, regulatory approvals, customer qualification requirements and established manufacturing and testing capabilities. Obtaining relevant certifications and approvals, such as AS9100D and DGAQA certification, establishing quality management systems, developing technical expertise and building customer relationships generally require significant time, resources and experience. We believe our certifications, approvals, technical capabilities and execution experience enable us to address the requirements of customers operating in the aviation and defence sectors.

Source: Industry report

c) **Diverse Product Portfolio Catering to Aviation, Aerospace and Defence Applications**

Our Company manufactures and supplies a diverse range of products under the categories of Ground Support Equipment ("GSE"), Test Rigs and Test Benches, Test Equipment and other specialised engineering products catering to the aviation, aerospace and defence sectors. Each category comprises different types of products based on customer specifications, technical requirements and technology. These products support maintenance, testing, calibration, servicing and operational requirements across various aircraft, helicopter and defence platforms. Our diversified product portfolio enables us to cater to a broad range of customer requirements across the aviation and defence sectors.

d) **Integrated Design, Engineering, Manufacturing, Testing and After-Sales Service Capabilities**

Our Company possesses in-house capabilities across design, development, manufacturing, engineering, assembly, testing and after-sales support services. We undertake projects under the Build-to-Print ("BTP"), Build-to-Specification ("BTS") and Indigenisation models and maintain in-house testing facilities for validation of products manufactured by us. Our integrated capabilities enable us to manage various stages of product development and execution in accordance with customer requirements.

e) **Experienced Promoter, Management Team and Technical Workforce**

Our Company is led by our Promoter and Managing Director, Mr. Jyothi Kumar Nannat, who possesses more than 20 years of experience in the aerospace & defence support equipment industry. The management team is supported by qualified engineers, technical personnel and skilled workforce engaged across design, manufacturing, quality control, testing and operational functions.

f) Focus on Indigenisation and Alignment with Government Procurement Policies

We are engaged in the indigenous design, development and manufacture of our products, which enables our Company to participate in and benefit from various initiatives, purchase preferences and procurement policies introduced by the Government of India to promote domestic manufacturing and indigenisation in the defence sector, including Make in India, Defence Acquisition Procedure (DAP) 2020, Atmanirbhar Bharat, SRIJAN, Defence Industry Participation, import substitution, Innovations for Defence Excellence (iDEX), Defence Industrial Corridors, domestic procurement and budgetary support, and Civil Aviation and Regional Connectivity - UDAN, among others.

In line with these initiatives and policies, our Company has increased its focus on the development and manufacture of indigenised products and intends to continue focusing on such products. For further details, refer to “Revenue Bifurcation” on page 198.

Source: Industry report

g) In-House Testing Infrastructure and Quality Control Processes

Our Company has established in-house testing facilities for conducting functional, performance, quality and reliability testing of products manufactured by us. Such facilities support our quality assurance processes and assist in ensuring compliance with customer specifications and technical requirements. Our Company has also established an environmental test facility to conduct qualification testing in accordance with JSS 55555.

OUR BUSINESS STRATEGIES

a) Expand Product Portfolio and Develop New Products for Aviation and Defence Applications

We intend to continue expanding our portfolio of Ground Support Equipment (“GSE”), Test Rigs & Test Benches, Test Equipment and other specialized engineering products catering to the aviation, aerospace and defence sectors. Leveraging our in-house design and engineering capabilities, we aim to develop new products and customized solutions in accordance with evolving customer requirements and technological developments within the industry.

b) Venturing into Larger Defence Platform Programmes Aligned with the Government's Atmanirbhar Bharat Initiative

We intend to expand our participation in larger, platform-level defence manufacturing projects aligned with the Government of India's Atmanirbhar Bharat programme for the indigenous manufacture of ground support equipment, which has largely been imported into India in the past, in connection with programmes such as the [HTT-40 Hindustan Turbo Trainer], [ALH Rudra], the [Naval Utility Helicopter (UH)], and [Advanced Medium Combat Aircraft (AMCA)] programmes. We believe that our track record in the indigenous design, development and manufacture of ground support equipment and test equipment for defence aircraft platforms positions us to pursue supply opportunities as these larger indigenous manufacturing programmes progress, thereby providing us with new avenues for growth beyond our existing product portfolio.

Source: Industry report

c) Strengthen Relationships with Existing Customers and Expand Customer Base

We intend to continue strengthening our relationships with existing customers, including defence establishments, government entities, public sector undertakings and aerospace organizations. We also seek to expand our customer base by participating in additional tenders, procurement opportunities and industry engagements across the aviation, aerospace and defence sectors. We believe that our execution track record, technical capabilities and after-sales support services will support our efforts to secure repeat orders and acquire new customers.

d) Expansion of Geographical Presence and Manufacturing Facilities

The Company currently has a presence in the states of Maharashtra. The Company presently operates its manufacturing facility from Maharashtra. The Company incurs transportation and related logistics costs for

supply of products across its operating regions. In order to support its distribution network and operational requirements, the Company intends to evaluate expansion of its manufacturing presence in other states based on business requirements and market opportunities. Such expansion is intended to support operational efficiencies, improve accessibility to farmers and distribution channels, and facilitate supply of products in regions closer to the Company's customer base.

e) Leverage In-House Design and Engineering Capabilities

Our in-house design and engineering team enables us to undertake projects under the Build-to-Specification (BTS) model and develop products tailored to customer requirements. We intend to further strengthen our engineering capabilities through continued investment in design tools, software, technical resources and product development activities to support innovation and customization of our product offerings.

f) Explore Opportunities in International Markets

We intend to explore opportunities to expand our presence in international markets by leveraging our experience in the design, development and manufacture of Ground Support Equipment ("GSE"), Test Rigs & Test Benches and Test Equipment and other specialized engineering products catering to the aviation and defence sectors. We believe that our technical capabilities, quality management systems, certifications and execution experience position us to pursue opportunities in select international markets.

We also intend to continue participating in industry exhibitions, trade forums, business delegations and other business development initiatives to enhance market visibility, establish relationships with prospective customers and industry participants, and identify opportunities for collaboration, exports and supply of products and services in international markets. Our Company has already entered into Memoranda of Understanding with global players in furtherance of its business strategy. For further details, see "Strategic Partnership Agreements/MoUs" on page 216 of this Draft Red Herring Prospectus.

g) Expansion and Diversification of Product Portfolio

We intend to continue expanding and diversifying our product portfolio by leveraging our in-house design, engineering and development capabilities. Our design and engineering team undertakes product development, customization and engineering activities based on customer requirements and evolving industry needs. We intend to focus on the development of new Ground Support Equipment ("GSE"), Test Rigs & Test Benches, Test Equipment and other specialized engineering products catering to the aviation, aerospace and defence sectors.

We believe that continued investment in design capabilities, engineering resources and product development activities will enable us to address a broader range of customer requirements, expand our product offerings and strengthen our position in existing and new market segments.

h) With our Leveraging Our Defence Sector Experience to Enter the Commercial Civil Aviation Market

With our experience in the defence & aviation, we intend to leverage our design, engineering and manufacturing capabilities to enter the commercial civil aviation market within India, which is among the third largest aviation markets globally (*Source: Industry report*). We believe that our existing expertise in the design, development and manufacture of ground support equipment, testing rigs and benches, test equipment for defence aircraft platforms is transferable, with appropriate customisation, to ground support equipment required by commercial airlines, airport operators and ground handling agencies. We believe this strategy will enable us to diversify our revenue base across the defence and commercial civil aviation segments, while addressing the growing demand for ground support equipment arising from airport capacity expansion and increasing passenger and cargo air traffic in India.

i) Promote Indigenisation Development and Manufacturing of Aviation and Defence Support Equipment

We intend to leverage our design, engineering and manufacturing capabilities to develop and supply indigenous Ground Support Equipment ("GSE"), testing rigs & benches, testing equipment and other specialised engineering products for customers in the aerospace & defence sectors. We aim to capitalise on opportunities arising from the increasing focus on domestic manufacturing and self-reliance in the

defence sector and various Government of India initiatives promoting indigenisation and import substitution. We intend to further strengthen our in-house design, engineering, manufacturing and testing capabilities and develop products in line with the technical and operational requirements of our customers.

GOVERNMENT BENEFITS

Our Company has not availed of any government benefits during the last three fiscal years and the stub period.

IMMOVABLE PROPERTIES

Sr No.	Nature of Property	Name of Lessor	Lessor is Related Party	Address	Area in Sq Mtrs.	Validity Period	Monthly Lease Rent (₹ in Lakhs)	Use of Premises
1	Leased Property	Mr. Jyothi Kumar Nannat	Yes*	Plot No. 118, Sector-1S, CIDCO Industrial Area, New Panvel, District - Raigad, Maharashtra-410206, India	270.09	April 01, 2026 to March 31, 2031	1.00	Registered office & Factory
2	Leased Property	Mr. Jyothi Kumar Nannat	Yes*	Plot No. 1055, Survey No. 114, Belavali Post, Chakhale, Panvel, Village Belavali, District - Raigad, Maharashtra, 410221, India	724.64	April 01, 2026 to March 31, 2031	1.50	Factory

***Note:** The properties are owned by Mr. Jyothi Kumar Nannat, Promoter of the Company, and have been leased to the Company. The related party nature of such arrangements is disclosed under “*Summary of Related Party Transactions*” on Page 76 of this DRHP.

IN-HOUSE DESIGN AND ENGINEERING CAPABILITIES

Our Company has an in-house design and engineering team comprising qualified and experienced personnel engaged in the design, development and engineering of products catering to the aviation, aerospace and defence sectors. The team is involved in product design, engineering analysis, drafting, modelling, simulation and preparation of technical documentation in connection with projects executed under the Build-to-Specification (BTS) model and other customer-specific requirements including for **Indigenisation**.

Our design and engineering team utilizes various software applications for design, drafting, modelling and simulation activities, including CorelDraw, AutoCAD, SolidWorks, Mastercam. These software tools assist in the preparation of engineering drawings, 2D and 3D models, design calculations, virtual prototyping, simulation and performance analysis of products.

The following table sets forth certain software applications used by our design and engineering team:

Software	Primary Application
CorelDraw	Preparation of layouts, schematics and graphical design elements
AutoCAD	2D and 3D drafting and engineering drawings
SolidWorks	3D modelling, assemblies, engineering design and simulations
Mastercam	2D and 3D design, CNC toolpath generation, and computer-aided manufacturing (CAM) programming

Our design and development activities are undertaken in accordance with documented procedures established under our quality management systems, including AS9100D requirements. Such procedures cover design planning, design inputs, design reviews, risk assessment, validation, approval processes and maintenance of design records. We maintain design records and related documentation to facilitate traceability, revision control and compliance with applicable customer specifications and quality requirements.

The in-house design capabilities of our Company enable us to undertake product design, customization, engineering modifications and development of specialized equipment in accordance with customer requirements and operational specifications.

INSURANCE

We have taken insurance policies with insurance companies covering the risks in relation to our business and our people. The policy details are as under:

Sr. No	Name of Insurer	Type of Policy	Validity	Policy No.	Sum Insured (₹)	Premium P.A (₹)	Risk Location
1	ICICI Lombard general insurance company limited	Fire/Property Insurance	16 April 2026 to 15 April 2027	1017/436844511/00/000	₹3,97,00,000	₹ 80,249	Building No. 1055, Survey No. 114, Belavali Village, Group Gram Panchayat, Varadoli, Panvel Taluka, 410221, Maharashtra, Raigad
2	ICICI Lombard general insurance company limited	Fire, Burglary, Public Liability – Industrial Risks	31 July 2026 to 30 July 2027	1030/451115276/00/000	₹ 7,52,00,000	₹ 33,999.34	Sector-1/S, Plot No. 118, Cidco Industrial Area, New Panvel, Panvel East, Raigad, Maharashtra – 410206

No claims have been filed with any insurance provider over the past three financial years, and there have been no instances where the insurance coverage was exceeded or utilized for claim purposes.

INTELLECTUAL PROPERTIES DETAILS

For details of the intellectual property applications made by our Company, refer to the chapter titled “Government and Other Approvals” commencing on page 383.

UTILITIES AND INFRASTRUCTURE FACILITIES

Particulars	Purpose and Uses
Water:	Our Company uses water only for general human consumption by employees at its manufacturing facility. Such water is sourced through borewells and tubewells, and from the municipal corporation (CIDCO) located at the manufacturing facility.
Power:	Our Company requires electricity for its manufacturing operations and other operational activities at its manufacturing facilities. Power is supplied by the Maharashtra State Electricity Board (“MSEB”). Our Company has a sanctioned/contract demand of 93.32 HP at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India, and a sanctioned load of 30.16 HP at Plot No. 1055, Survey No. 114, Belavali Post, Chakhale, Panvel, Village Belavali, District – Raigad, Maharashtra, 410221, India, which is presently adequate for its operational requirements. Our Company also has two diesel generator (“DG”) sets, with one located at each manufacturing facility.
Fuel:	
Gas	Our Company utilizes oxygen, nitrogen, and argon gas cylinders in its manufacturing operations, specifically for metal fabrication and welding processes.

Particulars	Purpose and Uses
Diesel	Company used a Diesel for consumption into DG set installed a manufacturing facility for emergency services along with in house transportation facility

MACHINERY & EQUIPMENTS

These assets are fully under the ownership and control of the company, and no portion of the plant and machinery is subject to third-party lease agreements. Below are a detail of list and machinery as on August 31, 2026:

Sr. No.	Machinery / Equipment	Department	Qty	Purpose / Use
1	Vertical Machine Centre (VMC J6)	Production	1	It used for milling and machining components. It performs machining operations based on drawings or designs fed into its controller. The machine can carry out 3-axis and 5-axis machining operations to produce components and parts with the required dimensions and specifications.
2	Computer Numerical Control (CNC)	Production	1	Used primarily performs turning operations by controlling the movement of the cutting tool along the X-axis and Z-axis. The X-axis controls the tool movement across the diameter of the workpiece, while the Z-axis controls movement along its length. Accordingly, the machine is generally described as a two-axis CNC turning machine.
3	Lathe Machine	Production	7	Turns, faces, bores and threads cylindrical components.
4	Milling Machine	Production	1	Machines flat surfaces, slots, keyways and contours.
5	Welding Machines (Arc / TIG)	Production	13	Fuse metal parts for structural joints, sub-assemblies and chassis fabrication.
6	Cutting & Sawing Machines (Band Saw / Cutting / Jigsaw / Shearing)	Production	5	Cut and shape raw metal stock, sheets, plates and profiles to fabrication size.
7	Drilling Machines (Stationary / Hand / Radial)	Production	9	Drill precise holes in plates, castings and large fabricated structures.
8	Air Compressor	Production	2	Supplies pressurised air for pneumatic tools, pressure testing and component cleaning.
9	Grinding Machines (Bench / Hand / Pencil)	Production	7	Sharpen tools, deburr and finish metal components and weld seams.
10	Bench Vice	Production	1	Clamps workpieces securely for filing, shaping, tapping and bending.
11	Environmental Test Chamber	Production	1	Simulates temperature, humidity and thermal stress to validate product reliability.
12	Blower	Production	3	Clears dust/debris from work areas and cools components after welding.
13	Hardness Testing Machine	Production	1	Measures material hardness (Rockwell/Brinell/Vickers) to verify specifications.
14	Hoist Crane	Production	1	Lifts and positions heavy loads/assemblies across the shop floor.

Sr. No.	Machinery / Equipment	Department	Qty	Purpose / Use
15	Pressure & Load Testing Machines (Hydraulic / Pneumatic)	Production	3	Pressure/load-test pipes, valves, hydraulic bodies and lifting accessories for safety compliance.
16	Electrical Meters (Ammeter / Voltmeter)	Production	14	Measure electrical current and voltage across motors and supplies.
17	Gauges - General (Bore/Chamfer/Coating/Depth/Height/Pressure)	Production	10	Check bore, angle, coating thickness, depth, height and pressure parameters.
18	Vernier Calipers (Dial / Digital)	Production	3	Measure inner/outer dimensions with dial or digital accuracy.
19	Dial Indicator	Production	1	Detects surface runout and alignment variations.
20	External Micrometer	Production	4	High-precision outer diameter & thickness checks.
21	Gonio Meter	Production	3	Measures precise surface angles and angular geometry.
22	Vernier Calipers (Standard / Inside Digital)	Quality Control	8	Standard dimensional checks and internal-feature measurement for Quality Control.
23	Inside Micrometer	Quality Control	1	High-precision internal diameter measurements.
24	Gauges - QC (Pitch / Radius)	Quality Control	5	Verify thread pitch and internal/external fillet radii.
25	Thread Gauges (Plug & Ring)	Quality Control	36	Go/No-Go inspection of internal (plug) and external (ring) threads.
26	Portable Metal Hardness Tester	Quality Control	1	On-site non-destructive metal hardness testing.
27	Laser Marking Machine	Production	1	Laser marking of names, identification details and other required markings on products

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

LICENSES

Our Company is required to obtain and maintain various licenses, approvals, registrations and permissions for carrying on its business operations. These include, among others, factory licenses, registrations under applicable goods and services tax laws, pollution control approvals, MSME registration and other licenses, approvals and registrations as may be required under applicable laws and regulations from time to time.

In addition, our Company holds various industry-specific certifications, approvals and registrations relevant to its operations in the aviation and defence sectors, including AS9100D and ISO 9001:2015 certifications, approval from the Director General of Aeronautical Quality Assurance (“DGAQA”) and registrations with certain defence and aerospace organizations.

For further details regarding the licenses, approvals, registrations and certifications held by our Company, please refer to the chapter titled “Government and Other Approvals” on page 383 of this Draft Red Herring Prospectus.

HUMAN RESOURCE

Our management team is experienced and based on their understanding of industry trends, they help the Company exploring and capitalising new opportunities for business growth. The company carries out regularly the assessment of specific skill- sets, interests and background that would be an asset for its kind of business. The manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth.

As on August 31, 2026 we have the total 151 Employees, for which bifurcation is provided below:

Sr. No	Category of Employees	No. of Employees
1	Accounts & Finance	6
2	Compliance and Legal	1
3	Administration, General & Human Resource	7
4	Production – Design & Development	8
5	Production – Manufacturing	66
6	Production – Machining	10
7	Production – Electronics	14
8	Production – Testing	13
9	Quality Control & Assurance	6
10	Commercial, Service & Management	12
11	Sales & Marketing	8
	Total	151

Our Company is required to pay certain statutory dues, including provident fund contributions, Employees' State Insurance contributions and professional tax. For details of employees registered with the Employees' Provident Fund and the Employees' State Insurance Corporation, professional tax and the amounts paid to the respective authorities for the period ended June 30, 2026 and the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, refer to the Risk Factor commencing on page 25 titled *"Any delay in payment of statutory dues by our Company in future may result in the imposition of penalties and, in turn, may have an adverse effect on our Company's business, financial condition, results of operations and cash flows."*

For details related to employee attrition of our Company, refer to the Risk Factor commencing on page 25 titled *"Our business is dependent on our ability to hire, integrate, train and retain qualified personnel, and any high rate of attrition among our employees, which is largely outside our control, could adversely affect our business, financial condition, results of operations and cash flows."*

Our employees are not unionized and we have not encountered any work disruptions, strikes, lockouts or other forms of employee unrest. We follow established safety standards at our manufacturing unit to safeguard the health and well-being of our employees and to maintain a secure working environment.

EXPORT AND EXPORT OBLIGATION

As on the date of this draft red herring prospectus, we do not have any export obligations.

COMPETITION

India's Ground Support Equipment, test rig and test equipment industry comprises public sector undertakings, private manufacturers and specialised suppliers serving the aviation, aerospace and defence sectors. Competition turns on design and engineering capability across Build-to-Print, Build-to-Specification and Indigenisation supply models, quality compliance with the Directorate General of Quality Assurance and AS9100D certification, breadth of product offering across ground support equipment, test rigs and test equipment, delivery capability, ongoing maintenance and servicing support, and a proven supply record with institutional customers.

We compete with domestic and international suppliers on these parameters, and believe we are well positioned through our engineering capabilities across all three business models including Indigenisation, our AS9100D-certified manufacturing and testing infrastructure, and our established relationships with customers including Air Force stations, the Indian Coast Guard, the Indian Navy and defence research organisations.

COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

ENVIROMENT, HEALTH AND SAFETY

Our Company undertakes manufacturing, assembly, testing and related activities at its manufacturing facilities. In connection with such operations, we follow workplace safety practices and operational procedures designed to support the safe handling of machinery, equipment, tools and materials used in our business.

Employees involved in manufacturing, assembly and testing activities are required to comply with applicable safety instructions and operating procedures relevant to their respective functions. The Company also maintains basic safety infrastructure and firefighting equipment at its manufacturing facilities in accordance with operational requirements and applicable regulations.

Our Company seeks to conduct its operations in compliance with applicable environmental, health and safety requirements relevant to its business activities. We undertake periodic maintenance of machinery and equipment to support operational safety and efficiency.

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KEY INDUSTRY REGULATIONS

The following is a summary of certain relevant laws and regulations applicable to the business and operations of our Company. Our Company's business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company's business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.

Under the provisions of various Central Government and State Government statutes, our Company is required to obtain, and periodically renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of such Government Approvals obtained by our Company in compliance with these regulations, please refer to the chapter titled as "Government and Other Approvals" on page 383 of this Draft Red Herring Prospectus.

The statements set out below are based on the current provisions of Indian law, and the current judicial, regulatory and administrative interpretations thereof, which may be subject to change or modification by any subsequent legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions.

A. INDUSTRY SPECIFIC LAWS

Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")

The MSME Act provides for the promotion and development of micro, small and medium enterprises and enhancement of their competitiveness. It also provides for the establishment of the National Board for Micro, Small and Medium Enterprises ("MSME"). With effect from April 01, 2025 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery or equipment does not exceed ₹2.5 Crore and annual turnover does not exceed ₹ 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed ₹25 crore and annual turnover does not exceed ₹ 100 Crore; a Medium enterprise, where the investment in plant and machinery or equipment does not exceed ₹ 125 crore and annual turnover does not exceed ₹ 500 Crore.

Defence Acquisition Procedure ("DAP"), 2020

The Defence Acquisition Procedure, 2020, effective from October 1, 2020, prescribes procedures for capital acquisitions by the Ministry of Defence. It addresses acquisition planning, procurement categories, indigenous-content requirements, vendor selection, contracting and post-contract management. It also provides procedures for acquisition under the 'Make' and innovation categories, leasing, strategic partnerships and other specified procurement routes. Applicable requirements concerning indigenous design, manufacture, technology transfer and offsets depend on the acquisition category, procurement terms and relevant amendments. The framework also incorporates measures to promote indigenous defence production, including procurement restrictions associated with notified positive indigenisation lists.

Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, of 1986. The BIS Act establishes the Bureau of Indian Standards ("BIS") as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system, or service which it considers necessary in the public interest or for the protection of human, animal, or plant health, the safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple types of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get a certificate of conformity. Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

Bureau of Indian Standards Rules, 2018 ("Bureau of Indian Standards Rules")

The Bureau of Indian 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.

Industries (Development and Regulation) Act, 1951 (Industries Act)

The Industries Act governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance, and results of industrial undertakings in public interest. The Industries Act is applicable to the ‘Scheduled Industries’ which have been listed down in the first schedule of the Industries Act. Industrial licensing requirements apply to specified industrial activities, subject to applicable exemptions and delicensing notifications. Filing an Industrial Entrepreneur Memorandum, where required for an exempt industrial undertaking, is distinct from obtaining an industrial licence.

Remission of Duties and Taxes on Exported Products Scheme (“RoDTEP Scheme”)

The RoDTEP Scheme provides remission of specified duties, taxes and levies embedded in eligible exported products that are not refunded under another mechanism. Benefits are determined in accordance with the notified product coverage, rates, value caps, conditions and exclusions applicable to the relevant exports. Remission is generally calculated with reference to the FOB value, subject to prescribed caps, or at a specified amount per unit, and is issued through transferable electronic duty-credit scrips. Eligibility depends on the product, exporting unit and applicable notifications, including those governing exports by Advance Authorisation holders, export-oriented units and units in Special Economic Zones.

The Electricity Act, 2003 (“Electricity Act”)

The Electricity Act, 2003 consolidates the law relating to generation, transmission, distribution, trading and use of electricity. Transmission, distribution and trading generally require a licence unless a statutory exemption applies, while generation is subject to the requirements specified under the Act. The Act provides for electricity regulatory commissions, tariff determination, metering, supply and consumer protection. Electrical installations and use of electricity are also subject to applicable safety regulations and technical standards. Contraventions, including unauthorised use and theft of electricity, attract the consequences prescribed under the Act.

Shops and Establishments Legislations

Shops and commercial establishments may be subject to registration or intimation requirements under the legislation applicable in the relevant State, depending on the nature of the establishment, employee thresholds and statutory exemptions. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

Fire Safety and Life Safety Legislations

Commercial and industrial establishments are required to comply with the fire prevention and life safety regulations prescribed under the respective fire safety legislations applicable in the states where such establishments operate. These legislations generally govern the installation, maintenance, and periodic inspection of fire prevention, fire protection, and life safety systems in buildings and premises. They also prescribe requirements relating to fire-fighting equipment, emergency exits, evacuation measures, accessibility for fire services, and adherence to technical and safety standards notified by the competent authorities. Establishments are typically required to obtain and periodically renew fire safety clearances or no-objection certificates from the designated fire authorities and ensure continuous compliance with the operational and safety conditions stipulated therein. Non-compliance with applicable fire safety requirements may attract penalties, enforcement actions, or other measures as prescribed under the relevant state laws.

B. INTELLECTUAL PROPERTY LAWS

Trade Marks Act, 1999 (“Trademarks Act”)

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label and heading, and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the trademark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trademarks (Amendment) Act, 2010, simultaneous protection of trademark in India and other countries has been made available to owners

of Indian and foreign trademarks. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

Patents Act, 1970 (“Patents Act”)

The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection. The term of a patent is twenty years from the filing date of the application; for an international application designating India under the Patent Cooperation Treaty, the term runs from the international filing date.

Copyright Act, 1957 (“Copyright Act”)

The Copyright Act, 1957, along with the Copyright Rules, 2013 (“Copyright Laws”) governs copyright protection in India. A registration under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Designs Act, 2000 (“Design Laws”)

The Designs Act, 2000 along with the Designs Rules, 2001 (“Design Laws”) govern design protection in India. The Design Laws were enacted to protect new or original designs from getting misappropriated. A design may be registered in respect of specified articles classified in accordance with the prescribed classification. The registered proprietor of the design shall have a copyright in the design for ten years which is extendable for another five years. The Design Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

C. ENVIRONMENTAL LAWS

Environment (Protection) Act, 1986 (“EPA”)

The EPA is the umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the Government of India is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Contraventions attract monetary penalties under the applicable provisions of the EPA, with adjudication and appeal mechanisms prescribed under the Act. Failure to pay an imposed penalty or additional penalty within ninety days may attract imprisonment for up to three years, a fine up to twice the unpaid amount, or both. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts

The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of wholesomeness of water, and the establishment of the Central Pollution Control Board, as well as state pollution control boards (“State PCB”), to implement its provisions, including to lay down standards of treatment of sewage and trade effluents. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. Subject to exemptions applicable in the relevant jurisdiction, prior consent of the State PCB is required for establishing or taking steps to establish an industry, operation, process or treatment and disposal system likely to discharge sewage or trade effluent, bringing a new or altered outlet into use, or beginning a new discharge, as specified under the Water Act.

Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the relevant state pollution control board declare, by notification in the Official Gazette, any area or areas within the state as air pollution control area or areas for the purposes of the Air Act. Subject to notified exemptions, a person establishing or operating an industrial plant in an air pollution control area must obtain the consent of the relevant state pollution control board in accordance with the Air Act and applicable consent guidelines. Further, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Control of Air Pollution (Grant, Refusal or Cancellation of Consent) Guidelines, 2025, as amended (“Air Consent Guidelines”)

The Air Consent Guidelines, issued under Section 21A of the Air (Prevention and Control of Pollution) Act, 1981, prescribe the framework for granting, refusing and cancelling consent to establish or operate industrial plants under Section 21 of that Act. The Guidelines address application forms, fees, scrutiny, inspections, conditions of consent and timelines for disposal of applications. Pursuant to the 2026 amendments, consent to operate, once granted, continues to remain valid unless cancelled in accordance with the Guidelines. The amended framework also provides for participation by Registered Environment Auditors, a consolidated procedure for consent and applicable waste-management authorisations, and deemed consent to establish for qualifying micro and small units in duly notified industrial estates or industrial areas upon submission of the prescribed self-certified application. Non-compliance with applicable requirements may result in refusal or cancellation of consent and action under the Air Act.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, ‘hazardous waste’, among others, means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter, or operator of a disposal facility is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and shall be liable to pay any financial penalty that may be levied by the respective state pollution control board for violation of the Hazardous Waste Rules

E-Waste (Management) Rules, 2022 (“E-Waste Rules”)

The E-Waste Rules regulate specified electrical and electronic equipment listed in Schedule I and associated e-waste, subject to prescribed exclusions. Manufacturers, producers, refurbishers and recyclers covered by the Rules must register on the portal administered by the Central Pollution Control Board. Manufacturers must arrange for recycling or disposal of e-waste generated during manufacture and file prescribed returns. Producers are subject to extended producer responsibility obligations, including applicable recycling targets. Bulk consumers must hand over their e-waste only to registered producers, refurbishers or recyclers. The Rules also prescribe requirements concerning storage, records, returns and environmentally sound management, and provide for environmental compensation and other enforcement measures for non-compliance.

Solid Waste Management Rules, 2026 (‘Solid Waste Rules’)

The Solid Waste Rules, effective from April 1, 2026, supersede the Solid Waste Management Rules, 2016. They prescribe duties for waste generators, bulk waste generators, local bodies and entities involved in solid waste management. Waste generators must segregate waste at source into wet waste, dry waste, sanitary waste and special care waste, and comply with applicable requirements for storage, collection, handover and user charges. Additional obligations apply to bulk waste generators. The Rules also provide for registration, reporting, monitoring and environmental compensation for specified non-compliance, subject to their scope and exclusions.

Public Liability Insurance Act, 1991 (“Public Liability Act”)

The Public Liability Act provides for immediate relief on a no-fault basis for specified death, injury or property damage resulting from accidents occurring while handling hazardous substances covered by the Act. Owners handling such substances must obtain insurance before commencing handling and maintain the required coverage. They must also pay the prescribed contribution towards the Environmental Relief Fund through the insurer. These obligations are subject to the statutory definitions, notified quantities and applicable exemptions. Contraventions attract the penalties and other consequences prescribed under the Act.

D. FOREIGN EXCHANGE AND FOREIGN TRADE LAWS

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in Indian securities is governed by the provisions of the FEMA (that replaced the erstwhile Foreign Exchange Regulation Act, 1973), as amended, the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 as amended, the Foreign Direct Investment Policy issued and amended by way of press notes, and the SEBI (Foreign Portfolio Investors) Regulations, 2019 as amended.

Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is

sought to be made. The regulatory framework, developed over a period of time consists of Acts, regulations, press notes, press releases, and clarifications among other amendments.

The Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993

The Foreign Trade (Development and Regulation) Act, 1992 and the Rules framed thereunder governing foreign trade in India. The Act provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. Under the Act the Government of India is empowered to make provisions *inter-alia* to prohibit, restrict and regulate exports and imports formulate and announce export and import policy. An Importer-Exporter Code number is generally required for the import or export of goods, subject to prescribed exemptions. Requirements concerning services and technology apply in the circumstances specified under the Act and the Foreign Trade Policy.

The Foreign Trade Policy, 2023

The Foreign Trade Policy, 2023, issued under the Foreign Trade (Development and Regulation) Act, 1992, governs the applicable policy framework for imports, exports and specified trade facilitation and remission schemes. Importer-Exporter Code requirements apply as prescribed under the Act and the Policy. Advance Authorisation Scheme notified under FTP allows duty free import of inputs, which are physically incorporated in an export product. DGFT provides a sector-wise list of Standard Input-Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad-hoc norms in cases where the SION does not suit the exporter. Advance Authorisation covers manufacturer exporters or merchant exporters tied to supporting manufacturer(s). An IEC is required to apply for Advance Authorisation. Exports of items, software and technology covered by the Special Chemicals, Organisms, Materials, Equipment and Technologies ('SCOMET') framework are subject to the applicable licensing requirements, conditions and exemptions. Controls may also apply to unlisted items in the circumstances specified under the applicable catch-all provisions.

Importer-Exporter Code

An Importer-Exporter Code ('IEC') is obtained electronically through the Directorate General of Foreign Trade portal in accordance with the Foreign Trade Policy, 2023 and applicable procedures. An IEC is PAN-based and applies to the holder's branches, divisions, units and factories. IEC holders must electronically update or confirm their particulars annually during April-June, including where there is no change, failing which the IEC may be deactivated. Prescribed exemptions and specific requirements for services and technology apply.

E. EMPLOYMENT RELATED LAWS

The following is an indicative summary of employment legislation relevant to the Company's activities. In order to rationalize and reform labour laws in India, the Government of India has framed four Labour Codes that were brought into effect from November 21, 2025. Their application is subject to the relevant provisions, establishment and employee thresholds, applicable rules, notifications and transitional arrangements.

Code on Wages, 2019

The Code on Wages, 2019 amalgamates, simplifies and rationalises the relevant provisions of the following four central labour enactments relating to wages, namely, (a) The Payment of Wages Act, 1936; (b) The Minimum Wages Act, 1948; (c) The Payment of Bonus Act, 1965; and (d) The Equal Remuneration Act, 1976. The Code on Wages, 2019 is an Act to amend and consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. The Code received the assent of the President of India on August 8, 2019 and is published in the Official Gazette. The Code applies to the covered employees and allows the Central Government to set a fixed floor wage taking into account minimum living standards of a worker.

Occupational Safety, Health and Working Conditions Code, 2020

Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and was published in the Official Gazette. The Act consolidates and amends the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment. The Code amalgamates, simplifies and rationalises the relevant provisions of the following thirteen Central labour enactments namely, 1. The Factories Act, 1948; 2. The Plantations Labour Act, 1951; 3. The Mines Act, 1952; 4. The Working Journalists and other Newspaper Employees (Conditions of Service and Miscellaneous Provisions) Act, 1955; 5. The Working Journalists (Fixation of Rates of Wages) Act, 1958; 6. The Motor Transport Workers Act, 1961; 7. The Beedi and Cigar Workers (Conditions of Employment) Act, 1966; 8. The Contract Labour (Regulation and Abolition) Act, 1970; 9. The Sales Promotion Employees (Conditions of Service) Act, 1976; 10. The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979; 11. The Cine-Workers and Cinema Theatre Workers Act, 1981; 12. The Dock Workers (Safety, Health and Welfare) Act,

1986; and 13. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and was published in the official gazette. The objective of the Code is to amend and consolidate the laws relating to social security, with the primary goal to extend social security to all employees and workers. The Code on Social Security, 2020, amalgamates, simplifies and rationalises the relevant provisions of the following nine(9) central labour enactments relating to social security, namely, (i) The Employees' Compensation Act, 1923; (ii) The Employees' State Insurance Act, 1948; (iii) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959; (v) The Maternity Benefit Act, 1961; (vi) The Payment of Gratuity Act, 1972; (vii) The Cine Workers Welfare Fund Act, 1981; (viii) The Building and Other Construction Workers Welfare Cess Act, 1996; and (ix) The Unorganised Workers' Social Security Act, 2008.

Industrial Relations Code, 2020

The Industrial Relations Code, 2020 is an Act to consolidate and amend the laws relating to Trade Unions, conditions of employment in an industrial establishment or undertaking, investigation and settlement of industrial disputes. The Industrial Relation Code 2020 amalgamates, simplifies and rationalises the relevant provisions of (a) the Trade Unions Act, 1926; (b) the Industrial Employment (Standing Orders) Act, 1946; and (c) the Industrial Disputes Act, 1947.

State Specific Labour Welfare Fund Acts

The various Labour Welfare Fund Acts enacted by the respective states extend a measure of social assistance to employees to improve their working conditions and standard of living. State specific labour welfare fund acts require the employer to deposit contribution towards the labour welfare fund established under the respective state labour welfare fund acts.

Child and Adolescent Labour (Prohibition and Regulation) Act, 1986

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 prohibits the employment or engagement of children below fourteen years in any occupation or process, subject to limited statutory exceptions. It prohibits the employment of adolescents aged fourteen to below eighteen years in hazardous occupations and processes specified in the Schedule, and regulates their conditions of work in permitted employment. The Act provides for penalties and rehabilitation measures in relation to prohibited employment.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for protection to women against sexual harassment at workplace and prevention and redressal of complaints of sexual harassment. The Act defines "Sexual Harassment" to include any unwelcome sexually determined behaviour (whether directly or by implication). "Workplace" under the Act has been defined to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals.

The Act requires the constitution of an Internal Committee at workplaces employing ten or more workers, with committees at the relevant offices or administrative units as prescribed. The District Officer constitutes a Local Committee to receive complaints from establishments where an Internal Committee has not been constituted because they employ fewer than ten workers, or where the complaint is against the employer.

TAX RELATED LEGISLATIONS

Income-tax Act, 2025 and Income-tax Act, 1961, to the extent applicable under the repeal and savings provisions

The Income-tax Act, 2025, effective from April 1, 2026, governs the levy, computation, assessment and collection of income-tax, together with the applicable rules and Finance Acts. It prescribes requirements concerning returns, tax deduction and collection at source, advance tax, assessments, appeals and penalties, as applicable. Tax treatment depends, among other matters, on residential status, the nature of income and the applicable tax regime. The Income-tax Act, 1961 continues to apply to earlier periods and proceedings to the extent preserved by the repeal and savings provisions.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Imports and exports are also subject to IEC requirements under the Foreign Trade (Development and Regulation) Act, 1992 and the Foreign Trade Policy, subject to prescribed exemptions.

Central Goods and Services Tax Act, 2017

The Central Goods and Services Tax Act, 2017 ('CGST Act') provides for the levy and collection of central goods and services tax on taxable intra-State supplies of goods or services or both, subject to statutory exclusions and exemptions. Under the dual GST framework, applicable State or Union territory GST is levied alongside CGST, while inter-State supplies are governed by the Integrated Goods and Services Tax Act, 2017. The CGST Act prescribes requirements concerning registration, invoicing, input tax credit, payment, returns, assessment, audit, refunds and enforcement. Imports are subject to the applicable GST and customs framework.

The Maharashtra Goods and Services Tax Act, 2017

The Maharashtra Goods and Services Tax Act, 2017 ("MGST Act") governs the levy and collection of State Goods and Services Tax on intra-state supply of goods and services within the State of Maharashtra. The MGST Act came into force with effect from July 1, 2017 and is applicable concurrently with the Central Goods and Services Tax Act, 2017. Under the dual GST framework, intra-state transactions carried out within Maharashtra are subject to levy of Central GST ("CGST") by the Central Government and State GST ("SGST") by the Government of Maharashtra. The MGST Act provides for registration, assessment, collection, input tax credit, returns, audits, refunds, inspections, penalties, and adjudication in respect of SGST. Taxes collected under the MGST Act accrue to the Government of Maharashtra and are administered by the Maharashtra State Tax authorities.

Integrated Goods and Services Tax Act, 2017

Integrated Goods and Services Tax Act, 2017 ("IGST Act") is a Central Act enacted to levy tax on the supply of any goods and/ or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. For supplies involving movement of goods, the place of supply is generally the location where movement terminates for delivery to the recipient, subject to the specific rules and exceptions prescribed under the IGST Act. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to IGST Act.

Professional Tax

Professional tax is levied under applicable State legislation on professions, trades, callings and employments, subject to Article 276 of the Constitution of India. Liability, rates, exemptions and registration or enrolment requirements depend on the relevant State legislation and the category of person concerned. Employers must deduct and remit professional tax from employees' salaries or wages where required. Persons independently liable to professional tax must obtain enrolment and discharge the applicable payment obligations. In Maharashtra, these matters are governed by the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

Maharashtra Electricity Duty Act, 2016

The Maharashtra Electricity Duty Act, 2016 provides for the levy and collection of electricity duty on consumption of electrical energy in Maharashtra, subject to the categories, rates, exclusions and exemptions prescribed under the Act and applicable notifications. It also regulates collection and payment of duty, returns, inspection and recovery. The Act repealed the Maharashtra Electricity Duty Act, 1958, subject to its savings provisions.

GENERAL CORPORATE AND OTHER ALLIED LAWS

Negotiable Instruments Act, 1881

The Negotiable Instruments Act, 1881 governs promissory notes, bills of exchange and cheques. Section 138 provides for criminal liability for specified cases of dishonour of cheques issued towards discharge of a legally enforceable debt or other liability, subject to compliance with the statutory requirements concerning presentation, notice and failure to pay. The offence is punishable with imprisonment for up to two years, a fine up to twice the cheque amount, or both.

Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made there under the Companies Act, 2013 primarily regulates the formation, financing, functioning, and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial, and managerial aspects of companies. The provisions of the Act state the eligibility, procedure, and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance, and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Competition Act, 2002

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

Consumer Protection Act, 2019 and the rules made thereunder

The Consumer Protection Act (“CPA”) provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CPA establishes the Central Consumer Protection Authority to regulate matters relating to violations of consumer rights, unfair trade practices and false or misleading advertisements, and provides it with specified investigation and enforcement powers. The CPA brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The CPA also provides for mediation cells for early settlement of the disputes between the parties.

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 Contract (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

Specific Relief Act, 1963

The Specific Relief Act, 1963 (“**SR Act**”) is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The SR 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 penal law. Specific performance requires performance of contractual obligations in accordance with the Act. Compensation may also be awarded in addition to, or in substitution for, specific performance in the circumstances prescribed under the Act.

Indian Stamp Act, 1899 and applicable state stamp legislation

Stamp duty is payable on instruments specified under the Indian Stamp Act, 1899 or the applicable State stamp legislation, including instruments relating to agreements, securities and property transactions. The applicable legislation, rate and payment requirements depend on the nature of the instrument and relevant territorial factors. Instruments chargeable with duty that are not duly stamped may be impounded and may be inadmissible in evidence, subject to statutory exceptions and provisions permitting cure through payment of the requisite duty and penalty. In Maharashtra, the Maharashtra Stamp Act, 1958 applies to instruments within its scope.

Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (“**TP Act**”) as amended, establishes the general principles relating to transfer of property in India. It forms a basis for 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 contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Registration Act, 1908

The Registration Act, 1908, as amended, has been enacted with the objective of providing public notice of the execution of documents affecting, inter alia, the transfer of interest in immovable property. The purpose of the Registration Act, 1908 is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. It details the formalities for registering an instrument.

Indian Contract Act, 1872

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

Sale of Goods Act, 1930 (“Sale of Goods Act”)

The Sale of Goods Act, 1930 (“**SOGA**”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. SOGA contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

Arbitration & Conciliation Act, 1996

The Arbitration and Conciliation Act, 1996 (“**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 is founded on an arbitration agreement, including where a court refers parties to arbitration in accordance with the Act. Conciliation ordinarily commences upon acceptance of an invitation to conciliate. 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. An arbitral award is binding on the parties and persons claiming under them, subject to the applicable provisions of the Act. Domestic awards are enforceable in accordance with Section 36, subject to any stay of enforcement, while foreign awards are subject to the recognition and enforcement requirements under Part II.

Information Technology Act, 2000 (“IT Act”) and the Information Technology (Reasonable Security Practices and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”)

The IT Act has been enacted with the intention of providing legal recognition to transactions that are undertaken electronically. The IT Act provides conditional protection to intermediaries in respect of third-party information, subject to the statutory requirements and applicable due diligence obligations. The IT Act has created a mechanism for authenticating electronic documentation by means of digital signatures, and provides for civil and criminal liability including fines and imprisonment for various offences. The IT Act prescribes various offences, including those offences relating to unauthorized access of computer systems, unauthorized disclosure of confidential information and fraud emanating from computer applications. The IT Security Rules prescribe directions for the collection, disclosure, and transfer of sensitive personal data by a body corporate or any person acting on behalf of a body corporate.

The IT Security Rules require every such body corporate or person who on behalf of the body corporate receives, stores or handles information to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

Digital Personal Data Protection Act, 2023 (“DPDP Act”) and Digital Personal Data Protection Rules, 2025 (“DPDP Rules”)

The Digital Personal Data Protection Act, 2023 ('DPDP Act') provides a framework for processing digital personal data and protecting the rights of individuals. The Act and the Digital Personal Data Protection Rules, 2025 are subject to phased commencement pursuant to notifications issued in November 2025. As at the date of this Draft Red Herring Prospectus, their provisions apply to the extent brought into force. The substantive processing framework provides for processing on the basis of consent or specified legitimate uses, together with obligations concerning notices, security safeguards, breach reporting, retention and grievance redressal. It also provides rights for data principle, additional obligations for significant data fiduciaries, and adjudication and penalties through the Data Protection Board of India. The principle processing obligations and the omission of Section 43A of the Information Technology Act, 2000 are scheduled to take effect eighteen months after publication of the commencement notification, in May 2027.

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HISTORY AND CERTAIN CORPORATE MATTERS

The Company was originally incorporated as ‘Nexa Defence (I) Private Limited’ as a private limited company under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated March 7, 2025, issued by the Registrar of Companies, Mumbai Central Registration Centre bearing CIN U41002MH2025PTC442318, Subsequently, the Company was converted to a public limited company, pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting held on December 15, 2025, and the name of the Company was changed to ‘Nexa Defence (I) Limited’ and a fresh certificate of incorporation consequent upon conversion to a public limited company dated February 06, 2026 was issued by Registrar of Companies, Central Processing Centre. The Corporate Identity Number of the Company is U41002MH2025PLC442318. Subsequently, our Company has taken over the business of the proprietorship concern of one of our Promoters, Mr. Jyothi Kumar Nannat, namely M/s. “Nexa Mumbai”, as per the Business Transfer Agreement dated February 9, 2026, along with the assets and liabilities of the proprietorship concern as a going concern in terms of the business transfer agreement, with effect from March 31, 2026.

CORPORATE PROFILE OF THE COMPANY

For information on the Company’s business profile, activities, services, managerial competence, and customers, please refer to chapters titled “**Our Business**” and “**Our Management**” beginning on pages 183 and 241 respectively, of this Draft Red Herring Prospectus.

CHANGES IN REGISTERED OFFICE

The registered office of the Company is situated at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India. Except as disclosed below, there has been no change in the registered office of the Company since the date of the incorporation:

Date of Resolution	Effective date of change in Registered Office	Details of Registered Office	Reason for change
At Incorporation	-	Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India.	-

MAJOR EVENTS AND MILESTONES, AWARDS, ACCREDITATIONS AND CERTIFICATIONS IN THE HISTORY OF THE COMPANY

The table below sets forth some of the major events, milestones & certifications in the history of our Proprietorship i.e. Nexa Mumbai:

Nexa Mumbai		
Year	Key Milestone	Achievement / Impact
2015	Business Established	Mr. Jyothi Kumar Nannat founded M/s. Nexa Mumbai as a sole proprietorship with a team of 27 employees.
2018	Defence Quality Approval	Certified by Director General of Aeronautical Quality Assurance (DGAQA).
2018	Major Defence Project	Successfully executed a ₹5.8 Crore ROH (Repair & Overhaul) facility project for fighter aircraft at a defence establishment.
2020	Naval Project	Developed the Universal Test Stand for DGNP, Naval Base Visakhapatnam, valued at ₹5.1 Crore.
2022	Major Production Order	Secured a ₹25 Crore order for Ground Power Units (GPU) for a defence organization.
2024	Major Production Order	Received an order worth ₹10.5 crore from a leading aerospace and defence company for the supply of PC Product FCT-1000 Fuel Consumption Trolley.
2025	Major Production Order	Secured a ₹13.3 Crore order for 25 units of Universal Hydraulic Servicing Trolley for a defence organization.

Nexa Mumbai		
Year	Key Milestone	Achievement / Impact
2025	Industry Recognition Award	Received the Excellent Performance Award in the development of GSE/GHE & Test Rigs.

The table below sets forth some of the major events, milestones & certifications in the history of our Company:

Nexa Defence (I) limited		
Year	Key Milestone	Achievement / Impact
2025	Corporate Formation	Incorporated as Nexa Defence (I) Private Limited on 07 March 2025 under the Companies Act, 2013.
2025	Entered MOU with European Company*	Entered into an MOU with an international OEM for collaboration in relation to Ground Power Units (GPU), bridge mount equipment and cable assemblies.
2026	Converted into a Public Limited Company	Received a fresh Certificate of Incorporation on 06 February 2026, changing the Company's name from Nexa Defence (I) Private Limited to Nexa Defence (I) Limited, strengthening its corporate structure for future expansion and growth.
2026	Business Acquisition	Acquired the running business of M/s. Nexa Mumbai, effective 31 March 2026, strengthening the Company's operational capabilities and business continuity.
2026	Civil Aviation Order	Received our order from a customer in the civil aviation sector for repair and overhauling of Ground Power Equipment (GPU), marking our entry into the civil aviation sector.
2026	Signed International MOU*	Entered into an MOU with an overseas aviation MRO company for collaboration in Ground Support Equipment (GSE), Ground Power Units (GPU), aircraft maintenance tooling and related aviation and defence opportunities.

* For further details in relation to the MOUs entered into by our Company, see "Our Business" on page 183.

MAIN OBJECTS OF THE COMPANY

1. To carry on in India or elsewhere the business as manufacturers, designers, researchers, developers, repairers, refurbishers, testers, fabricators, erectors, over hauler, buyers, assemblers, modifiers, installers, re-conditioners, sellers, hirers, sub-lessors, market makers, dismantlers, operators, importers & exporters and traders of engineering and technological products including any turnkey projects or special purpose project and to provide engineering services, repairing services, maintenance and annual maintenance contract (AMC) services related to plants and machinery including innovation and technology driven support services to do all incidental acts and things necessary for the attainment of the above-mentioned objects.
2. To acquire, take over and carry on as a going concern the entire business of Mr. Jyothi Kumar Nannat carrying on business under the name and style of M/s. Nexa Mumbai including all its assets, properties (movable and immovable), rights, licenses, permits, registrations, contracts, goodwill, trade name and all or such of its liabilities and obligations as the Company may deem fit, pursuant to a Business Transfer Agreement, Slump Sale Agreement or any other arrangement, for such consideration and upon such terms and conditions as may be agreed, whether payable in cash, by issue of equity shares or other securities or partly in any such manner.

The objects clause as contained in the Memorandum of Association enables the Company to carry on the business presently being carried out.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

The following changes have been incorporated in the Memorandum of Association of the Company, after approval of the shareholders, in the last 10 (ten) years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Date of Shareholder's Approval	AGM/ EGM	Particulars of amendment
1	July 10, 2026	EGM	<i>The Company has increased the Authorised Equity Share Capital from ₹ 5,00,00,000 divided in to 50,00,000 Equity Shares of ₹ 10/- each to ₹15,00,00,000 divided in to 1,50,00,000 Equity Shares of ₹ 10/- each, authorized via Special Resolution passed by the Members of the Company at Extra-Ordinary General meeting held on July 10, 2026.</i>
2	February 07, 2026	EGM	<i>The Company has increased the Authorised Equity Share Capital from ₹ 50,00,000 divided in to 5,00,000 Equity Shares of ₹ 10/- each to from ₹ 5,00,00,000 divided in to 50,00,000 Equity Shares of ₹ 10/- each, authorized via Special Resolution passed by the Members of the Company at Extra-Ordinary General meeting held on February 07, 2026.</i>
3	January 23, 2026	EGM	<i>The Company changed the name from “NEXA DEFENCE (I) PRIVATE LIMITED to NEXA DEFENCE (I) LIMITED” pursuant to Conversion of Company from Private Limited to Public Limited, authorized via Special Resolution passed by the Members of the Company at Extra-Ordinary General meeting held on 23rd January 2026.</i> <i>Clause No. III(A)(2) of the Memorandum of Association of the Company has been altered pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, by way of a Special Resolution passed by the Members of the Company at the Extra-Ordinary General Meeting held on 23rd January, 2026, and the same has been added to the Object Clause III(A).</i>

OTHER DETAILS ABOUT OUR COMPANY

For details of our Company's activities, products, growth, awards & recognitions, capacity, locations, technology, marketing strategy, competition and our customers, please refer section titled “Our Business”, “Management's Discussion and Analysis of Financial Conditions and Results of Operations” and “Basis for Offer Price” on page 183, 359 and 127 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of the shareholding of our Promoters, please refer to sections titled “Our Management” and “Capital Structure” beginning on page 241 and 111 of this Draft Red Herring Prospectus, respectively.

CAPITAL RAISING (DEBT / EQUITY):

For details in relation to our capital raising activities through equity, please refer to the chapter titled “Capital Structure” beginning on page 111 of this Draft Red Herring Prospectus. For details of our Company's debt facilities, see “Statement of Financial Indebtedness” on page 357 of this Red Herring Prospectus.

CHANGES IN ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE (5) YEARS:

Except as noted below, there has been no change in our Company's activities during the last five years prior to the date of this Draft Red Herring Prospectus.

TIME AND COST OVER-RUNS IN SETTING UP PROJECTS AND CERTAIN OTHER ADVERSE REMARKS

As on the date of this DRHP, the Company has not experienced any time/cost overrun in setting up any projects or business operations.

MATERIAL ACQUISITION OR DIVESTMENTS OF BUSINESSES/UNDERTAKINGS

Except as stated below, the Company has not made any material acquisition or disinvestments of businesses / undertakings in the last 10 (ten) years:

(₹ in lakh)

Sr. No.	Name of the Entity	Details of Acquisition/ Disinvestment	Date of Acquisition/ Disinvestment	Acquisition/ Disinvestment price
1.	M/s Nexa Mumbai	The Company acquired the sole proprietorship firm of Mr. Jyothi Kumar Nannat i.e. “M/s. Nexa Mumbai”, pursuant to a Business Transfer Agreement dated February 9, 2026 along with assets and liabilities of the proprietorship concerns as going concern in terms of the business transfer agreement with effect from March 31, 2026.	March 31, 2026	513.99

DETAILS OF MERGER/AMALGAMATION

There has been no merger/amalgamation pertaining to the Company in the last 10 (ten) years.

REVALUATION OF ASSETS

The Company has not revalued its assets in the last 10 (ten) years.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no defaults that have been called or rescheduling/restructuring of borrowings by any financial institution or bank in relation to borrowings availed by the Company.

LAUNCH OF KEY SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details of key services launched by the Company, entry into new geographies or exit from existing markets, see “*Our Business*” and “*Major events and milestones in the History of the Company*” beginning on pages 183 and 236 of this Draft Red Herring Prospectus.

OUR HOLDING COMPANY

The Company does not have any holding company as on the date of this Draft Red Herring Prospectus.

OUR SUBSIDIARIES

The Company does not have any subsidiary company as on the date of this Draft Red Herring Prospectus.

JOINT VENTURES OF THE COMPANY

The Company has not entered into any joint ventures as on the date of this Draft Red Herring Prospectus.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

The Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

CAPACITY/FACILITY CREATION, LOCATION OF PLANTS

Except as disclosed in this Draft Red Herring Prospectus, the Company does not have any plants as on the date of this Draft Red Herring Prospectus.

SHAREHOLDERS AGREEMENT AND OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus, the Company has not entered into any shareholders’ agreements. Further, there are no other agreements, arrangements, clauses or covenants which are material or the non-disclosure of which may have a bearing on the investment decision of investors, other than those already disclosed in this Draft Red Herring Prospectus.

KEY TERMS OF OTHER SUBSISTING MATERIAL AGREEMENTS

The Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners, entered into, other than in the ordinary course of business of the Company.

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY THE PROMOTER OFFERING THE EQUITY SHARES IN ISSUE

The Promoter has not given any guarantees, on behalf of our Company, to third parties that are outstanding as of the date of this Draft Red Herring Prospectus.

Agreements with Key Managerial Personnel or a Senior Management Personnel or a Director or the Promoter or any other employee of the Company

There are no agreements entered into by the Key Managerial Personnel or Senior Management Personnel or the Directors or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

OTHER AGREEMENTS

i. Non-Compete Agreement

Our Company has entered into Non-Compete and Non-Solicit Agreements dated July 8, 2026 with (i) ESOI Enterprises Private Limited, (ii) Nexa Mumbai Aviation LLP, and (iii) NEXA Mumbai, each being a member of our Promoter Group and/or Group Company.

Pursuant to these Agreements, each Covenantor has undertaken that it shall not, and shall procure that no member of its group shall, directly or indirectly, carry on, establish, acquire, invest in or otherwise be engaged or interested in any business which is the same as, similar to or competing with the business of our Company in India, or solicit or induce any employee, consultant, officer, director, customer or supplier of our Company.

These restrictions shall remain in force for so long as each Covenantor remains a Group Company of our Company and for a period of ten years thereafter.

ii. Joint Venture Agreement

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.

OTHER CONFIRMATION

There are no material clauses of the Articles of Association that have been left out from disclosures having bearing on this Issue of this Draft Red Herring Prospectus.

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OUR MANAGEMENT

BOARD OF DIRECTORS

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15. As on the date of this Draft Red Herring Prospectus, we have five (5) Directors on the Board, which includes one (1) Managing Director, one (1) Whole-Time & women Director, one (1) Non-Executive Non-Independent Director and two (2) Non-Executive Independent Directors.

The following table set forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, Designation, DIN, Date of birth, Qualifications, Experience, Address, Occupation and Current term, Period of directorship and Nationality	Other Directorship(s) /Partner
Mr. Jyothi Kumar Nannat Designation: Chairman and Managing Director DIN: 02174936 Date of Birth: May 31, 1969 Age: 57 Years Qualifications: (i) Post Graduation Diploma in Management (PGDIM) from New Delhi & (ii) Executive Post Graduation in Electric Vehicle Design from IIT Roorkee. (iii) Graduation in Arts from Annamalai University Experience: 37 Years Address: Flat No-A-1202, Satyam Pride, Plot No-140b, New Panvel, Sector NO-1(S), Panvel, Dist: Raigad, Maharashtra – 410206, India Occupation: Business Current term of office: 5 years with effect from March 07, 2025 Period of Directorship: Since incorporation March 7, 2025 Nationality: Indian	Indian Companies <i>Nil</i> Foreign Companies <i>(i) NEXA GSE INC</i> Limited Liability Partnerships <i>(i) Nexa Mumbai Aviation LLP</i>
Ms. Sunitha J Kumar Designation: Whole Time Director DIN: 02175002 Date of Birth: May 20, 1977 Age: 49 Years Qualifications: (i) Pre-Degree Examination from university of Calicut	Indian Companies <i>(i) ESOI Enterprises Private Limited</i> Foreign Companies <i>(i) NEXA GSE INC</i> Limited Liability Partnerships <i>(i) Nexa Mumbai Aviation LLP</i>

Name, Designation, DIN, Date of birth, Qualifications, Experience, Address, Occupation and Current term, Period of directorship and Nationality	Other Directorship(s) /Partner
Experience: 9 Years Address: Flat No-A-1202, Satyam Pride, Plot No-140b, New Panvel, Sector No-1(S), Panvel, Raigad, Maharashtra – 410206, India Occupation: Business Current term of office: 5 years with effect from August 01, 2026 Period of Directorship: Since incorporation March 7, 2025 Nationality: Indian	
Mr. Vinod Kumar Cheruvatham Kandy Designation: Non-Executive Non-Independent Director DIN: 11891787 Date of Birth: May 20, 1970 Age: 56 Years Qualifications: (i) Diploma in Engineering from Indian Navy in 2000; (ii) Bachelor of Arts from University of Calicut in 2000 Experience: 34 Years Address: Jeeshalayam, Muzhappala, Anjarakandy, Village - Mamba, Kannur, Kerala - 670611, India. Occupation: Business Current term of office: No fixed term, Liable to retire by Rotation Period of Directorship: Since August 22, 2026 Nationality: Indian	Indian Companies Nil Foreign Companies Nil Limited Liability Partnerships Nil
Mr. Vinod Kumar Karikkat Designation: Independent Director DIN: 11832664 Date of Birth: October 27, 1969 Age: 56 Years Qualifications: (i) Chief Electrician (Air Radio) from Naval Institute of Aeronautical Technology in 2005; (ii) Bachelor of Arts in Social science from Madurai Kamaraj University from 2008; (iii) Master of Business Administration from Madurai Kamaraj	Indian Companies Nil Foreign Companies Nil Limited Liability Partnerships Nil

Name, Designation, DIN, Date of birth, Qualifications, Experience, Address, Occupation and Current term, Period of directorship and Nationality	Other Directorship(s) /Partner
University from 2010; (iv) Post Graduation in Personnel Management & HRD from Balaji Institute of Management Studies, Pune in 2010; (v) Post Graduation Diploma in Labour Laws and Administrative Law from Madurai Kamaraj University in 2014; (vi) Bachelor of Law from University of Mumbai in 2019. Experience: 37 Years Address: Flat No. 1003, Bhoomi Heights Plot No. 01, and 10 Near K.K. Cinema Sector No. 31, Kamothe, Panvel, Joi Kamothe, Panvel, Raigarh, Maharashtra - 410206, India. Occupation: Service Current term of office: 3 years with effect from August 28, 2026, Not liable to Retire by rotation Period of Directorship: Since August 6, 2026 Nationality: Indian	
Mr. Piyush Parasmal Jain Designation: Independent Director DIN: 11865472 Date of Birth: January 24, 1990 Age: 36 Years Qualifications: (i) Bachelor of Commerce from University of Mumbai in 2011; (ii) Chartered Accountant from ICAI in 2022 Experience: 10 Years Address: B 1401, Raj Horizon, Ramdev Park, Near Sneha Building, Mira road East, Thane, Maharashtra - 401107, India Occupation: Professional Current term of office: 3 years with effect from August 28, 2026, Not liable to Retire by rotation Period of Directorship: Since August 6, 2026 Nationality: Indian	Indian Companies Nil Foreign Companies Nil Limited Liability Partnerships Nil

BRIEF PROFILES OF OUR DIRECTORS

Mr. Jyothi Kumar Nannat is the Managing Director and one of the Promoters of our Company. He has been associated with our Company since its incorporation. He holds a post graduate diploma in management (PGDIM) from New Delhi in the year 2003 and has also completed an executive post graduate programme in electric vehicle

design from Indian Institute of Technology, Roorkee in the year 2025. He is currently a designated partner of Nexa Mumbai Aviation LLP. He has over 20 years of experience in the aerospace & Defence sectors, having served in the Indian Navy for a period of 15 years, where he was responsible for aircraft electrical maintenance, flight servicing, and maintenance of electrical and instrumentation systems, and thereafter having been associated with Nexa, a partnership firm, as the branch head of its Mumbai branch, where he was responsible for overseeing the management and operations of the branch, including its technical and financial functions. As the Managing Director of our Company, he is responsible for formulating our Company's strategic direction, overseeing its overall operations, driving business growth, ensuring operational efficiency and strengthening our Company's market position.

Ms. Sunitha J Kumar is the whole-time director and one of the Promoters of our Company. She has been associated with the Company since incorporation. She holds a Pre-Degree Examination from University of Calicut. Currently, she is director and promoter of ESOI Enterprises Private Limited, which is engaged in providing technical testing and engineering solutions for Industrial and Manufacturing projects which includes general fabrication, rubber product development, stainless steel welding and polishing, electronic PCB Design, etc, where she is responsible for providing strategic leadership, overseeing the operations and financial performance and overall growth. She has more than 9 years of experience in Industrial and General Manufacturing sector. As the Whole Time Director of the company, she is responsible for administrative functions including overseeing management and smooth functioning of company.

Mr. Vinod Kumar Cheruvatham Kandy is the Non-Executive Non-Independent Director of our Company. He was appointed as Non Executive Director of our company with effect from August 22, 2026. He holds a Bachelor of Arts degree from the University of Calicut, obtained in 2000, and a Post Graduation Diploma in Engineering from the Indian Navy, obtained in 2000. Since 2016, he has been an entrepreneur and the owner of Navyug Enterprises, a partnership firm engaged in Distribution, Servicing, and technical support of solar energy products. In the past, he served in the Indian Navy for 15 years, where he was responsible for aircraft electrical maintenance, aviation safety compliance, technical supervision and quality assurance. He was also associated with Royal Yachts of Oman as a Marine Electrical Engineer from 2006 to 2010 and with Qatar Emiri Air Force as an Aircraft Technical Specialist from 2010 to 2015. He possesses approximately 24 years of experience in the engineering and manufacturing industry.

Mr. Vinod Kumar Karikkat is an Non-Executive Independent Director of our Company. He was appointed as an Independent Director of our Company with effect from August 6, 2026. He holds a degree in Bachelor of Law from University of Law in 2019. Further, he holds a Diploma in Labour laws and Administrative Law from Madurai Kamaraj University in 2014 and also has a Masters of Business Administration from Madurai Kamaraj University in 2010. In the past, he served in the Indian Navy for 22 years, where he was responsible for Aviation Operations, technical support, administration, workforce management and logistics. He is associated with Oil Field Instrumentation (India) Pvt Ltd from 2011, where he is responsible for Human Resources, Administration, governance, compliance in the field of Oil and Gas sector.

Mr. Piyush Parasmal Jain is a Non-Executive Independent Director of our Company. He was appointed as an Independent Director of our Company with effect from August 6, 2026. He holds a bachelor's degree in commerce from the University of Mumbai, in the year 2011, and has been a member of the Institute of Chartered Accountants of India since 2016. He is the proprietor of M/s. Jain P.K. and Associates since 2016. He has over 10 years of professional experience as Chartered Accountant.

RELATIONSHIP AMONGST OUR DIRECTORS, KEY MANAGERIAL PERSONNEL

Except as disclosed herein, none of our Director(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013

Name of Director	Designation	Relation
Mr. Jyothi Kumar Nannat	Managing Director	Spouse of Ms. Sunitha J Kumar
Ms. Sunitha J Kumar	Director	Spouse of Mr. Jyothi Kumar Nannat

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our directors have been appointed on the Board.

SERVICE CONTRACTS

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

BORROWING POWERS OF OUR BOARD OF DIRECTORS

Pursuant to a special resolution passed by our Board in its meeting dated June 18, 2026 and our shareholders in their extraordinary general meeting held on July 10, 2026 our Board is authorised to borrow such sum or sums of moneys and for availing all kinds and types of loans, advances and credit/financing/debt facilities including issuance of all kinds of debentures/bonds and other debt instruments, from time to time, up to a sum of ₹ 7500 lakh at any point of time on account of principle, for and on behalf of our Company, from its bankers, other banks, non-banking financial companies, financial institutions, companies, firms, bodies corporate, cooperative banks, investment institutions and their subsidiaries, mutual funds, trusts, or from any other person as may be permitted under applicable laws, whether unsecured or secured.

OTHER CONFIRMATIONS

As on this date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in such companies.
- b) None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.
- c) None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.
- d) None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
- e) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.

COMPENSATION OF CHAIRMAN AND MANAGING DIRECTOR & WHOLE TIME DIRECTOR

Mr. Jyothi Kumar Nannat - Chairman and Managing Director

Mr. Jyothi Kumar Nannat is currently the Chairman and Managing Director and one of the Promoters of our Company. He has been associated with our Company since incorporation. He was appointed as the Chairman Managing Director of our Company for a period of 05 (*Five*) years with effect from April 01, 2026 pursuant to resolutions passed by both our Board dated July 30, 2026 and Shareholders on August 08, 2026.

The details of remuneration of the Chairman and Managing Director, as approved by Board and the Shareholders are as stated below:

Basic Salary	₹ 7,00,000 (Rupees Seven Lakhs only) per month
Tenure	5 years with effect from April 01, 2026
Commission/performance linked incentive	Not Exceeding 1% of the net profit of the Company in any financial year as the Board may determine from time to time but shall not exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board.

Other Terms and Conditions/ Perquisites and allowances of expenses	• Perquisites in accordance with the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time • Leaves as per company Policy • Medical Reimbursement as per the company policy • Leave Travel Concession as per the company policy
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Ms. Sunitha J Kumar – Whole Time Director

Ms. Sunitha J Kumar is the Whole Time Director and one of the Promoters of our Company. She has been associated with our Company since incorporation. She was appointed as the Director of our Company for a period of 5 years with effect from August 01, 2026 pursuant to resolutions passed by our Board dated July 30, 2026 and Shareholders on August 08, 2026.

The details of remuneration of the Whole Time Director, as approved by the Board and the Shareholders are as stated below:

Basic Salary	₹ 3,00,000 per month
Term	5 years with effect from August 01, 2026
Commission/ Performance-Linked Incentive	Not Exceeding 1% of the net profit of the Company in any financial year as the Board may determine from time to time but shall not exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board.
Other Terms and Conditions/ Perquisites and allowances of expenses	• Perquisites in accordance with the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company from time to time • Leaves as per company Policy • Medical Reimbursement as per the company policy • Leave Travel Concession as per the company policy

Payments or Benefits to our Executive Directors

The following table sets forth the details of remuneration paid to our Executive Directors during the period from April 1, 2026 to June 30, 2026 and for the Financial Year ended March 31, 2026:

(₹ in lakhs)

Sr. No.	Name of the Executive Directors	Designation	For the Period ended June 30, 2026* (₹ in lakhs)	FY 2025-26
1.	Mr. Jyothi Kumar Nannat	Chairman and Managing Director	21.00	Nil
2.	Ms. Sunitha J Kumar	Whole Time Director	9.00	Nil

**Note: The remuneration disclosed for the three-month period ended June 30, 2026 represents the period from April 1, 2026 to June 30, 2026.*

Bonus or Profit-Sharing Plan of our Directors

None of our Directors is entitled to any bonus excluding (performance-linked incentive) or profit-sharing plans of our Company.

Remuneration paid to our Directors by our Subsidiaries and Associates

Our Company does not have any subsidiary or associate company as on the date of this Draft Red Herring Prospectus. Accordingly, none of our Directors have received any remuneration from any subsidiary or associate company of our Company in Fiscal 2026.

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate companies.

SITTING FEES OF OUR INDEPENDENT DIRECTORS AND NON- EXECUTIVE DIRECTOR

Pursuant to the board resolution dated July 30, 2026, our Non- Executive Director and Independent Directors, of our company are entitled to receive a sitting fee of ₹ 10,000 per meeting of the Board and its committees of the Board.

CONTINGENT OR DEFERRED COMPENSATION PAID TO DIRECTORS BY OUR COMPANY

There is no contingent or deferred compensation payable to our directors which does not form part of their remuneration.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per our Articles of Association, our directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus:

S. No.	Name	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
1.	Mr. Jyothi Kumar Nannat	72,15,140	81.00%
2.	Ms. Sunitha J Kumar	6,23,560	7.00%
Total		78,38,700	88.00%

INTERESTS OF DIRECTORS

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. Our Non-Executive Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and / or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board.

Further, except as disclosed under “*Our Management - Shareholding of Directors in our Company*” above, none of our directors hold any Equity Shares or any other form of securities in our Company. Further, our directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company. Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by the entities in which they are associated as promoters, directors, partners, proprietors, karta or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Our director are also interested to the extent of unsecured loans, if any, given by them to our Company or by their relatives or by the companies/ firms in which they are interested as directors/ Members/ Partners. Further our Directors are also interested to the extent of loans, if any, taken by them or their relatives or taken by the companies/ firms in which they are interested as Directors/ Members/ Partners and for the details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to the chapter titled “*Financial Indebtedness*” beginning on page 357 of this Draft Red Herring Prospectus.

Our directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our directors may also be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company in the normal course of business with any company in which they hold directorships or any partnership firm in which they are partners. For further details, please refer to the chapter titled “*Summary of Restated Financial Information*” beginning on page 69 of this Draft Red Herring Prospectus.

None of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

Except for Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar who are Director and also the Promoters of the Company, none of our directors have any interest in the promotion of our Company.

Except as stated/referred to in the heading titled “*Immovable Properties*” under the chapter “*Our Business*” beginning on page 183 Our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus.

Our Directors have not availed any loans from the Company or its subsidiaries.

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respective, in cash or shares or otherwise by any person either to induce him / her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

There are no conflicts of interest between any lessors of immovable properties taken on lease by our Company (crucial for the operations of the Company) and our Directors and Key Managerial Personnel.

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and our Directors and Key Managerial Personnel.

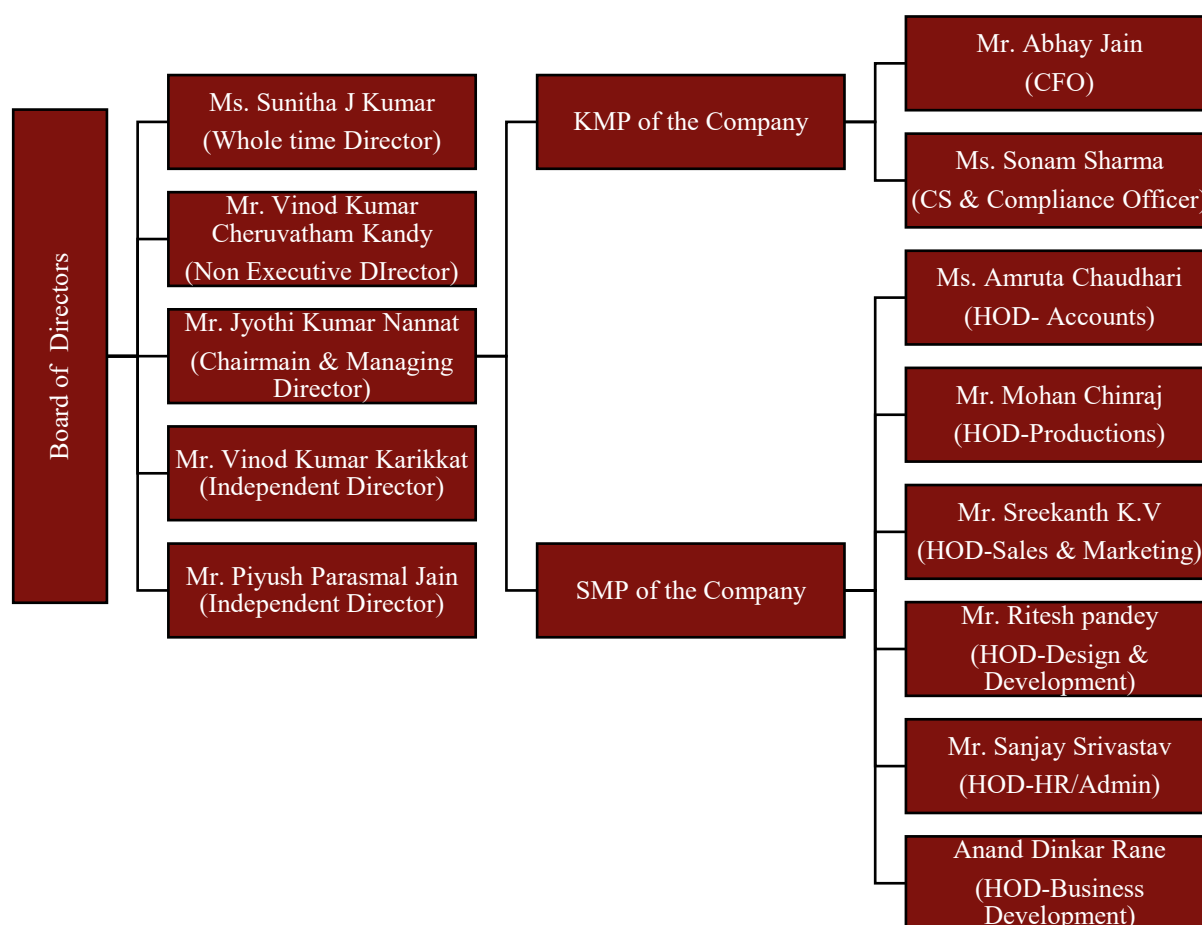
CHANGES IN OUR BOARD IN THE LAST THREE YEARS

Except for the following, there has been no change in the Board of Directors of the Company, in the last three years:

Name	Date of Appointment/ Cessation/ Reappointment/Resignation/ Regularisation	Designation (at the time of Appointment/ Cessation/ Reappointment/Resignation/ Regularisation)	Reason for Change*
Mr. Jyothi Kumar Nannat	March 07, 2025	Managing Director	Appointment of Managing director
Ms. Sunitha J Kumar	March 07, 2025	Director	Appointment as Director
Ms. Athira T Nair	December 15, 2025	Executive Director	Appointment as Executive Director
Mr. Vinod Kumar Karikkat	August 06, 2026	Additional Non-Executive Director	Appointment as Independent Director
Mr. Piyush Parasmal Jain	August 06, 2026	Additional Non-Executive Director	Appointment as Independent Director
Mr. Vinod Kumar Cheruvatham Kandy	August 22, 2026	Additional Non-Executive Director	Appointment as Non-Executive Director
Ms. Athira T Nair	August 22, 2026	Executive Director	Resignation as Executive Director

**Excludes any regularization of additional Directors and changes in designation, all the changes made to ensure better corporate governance.*

MANAGEMENT ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations and the Companies Act, 2013 in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company has complied with the corporate governance requirements, particularly in relation to appointment of independent directors including that of a woman director on our Board, constitution of an Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, our Board comprises 5 Directors (including 1 women Directors), which includes 1 Managing Director, 1 Whole Time Women Director, 1 Non-Executive Non-Independent Director and 2 Non-Executive Non-Independent Directors. In compliance with Section 152 of the Companies Act, not less than two thirds of the Directors (excluding Independent Directors) are liable to retire by rotation.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act.

Committees of the Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee.

1. *Audit Committee*

Our Company at its Board Meeting held on September 8, 2026 has constituted an Audit Committee ("Audit Committee") in compliance with the provisions of the Section 177 of the Companies Act, 2013 read with rule 6 of the companies (Meeting of board and its power) rules, 2014 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Audit Committee comprises the following members:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Mr. Piyush Jain	Chairperson	Independent Director
2.	Mr. Vinod Kumar Karikkat	Member	Independent Director
3.	Mr. Vinod Kumar Cheruvatham Kandy	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Audit Committee. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure:

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee:

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for an audit committee meeting shall be either two members or one-third of the members of the audit committee, whichever is greater, with at least two independent Directors. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to furnish clarifications to the shareholders on any matter relating to accounts.

C. Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. Such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations

D. Role of the Audit Committee

The role of the Audit Committee shall include the following:

- 1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions;
 - g) modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - 6) 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 utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
 - 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - 8) approval or any subsequent modification of transactions of the listed entity with related parties;
 - 9) scrutiny of inter-corporate loans and investments;
 - 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - 11) evaluation of internal financial controls and risk management systems;
 - 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - 13) 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;
 - 14) discussion with internal auditors of any significant findings and follow up there on;
 - 15) 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;
 - 16) 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;
 - 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 18) to review the functioning of the whistle blower mechanism;
 - 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
 - 21) reviewing the utilization of loans and/ or advances from/investment by the holding 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 existing as on the date of coming into force of this provision.
 - 22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Management letters / letters of internal control weaknesses offered by the statutory auditors;
- c) Internal audit reports relating to internal control weaknesses;
- d) The appointment, removal and terms of remuneration of the chief internal auditor;
- e) Statement of deviations in terms of the SEBI Listing Regulations:
 - quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
- f) review the financial statements, particularly the investments made by any unlisted subsidiary.

2. *Nomination and Remuneration Committee*

Our Company at its Board Meeting held on September 8, 2026 has constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178, Schedule V and all other applicable provisions of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and

Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Nomination and Remuneration Committee comprises the following members:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Mr. Piyush Jain	Chairperson	Independent Director
2.	Mr. Vinod Kumar Karikkat	Member	Independent Director
3.	Mr. Vinod Kumar Cheruvatham Kandy	Member	Non-Executive Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure:

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings:

The committee shall meet as and when the need arises, subject to at least once in a year. The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. The Chairman of the Nomination and Remuneration Committee is entitled to attend the general Meeting of the company to furnish clarifications to the shareholders on any matter relating to remuneration.

C. Scope and terms of reference:

The terms of reference of the Nomination and Remuneration Committee as per Regulation 19 and Part D of Schedule II of SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and, on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the board all remuneration, in whatever form, payable to senior management

3. Stakeholders' Relationship Committee

Our Company at its Board Meeting held on September 8, 2026 has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constituted Stakeholders Relationship Committee comprises the following:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Mr. Piyush Jain	Chairperson	Independent Director
2.	Mr. Vinod Kumar Karikkat	Member	Independent Director
3.	Ms. Sunitha J Kumar	Member	Whole-Time Director

The Company Secretary of the Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Stakeholder Relationship Committee and its terms of reference shall include the following:

A. Tenure:

The Stakeholder Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder Relationship Committee as approved by the Board.

B. Meetings:

The Stakeholders Relationship Committee shall meet at least once a year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The Chairman of the Stakeholders Relationship Committee shall be present at the Annual General Meeting to answer queries of the securities holders. The Quorum shall be two members present.

C. Scope and terms of reference:

The role of the Stakeholders Relationship Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Resolving grievances of debenture holders related to creation of charge, payment of interest/ principle, maintenance of security cover and any other covenants.

Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel of our company:

A brief detail about the Key Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Previous Employment
Name: Mr. Abhay Jain	(i) ASIOW Consultancy Private Limited (2013 - 2025)
Designation: Chief Financial Officer	
Education Qualification: (i) Bachelor of Law and; (ii) Diploma in Business Administration in Finance	
Age: 38 Years	
Term of Office: Permanent	

Name, Designation & Educational Qualification	Previous Employment
Name: Ms. Sonam Sharma	(i) Deepak Chemtex Limited (2023 - 2026)
Designation: Company Secretary and Compliance Officer	
Education Qualification: Associate Member of the Institute of Company Secretaries of India (ICSI)	
Age: 39 Years	
Term of Office: Permanent	

In addition to our Managing Director and our Non-Executive Director, whose details are provided in “*Our Management - Brief Profiles of our Directors*” beginning on page 241 of this Draft Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Abhay Jain is the Chief Financial Officer of our Company and has been associated with our Company since August 06, 2026. He holds a Bachelor of Laws degree from the University of Mumbai, Post Graduate Diploma in Business Administration (PGDBA) in Finance from Symbiosis Centre for Distance Learning and the Bachelor of Commerce degree from the University of Mumbai. He was previously a Director of ASIOW Consultancy Private Limited and also worked as a freelancer for providing general business and financial assistance. He has more than 11 years of professional experience.

Ms. Sonam Sharma is the Company Secretary and Compliance Officer of our Company and has been associated with our Company since August 22, 2026. She is a member of the Institute of Company Secretaries of India since August 16, 2017 and holds a Master of Arts degree from Bikaner University. Earlier she was associated with Deepak Chemtex Limited as Compliance Officer since September 2023, where she was involved in corporate compliances, listing-related matters, statutory filings and coordination with regulatory authorities. She has more than 4 years of professional experience in company secretarial and compliance functions.

All our Key Managerial Personnel are permanent employees of our Company.

SENIOR MANAGERIAL PERSONNEL OF OUR COMPANY

A brief detail about the Senior Managerial Personnel of our Company is provided below:

Name, Designation & Educational Qualification	Previous Employment
Name: Ms. Amruta Amol Chaudhari	Nexa Mumbai (2014 - 2026)
Designation: HOD - Accounts	
Education Qualification: M.A. (Economics) from Savitribai Phule Pune University	
Age: 36 Years	
Term of Office: Permanent	
Name: Mr. Mohan Chinraj	Nexa Mumbai (2014 - 2022)ESOI Enterprises Pvt Ltd (2022 - 2026)
Designation: HOD - Production	
Education Qualification: Diploma in Electronics & Communication Engineering	
Age: 37 Years	
Term of Office: Permanent	
Name: Mr. Sreekanth K.V	Nexa Mumbai (2014 - 2022) ESOI Enterprises Pvt Ltd (2023 - 2026)
Designation: HOD - Sales and Marketing	
Education Qualification: ITC Electrician Certificate, 2005	

Name, Designation & Educational Qualification	Previous Employment
Age: 40 years	
Term of Office: Permanent	
Name: Mr. Ritesh Kumar Pandey	Nexa Mumbai (2016 - 2026)
Designation: HOD - Design and Development	
Education Qualification: Bachelor of Engineering (Mechanical) from Savitribai Phule Pune University	
Age: 32 Years	
Term of Office: Permanent	
Name: Mr. Sanjay Kumar Srivastav	Indian Navy (1987 - 2018) Nexa Mumbai (2018 - 2026)
Designation: HOD - Human Resources	
Education Qualification: Bachelors of Arts from Osmania University	
Age: 57 years	
Term of Office: Permanent	
Name: Mr. Anand Dinkar Rane	Millennium Aero Dynamics Private Limited (2006 - 2025)
Designation: HOD - Business Development	
Education Qualification: Diploma in Electrical Engineering from Board of Technical Examinations, Maharashtra State	
Age: 58 Years	
Term of Office: Permanent	

The details of our Senior Management Personnel, is as set forth below:

Ms. Amruta Amol Chaudhari is the HOD - Accounts of our Company. She has been associated with our Company since April 01, 2026. She holds a Master of Arts (M.A.) degree in Economics from Savitribai Phule Pune University, obtained in 2016. Earlier she was associated with M/s. Nexa Mumbai from November 20, 2014 to March 31, 2026. She has approximately 12 years of experience in finance and accounts, with experience in financial controls, accounting and financial reporting.

Mr. Mohan Chinraj is the HOD - Production of our Company. He has been associated with our Company since April 01, 2026. He holds a Diploma in Electronics & Communication Engineering from the State Board of Technical Education & Training, Tamil Nadu in 2009. Prior to joining our Company, he was associated with M/s. Nexa Mumbai from January 2014 to July 2022 and with ESOI Enterprises Private Limited from August 2022 to March 2026. He has approximately 11 years of experience in production and manufacturing, production planning, supervision, workflow management and related manufacturing functions.

Mr. Sreekanth K.V is the HOD - Sales & Marketing of our Company. He has been associated with our Company since April 01, 2026. He has cleared the trade test in the trade of Electrician conducted in July 2005 and was awarded the National Trade Certificate by the National Council for Vocational Training, Ministry of Labour and Employment, Government of India. Earlier, he was associated with M/s. Nexa Mumbai from January 2014 to December 2022 and with ESOI Enterprises Private Limited from January 2023 to March 2026. He has approximately 11 years of experience in sales and marketing, sales strategy, customer relationship management, market analysis and tender management.

Mr. Ritesh Kumar Pandey is the HOD - Design and Development of our Company. He has been associated with our Company since September 01, 2025. He holds a Bachelor of Engineering degree in Mechanical Engineering from Savitribai Phule Pune University in 2016. Earlier, he was associated with M/s. Nexa Mumbai as Manager - Design and Development from February 24, 2016 to August 31, 2025. He has approximately 11

years of experience in design and development, with experience in product design, engineering drawings and 3D modelling.

Mr. Sanjay Kumar Srivastav is the HOD - HR & Administration of our Company. He has been associated with our Company since April 01, 2026. He holds a Bachelor of Arts degree from Osmania University in 1996. Earlier, he was associated with M/s. Nexa Mumbai as Manager - HR & Administration from June 11, 2018 to March 31, 2026. He has more than 7 years of experience in human resources and administration, with experience in recruitment, employee relations, payroll coordination and administrative functions.

Mr. Anand Dinkar Rane is the HOD - Business Development of our Company. He has been associated with our Company since May 1, 2026. He holds a Diploma in Electrical Engineering from the Board of Technical Examinations, Maharashtra State, in March 1989. Earlier, he was associated with Millennium Aero Dynamics Private Limited in its aviation sales and service business from May 2006 to July 2025. He is responsible for the business development for civil aviation and defence sector by executing the business plans to drive growth and develop market presence of our Company. He has approximately 19 years of experience in business development, sales in aviation sector.

Payments or Benefits to our KMP and SMP

The following table sets forth the details of remuneration paid to our Key Managerial Personnel (“KMP”) and our Senior Management Personnel (“SMP”), for the three-month period ended June 30, 2026 and for Fiscal 2025-26.

Sr. No.	Name of the Executive Directors	Designation	For the Period ended June 30, 2026* (₹ in lakhs)	FY 2025-26
KEY MANAGERIAL PERSONNEL (KMP)				
1.	Mr. Abhay Jain	Chief Financial Officer	Nil	Nil
2.	Ms. Sonam Sharma	Company Secretary & Compliance Officer	Nil	Nil
SENIOR MANAGEMENT PERSONNEL (SMP)				
3	Ms. Amruta Amol Chaudhari	HOD - Accounts	1.20	Nil
4	Mr. Mohan Chinraj	HOD - Production	1.35	Nil
5	Mr. Sreekanth K.V	HOD - Sales & Marketing	1.50	Nil
6	Mr. Ritesh Kumar Pandey	HOD - Design & Development	2.10	4.90
7	Mr. Sanjay Kumar Srivastav	HOD - HR & Admin	0.96	Nil
8	Mr. Anand Dinkar Rane	HOD - Business Development	3.00	Nil

**Note: The remuneration disclosed for the three-month period ended June 30, 2026 represents the period from April 1, 2026 to June 30, 2026.*

We confirm that:

- All the persons named as our Key Managerial Personnel and senior management personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned Key Managerial Personnel and senior management personnel have been recruited.

- c. None of our KMPs & SMPs except Jyothi Kumar Nannat and Sunitha J Kumar are also part of the Board of Directors.
- d. In respect of all above mentioned Key Managerial Personnel and senior management personnel there has been no contingent or deferred compensation accrued for the year ended on June 30, 2026.
- e. Except for the terms set forth in the appointment letters, the Key Managerial Personnel and senior management personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the issuer.
- f. Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel and senior management personnel.
- g. Except as disclosed below, none of the Key Managerial Personnel and Senior Management Personnel of our Company hold any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Key Managerial Personnel and Senior Management	No. of Equity Shares held	Percentage of the Equity Shars held (in %)
1.	Mr. Jyothi Kumar Nannat	72,15,140	81.00%
2.	Ms. Sunitha J Kumar	6,23,560	7.00%
3.	Ms. Amruta Amol Chaudhari	89,080	1.00%
4.	Mr. Mohan Chinraj	89,080	1.00%
5.	Mr. Sreekanth K. V	89,080	1.00%
6.	Mr. Ritesh Kumar Pandey	89,080	1.00%
7.	Mr. Abhay Jain	89,080	1.00%
Total		82,84,100	93.00%

- h. Presently, we do not have an Employee Stock Option Plan (ESOP)/ Employee Stock Purchase Scheme (ESPS) for our employees

Relationship of Key Managerial Personnel and Senior Managerial Personnel with our Directors, Promoters and / or other Key Managerial Personnel and Senior Managerial Personnel

Except as detailed below, none of our Key Management Personnel, Senior Management or Directors is related to each other, within the meaning of section 2(77) of the Companies Act, 2013:

Sr. No.	Name of Directors/KMPs/SMPs	Designation	Relationship
1.	Mr. Jyothi Kumar Nannat	Managing Director	Spouse of Ms. Sunitha J Kumar
2.	Ms. Sunitha J Kumar	Whole Time Director	Spouse of Mr. Jyothi Kumar Nannat

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except for statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards the Provident fund, Gratuity fund, and Employee State Insurance.

Arrangements or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

Set forth below are changes in our Key Managerial Personnel in the previous three years from the date of filing of this Draft Red Herring Prospectus:

Name	Date of appointment	Designation (at the time of appointment/ resignation)	Reasons
Abhay Jain	August 6, 2026	Chief Financial Officer	Appointment
Sonam Sharma	August 22, 2026	Company Secretary & Compliance Officer	Appointment

Interests of Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in “*Key Managerial Personnel and Senior Management Personnel in Our Management*”, the Key Managerial Personnel and members of our Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

There is no conflict of interest between our KMPs and members of our Senior Management and third-party service providers of our Company (crucial for operations of our Company).

There is no conflict of interest between our KMPs and members of our Senior Management and the lessor of immovable properties of our Company (crucial for operations of our Company).

Service Contracts with Key Managerial Personnel and Senior Management

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no Key Managerial Personnel or Senior Management has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Interest in the property of our Company

Except as disclosed in the section titled “*Our Business- Immovable Properties*” and “*Restated Financial Information*” on page 183 and 270, Our KMPs and SMPs do not have any interest in any property acquired by our Company in a period of two years before the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of filing the Red Herring Prospectus with RoC.

Loans given or availed by our Key Managerial Personnel and Senior Management Personnel

As on the date of this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management Personnel has availed any loan or given any loan to the company.

Contingent and Deferred Compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management which does not form part of their remuneration.

Bonus or Profit-Sharing Plan of Key Managerial Personnel

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management.

Employee Stock Option Plan (“ESOP”)/ Employee Stock Purchase Scheme (“ESPS Scheme”)/ Stock Appreciation Rights Scheme (SARs) to Employees

Presently, we do not have any (ESOP/ESPS)/ Stock Appreciation Rights Scheme (SARs) Scheme for our employees.

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OUR PROMOTERS AND PROMOTER GROUP

PROMOTERS

The Promoters of our Company are Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar. As on the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of Equity Shares 78,38,700 representing 88% of the pre-offer Paid-up Equity Share Capital of our Company. For details of the build-up of Promoter's Shareholding in the Company, see "*Capital Structure*" beginning on page no. 111 of this Draft Red Herring Prospectus.

A BRIEF PROFILE OF PROMOTERS

	Mr. Jyothi Kumar Nannat Chairman and Managing Director Mr. Jyothi Kumar Nannat is the Promoter and Managing Director of our Company. For his complete profile, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see "<i>Our Management</i>" on page 241. As on date of filing of this Draft Red Herring Prospectus, Jyothi Kumar Nannat holds 72,15,140 Equity Shares representing 81.00% of the subscribed and paid-up Equity Share capital of our Company. His Permanent Account Number is ADGPN8784M. Other than as disclosed in the Section "<i>Our Management</i>" on page 241, he is not involved in any other venture.
	Ms. Sunitha J Kumar Ms. Sunitha J Kumar is the Promoter, and Whole Time Director of our Company. For her complete profile, i.e., her date of birth, age, residential address, educational qualifications, professional experience, her business and financial activities, positions posts held in the past, other directorships, other ventures and special achievements, please see "<i>Our Management</i>" on page 241. As on date of filing of this Draft Red Herring Prospectus, Ms. Sunitha J Kumar holds 6,23,560 Equity Shares representing 7.00% of the subscribed and paid-up Equity Share capital of our Company. His Permanent Account Number is AYMPK8223F. Other than as disclosed in the Section "<i>Our Management</i>" on page 241, he is not involved in any other venture.

DECLARATION

We declare and confirm that the details of the Permanent Account Numbers, Aadhaar Card Numbers, Driving License Numbers, Passport Numbers and Bank Account Numbers of our Promoters will be submitted to the Stock Exchange i.e. Emerge platform of NSE where the Equity Shares are proposed to be listed at the time of filing this Draft Red Herring Prospectus.

UNDERTAKINGS / CONFIRMATIONS

- Neither our Promoters nor persons or entities forming part of our Promoters' Group, our directors, or our Company have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

- Our Promoters, members of the Promoters' Group and Directors of our Company are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority;
- None of our Promoters or Directors are/were directors of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority during their tenure;
- Neither our Company nor any of our Promoters or Directors have been declared as wilful defaulters by the RBI or any other government authority. Further, none of our Promoters or Promoter Group has been declared as "Fraudulent Borrowers" by any lending bank or financial institution or consortium, in terms of the RBI Circular dated July 01, 2016;
- None of our Promoters, Promoter Group, Directors or persons in control of our Company have been declared as a "fugitive economic offender" under the provisions of Section 12 of the Fugitive Economic Offenders Act, 2018;
- None of the securities issued by our Company have been refused listing by any stock exchange, in India or abroad;
- There are no defaults in respect of payment of interest and principle to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and any other company promoted by the promoters during the past three years;
- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past five years against any of the Promoters nor is there any outstanding action against the Promoters;
- There are no conflicts of interests between the third-party service providers (crucial for operations of the Company) and the Company, Promoters and Promoter Group.
- There is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company), the Company, Promoter, Promoter Group, Key Managerial Personnel and Directors.
- 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, other than the ones which have already disclosed in this Draft Red Herring Prospectus.
- There are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus.
- The litigation record, nature of litigation and status of litigation of our Company, our Promoters, Promoter Group, Group Company and companies promoted by our Promoters are disclosed in the chapter titled "Outstanding Litigations and Material Developments" beginning on page 377 of this Draft Red Herring Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in this section titled "*Our Promoters and Promoter Group*" and the Section titled "*Our Management*", beginning on page 259 and 241 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five (5) years immediately preceding the date of this Draft Red Herring Prospectus. For details in relation to the shareholding of our Promoters and Promoter Group, please refer to the section titled "*Capital Structure*" beginning on page 111.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

Our promoters have adequate experience in the line of business, including any proposed line of business, of our company. For details in relation to experience of promoters in the business of our Company, please refer to the chapter titled "*Our Management*" beginning on page 241.

INTEREST OF OUR PROMOTERS

1. *Interest in our Company other than as Promoters*

Except as mentioned in this section and sections titled "*Capital Structure*", "*Financial Information*", "*Our Business*", "*History and Certain Corporate Matters*", "*Our Management*" and "*Restated Financial Statements*"

beginning on pages 111, 270, 183, 236, 241, and 270, respectively, our Promoters do not have any other interest in our Company.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements, or arrangements in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements, or arrangements which are proposed to be made with them other than in the normal course of business.

2. *Interest in Promotion of the Issuer*

Our Promoters are interested in the promotion of our Company and also to the extent of their directorship, if any, their shareholding including shareholding of their relatives, and the dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. For details regarding the shareholding of our Promoters in our Company, please see “*Capital Structure*” on page 111 of this Draft Red Herring Prospectus. Further, some of our Promoters are also directors on the Boards or shareholders, proprietors, members, partners or persons in control of entities with which our Company has/had related party transactions and may be deemed to be interested to the extents of the payments made by our Company, if any, to these entities. For details, please refer to “*Capital Structure*” & “*Related Party Disclosures under section restated Financial Information*” beginning on page 111 and 270 of this Draft Red Herring Prospectus.

Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar are also interested in our Company to the extent of the unsecured loans extended by them and other related parties to our Company. For further details, kindly refer “*Summary of Related Party Transactions*” beginning on page 76.

3. *Interest in the Property of our Company*

Except as mentioned in the Section titled “*Our Business*” beginning on page 183 of this Draft Red Herring Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of 3 (three) years before filing of this Draft Red Herring Prospectus or proposed to be acquired as on the date of this Draft Red Herring Prospectus.

4. *Interest in our Company arising out of being a member of a firm or company*

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce them to become, or qualify them as a director, or otherwise for services rendered by such Promoters or by such firm or company in connection with the promotion or formation of our Company.

5. *Interest in any transaction in acquisition of land, construction of building, supply of machinery, etc.*

Except as mentioned in the Section titled “*Our Business*” beginning on page 183 of this Draft Red Herring Prospectus, our promoters do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

PAYMENT OR BENEFIT TO THE PROMOTER OR PROMOTER GROUP IN THE LAST TWO YEARS

Except as stated in Sections “*Restated Financial Statements*” & “*Our Management*” beginning on page 270 and 241 respectively of this Draft Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding two years of filing of this Draft Red Herring Prospectus or intended to be paid or given to any of the Promoters or members of our Promoter Group.

MATERIAL GUARANTEES PROVIDED BY OUR PROMOTERS

Except as stated in the Section titled “*Financial Indebtedness*” on Page 358 and section titled “*Restated Financial Information*” beginning on page 271 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to equity shares of the Company as on the date of this Draft Red Herring Prospectus.

COMPANIES OR FIRMS WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Except as stated below, none of our Promoters have disassociated themselves from any other company or firm during the three years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of Promoter	Name of Entity	Date of Disassociation
1	Mr. Jyothi Kumar Nannat	Aviation & Marine Services	June 8, 2024

OUTSTANDING LITIGATIONS DETAILS OF OUR PROMOTERS

The litigation record, the nature of litigation, and status of litigation of our Promoters are disclosed in Section titled “*Outstanding Litigations and Material Developments*” beginning on page 377 of this Draft Red Herring Prospectus.

COMMON PURSUITS OF OUR PROMOTERS

Except as mentioned in the chapter titled ‘*Our Group Companies*’, there are no common pursuits among our Promoters, the members of our Promoter Group and our Promoter Group entities.

OUR 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:

1. Natural persons who are part of our Individual Promoter Group

As per Regulation 2(1) (pp) (ii) of the SEBI (ICDR) Regulations, 2018, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter) are as follows:

Name of Promoter	Relationship with Promoter	Name of Member of Promoter Group
1. Mr. Jyothi Kumar Nannat		
	Father	Late Gopala Krishnan Nair
	Mother	Late Sarojani Nayyar
	Brother(s)	Not Applicable
	Sister(s)	Not Applicable
	Spouse	Ms. Sunitha J Kumar
	Son(s)	Mr. Aditya Nair
	Daughter(s)	Ms. Athira T Nair
	Spouse's Father	Mr. Mukundan
	Spouse's Mother	Ms. Ramadevi
	Spouse's Brother(s)	Mr. Sunil Thamattur
	Spouse's Sister(s)	Ms. Saraswathy V
2. Ms. Sunitha J Kumar		
	Father	Mr. Mukundan
	Mother	Ms. Ramadevi
	Brother(s)	Mr. Sunil Thamattur
	Sister(s)	Ms. Saraswathy V
	Spouse	Mr. Jyothi Kumar Nannat
	Son(s)	Mr. Aditya Nair
	Daughter(s)	Ms. Athira T Nair
	Spouse's Father	Late Gopala Krishnan Nair
	Spouse's Mother	Late Sarojani Nayyar
	Spouse's Brother(s)	Not Applicable
	Spouse's Sister(s)	Not Applicable

2. Companies / Entities forming part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following entities would form part of our Promoter Group:

Nature of Relationship	Promoter Group Entities/Company	Nature of Business
1. Any body corporate in which twenty per cent or more of the equity share capital is held by the Promoter or an immediate relative of the Promoter or a firm or Hindu Undivided Family in which the Promoter or any one or more of his relative is a member	1. ESOI Enterprises Private Limited ⁽ⁱ⁾	Private Limited Company – engaged in providing technical testing, analysis and engineering solutions to industrial and manufacturing establishments, including general fabrication, rubber product development, stainless steel welding and polishing, electronic PCB design and design solutions for specialised fabrication requirements, along with on-site technical support at client premises.
	2. Nexa Mumbai	Proprietorship concern – engaged in the design, development, Indigenisation, manufacture, assembly, testing, supply, and servicing of Ground Support Equipment & Ground Handling Equipment to aviation aerospace and Defence Sector.
	3. Nexa GSE Inc ⁽ⁱⁱ⁾	Body corporate incorporated outside India – proposed to be engaged in the business of aviation support services. The entity has not commenced any business operations as on the date of this Draft Red Herring Prospectus.
	4. Nexa Mumbai Aviation LLP	Limited Liability Partnership Firm - To carry on the business of designing, developing, manufacturing, assembling, installing, repairing, importing, exporting and dealing in ground support, laboratory and workshop support equipment, tools, machinery, instruments, systems and allied equipment, including machine tools, hydraulic and pneumatic machinery and related parts and components, for the aviation, marine and other industries, and to undertake all incidental activities thereto.
2. Any body corporate in which a body corporate as provided in (1) above holds twenty per cent or more, of the equity share capital	Not Applicable	Not Applicable
3. Any Hindu Undivided Family or firm in which the aggregate share of the Promoter and his relatives is equal to or more than twenty per cent of the total capital	Jyothi Kumar Nannat HUF	Hindu Undivided Family – No business activities are carried out by the HUF.

Note: (i) ESOI Enterprises Private Limited forms part of our Promoter Group in terms of Regulation 2(1)(pp)(iv)(A) of the SEBI ICDR Regulations, as Ms. Athira T Nair, daughter of our Promoters, holds 30,000 equity shares representing 30% of its equity share capital and Ms. Sunitha J Kumar, promoter of our company, holds 70,000 equity shares representing 70% of its equity share capital as on July 31, 2026.

(ii) Nexa GSE Inc. forms part of our Promoter Group, as Promoter Mr. Jyothi Kumar Nannat and Ms. Sunitha J. Kumar hold 75% and 25% of the shareholding, respectively. The company has not yet commenced its operations and, accordingly, has not prepared or filed any financial statements as on the date of filing of the DRHP.

For details of the shareholding of our Promoters and the members of our Promoter Group in our Company, including the shareholding of the relatives of our Promoters, please refer to the section titled “*Capital Structure*” beginning on page 111 of this Draft Red Herring Prospectus.

3. Companies related to our Promoter Company: Not Applicable

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Nil
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	Nil

4. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”

In terms of Regulation 2(1) (pp)(v) of the SEBI ICDR Regulations, there is no person whose shareholding is aggregated under the heading “*Capital Structure*” in this Draft Red Herring Prospectus on page no. 111.

For further details on our Group Companies refer Section titled “*Group Companies*” beginning on page no. 265 of this Draft Red Herring Prospectus.

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OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of ‘Group Companies’, our Company has considered (i) such companies (other than promoter(s) and subsidiary/subsidiaries) with which our Company had related party transactions, during the period for which Restated Financial Statement is disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other company considered material by our Board.

In respect of item (i) above, all such companies with which our Company had related party transactions during the period covered in the Restated Financial Statement included in the Offer Documents, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

In respect of item (ii) above, our Board in its meeting held on *September 08, 2026*, has considered and adopted the Materiality Policy, *inter alia*, for identification of companies that shall be considered material and shall be disclosed as a group company in this Draft Red Herring Prospectus. In terms of the Materiality Policy, a company (other than the companies covered under the schedule of related party transactions as per the Restated Financial Statement included in the Offer Documents) shall be considered ‘*material*’ and will be disclosed as a ‘*Our Group Company*’ in the Offer Documents, if it is a member of the Promoter Group 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 fiscal year (or relevant stub period, if applicable), which individually or cumulatively in value exceeds 10% of the revenue from operations of our Company for the last completed fiscal year or the relevant stub period, as applicable, as per the Restated Financial Statement included in the Offer Documents.

Based on the above criteria laid out by the SEBI ICDR Regulations and our Materiality Policy, our Board has determined that our Company has the following Two (2) Group Companies as on the date of this Draft Red Herring Prospectus.

1. ESOI Enterprises Private Limited

BRIEF CORPORATE INFORMATION

Date of Incorporation/Registration	December 11, 2018
Corporate Identification Number	U29309MH2018PTC318093
Business Activities	The Company is engaged in Technical testing, analysis for manufacturing projects including general fabrication, rubber product development, SS (Stainless Steel) welding, polishing, electronic PCB design and development of design solutions for specialised fabrication requirements.
Registration Number	318093
Registered Office Address	Plot No - 111, Sector No - 1-S New Panvel (E), Tal – Panvel, Raigarh, Maharashtra, India, 410206

SHAREHOLDING AS ON JULY 31, 2026

Sr. No.	Name of the Shareholders	No. of Shares held (Face Value of ₹ 10)	% of shares held
1.	Ms. Sunitha J Kumar	70,000	70%
2.	Ms. Athira T Nair	30,000	30%
	Total	1,00,000	100%

BOARD OF DIRECTORS

As on date of this DRHP the Board of Directors comprised of:

Sr. No.	Name of the Director	Designation
1.	Ms. Sunitha J Kumar	Director
2.	Ms. Athira T Nair	Director

FINANCIAL INFORMATION

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of ESOI Enterprises Private Limited for the preceding three years, as required by the SEBI ICDR Regulations, is available on our Company's website at <https://nexaindia.com/>

2. Nexa Mumbai Aviation LLP

BRIEF CORPORATE INFORMATION

Date of Incorporation/Registration	April 04, 2023
LLPIN	ACA-6595
Main Objects	To carry on, in India or elsewhere, the business of designing, researching, developing, manufacturing, assembling, modifying, installing, reconditioning, repairing, selling, hiring, importing, exporting, distributing and otherwise dealing in ground support, laboratory and workshop support equipment, tools, tackles, instruments, apparatus, systems and equipment, including machine tools, hydraulic and pneumatic machines, filtration equipment and other allied goods and their parts, products, assemblies, components, instruments, raw materials and related devices, whether used in the aviation, marine or other industries, and to undertake all incidental acts and activities necessary for or ancillary to the attainment of the aforesaid objects.
Registered Office Address	Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India.

PARTNERS CONTRIBUTION AND DESIGNATION AS ON JULY 31, 2026

Sr. No.	Name of the Partners	Designation	Amount of Contribution	% of Capital held
1.	Mr. Jyothi Kumar Nannat	Designated Partner	46,00,000	92.00%
2.	Ms. Sunitha J Kumar	Designated Partner	50,000	1.00%
3	Mr. Keerthi Veetil Sreekanth	Partners	50,000	1.00%
4	Mr. Mohan Chinraj	Partners	50,000	1.00%
5	Mr. Koyaden Roopesh Kumar	Partners	50,000	1.00%
6	Mr. Kalim Badruddin Khan	Partners	50,000	1.00%
7	Mr. Acche Lal Vishwakarma	Partners	50,000	1.00%
8	Mr. Ritesh Kumar Pandey	Partners	50,000	1.00%
9	Ms. Amruta Amol Chaudhari	Partners	50,000	1.00%
	Total		50,00,000	100.00%

FINANCIAL INFORMATION

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, basic earnings per share, diluted earnings per share and net asset value, derived from the audited financial statements of Nexa Mumbai Aviation LLP for the preceding three years, as required by the SEBI ICDR Regulations, is available on our Company's website at <https://nexaindia.com/>

OTHER CONFIRMATIONS

- None of our Group Companies is listed on any stock exchange, nor have any of the Group Companies made any public and/or rights issue of securities in the preceding three years.
- None of the above-mentioned Group Company is in default in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offenses against any of the Group Company.

- c) None of the above-mentioned Group Company is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up/insolvency proceedings.
- d) Our Group Company has not been debarred from accessing the capital market for any reason by the SEBI or any other authorities.

COMMON PURSUITS

Except as disclosed in the section “*Restated Financial Statement–Related Party Transactions*” on page 307 and 342, there are common pursuits between our Group Companies and our Company. Further, in order to ensure that no conflict of interest arises between our Company and our Group Companies, our Company has entered into a Non-Compete and Non-Solicit Agreement dated July 8, 2026 with ESOI Enterprises Private Limited and a Non-Compete and Non-Solicit Agreement dated July 8, 2026 with Nexa Mumbai Aviation LLP, under which each of the said Group Companies has undertaken not to engage in any business competing with the business of our Company in India, and not to solicit the employees, customers or suppliers of our Company. For further details, see “*History and Certain Corporate Matters*” on page 236. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

Key terms of these agreements are as follows

- *Our Company has entered into Non-Compete and Non-Solicit Agreements with Nexa Mumbai Aviation LLP and ESOI Enterprises Private Limited, both being Group Companies of our Company.*
- *The Covenantors have agreed not to directly or indirectly undertake, establish, acquire or participate in any business that is the same as, similar to or competes with the Company's Business in India.*
- *The restrictions cover the Company's business relating to GSE, ground handling equipment, test rigs, test benches, test equipment and related engineering, manufacturing, testing, servicing and technical support activities.*
- *Nexa Mumbai Aviation LLP is required to cease its overlapping existing business from the Effective Date, subject to completion of orders accepted before the Effective Date without any renewal, extension or repeat orders. ESOI Enterprises Private Limited may continue its specified existing activities, including technical testing, analysis, fabrication, rubber product development, SS welding and polishing, PCB design and development and technical support, provided such activities do not overlap with the Restricted Business.*
- *The Covenantors have agreed to non-solicitation restrictions in relation to the Company's employees, customers and suppliers and shall not divert business from the Company.*
- *The Covenantors are required to maintain the confidentiality of the Company's confidential and proprietary information and comply with the applicable return/destruction obligations.*
- *The Agreements remain effective while the respective Covenantor is a Group Company and for a further period of 10 years thereafter, with provisions for indemnity and injunctive relief.*

Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

For details of the non-compete agreements, please refer to the risk factor “*Some of our Group Companies and one Promoter Group entity are engaged in business activities that are similar or related to our business, which may result in potential conflicts, overlap in business opportunities or stakeholder confusion.*” on page no. 40.

Related business transactions with the Group Company and significance on the financial performance of our Company

Other than the transactions disclosed in “*Restated Financial Statement – Related Party Transactions*” on page 307 and 342, there are no other related business transactions with our Group Company. Such transactions do not have any significant effect on the financial performance of our Company.

BUSINESS INTEREST IN OUR COMPANY

Our Group Company does not have any interest in our Company’s business other than as stated in “*Our Business*” and “*Restated Financial Statement*” on pages 183 and 270 respectively.

LITIGATIONS

Except as disclosed in the section titled '*Outstanding Litigations and Material Development*' beginning on page 377 of this Draft Red Herring Prospectus, there are no litigations involving our Group Company which may have a material impact on our Company.

OTHER CONFIRMATIONS

None of our Promoters or Promoter Group or Group Company or persons in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of our Promoters, persons in control of our Company, or who have ever been a Promoter, Director or person in control of any other Company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Company /Promoter Group entities have been declared as willful defaulters or economic offenders by the RBI or any other government authority and there are no violations of securities laws committed by them or any entity they are connected with in the past and no proceedings for violation of securities laws are pending against them.

The information as required by the SEBI (ICDR) Regulations with regard to the Group Company is also available on the website of our company i.e. <https://nexaindia.com/>

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DIVIDEND POLICY

Our Board of Directors, pursuant to a resolution dated September 08, 2026, have adopted a dividend distribution policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act 2013 read with the applicable rules issued thereunder, each as amended.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on internal factors that our Board deems relevant such as profits of the Company earned during the year, past dividend pattern, major capital expenditure incurred, cash flow requirements, debt-equity ratio, cost of borrowing of the company in view of the growth opportunities, debt obligations, investments in new business, financial implications arising out of unforeseen events and/contingencies, reputation of the Company, restrictions/covenants arising out of lender agreement(s) or any other arrangement or agreement entered by the Company, any other factor as deemed fit by the Board. In addition, our ability to pay dividends may be impacted by a number of external factors such as regulatory requirements; economic environment; political/geographical situations; inflation rate; industry outlook for future years. Our Company may decide against paying dividend due to, inter alia, inadequacy of profits or whenever the Company has incurred losses, undertaking of or proposal to undertake a significant expansion project requiring higher allocation of capital, and undertaking of any acquisitions or joint arrangements requiring significantly location of capital. For more information on restrictive covenants under our current loan agreements, see “*Financial Indebtedness*” on page 357 of this Draft Red Herring Prospectus. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time and the final dividend will be paid on the approval of shareholders at a general meeting.

Our Company has not declared any dividends on the Equity Shares during the last 3 (three) Fiscals, and for the period ended as on June 30, 2026 and the period from July 01, 2026, until the date of this Draft Red Herring Prospectus.

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 any dividends will depend upon future earnings, financial condition, cash flows and working capital requirements.***” commencing on page 53 of this Draft Red Herring Prospectus.

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SECTION V – FINANCIAL INFORMATION
RESTATED FINANCIAL INFORMATION

S. No.	Details	Page Number
1	Examination Report and Restated Financials of Nexa Defence (I) Limited	271
2	Examination Report and Restated Financials of Nexa Mumbai (the erstwhile proprietorship)	314

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Independent Auditor's Examination Report on Restated Financial Statements

To,

The Board of Directors

Nexa Defence (I) Limited

(formerly known as Nexa Defence (I) Private Limited)

Plot No 118, Sector 1(S), New Panvel Industrial Area,
Maharashtra, India-410206.

1. We have examined the attached restated financial information of **Nexa Defence (I) Limited** (formerly known as Nexa Defence (I) Private Limited) (hereinafter referred to as “the Company”) comprising the restated statement of assets and liabilities as at June 30, 2026, March 31, 2026, March 31, 2025, restated statement of profit and loss and restated cash flow statement for the financial year/period ended on June 30, 2026, March 31, 2026, March 31, 2025 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “Restated Financial Information” or “Restated Financial Statements”) annexed to this report and initialled by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on SME Platform (“IPO” or “SME IPO”) of National Stock Exchange of India Limited (“NSE Emerge”) of the Company.
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
 - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus (“Offer Document”) to be filed with Securities and Exchange Board of India (“SEBI”), National Stock Exchange of India Limited (“NSE Emerge”) and Registrar of Companies Mumbai in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure 4(a) to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
 - (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
- 5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the year/period ended on June 30, 2026, March 31, 2026, March 31, 2025.
- 6. The financial statements for the period ended June 30, 2026 and the financial year ended March 31, 2026 were audited by us vide our reports dated August 22, 2026 and July 28, 2026 respectively. The audit for the period ended March 31, 2025 (from March 7, 2025, being the date of incorporation, to March 31, 2025) was conducted by V Kumar Jain & Associates (previous auditor) vide their audit report dated August 29, 2025. There are no audit qualifications in the audit reports issued by us or the previous auditor which would require adjustments in the Restated Financial Statements of the Company. The financial information included for these years is based solely on the reports submitted by them.
- 7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
 - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended on June 30, 2026, March 31, 2026, March 31, 2025.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments;
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
- 8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - (i) The “restated statement of asset and liabilities” of the Company as at June 30, 2026, March 31, 2026, March 31, 2025. examined by us, as set out in Annexure 1 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “restated statement of profit and loss” of the Company for the financial year/period ended as at June 30, 2026, March 31, 2026, March 31, 2025. examined by us, as set out in Annexure 2 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “restated statement of cash flows” of the Company for the financial year/period ended as at June 30, 2026, March 31, 2026, March 31, 2025. examined by us, as set out in Annexure 3 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
- 9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year/period ended as at June 30, 2026, March 31, 2026, March 31, 2025. proposed to be included in the Offer Document.

Annexure to Restated Financial Statements of the Company: -

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE -1
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE -2
3. Summary statement of cash flows as restated as appearing in ANNEXURE -3
- 4(a). Significant accounting policies and notes to the restated financial statements as appearing in ANNEXURE -4(a) to this report.
- 4(b). Restated statement of reconciliation of restated profit and audit profit as appearing in ANNEXURE -4(b) to this report.
- 4(c). Restated statement of reconciliation of restated equity / net worth as appearing in ANNEXURE -4(c) to this report.
5. Details of share capital as restated as appearing in ANNEXURE -5 to this report.
6. Details of reserves and surplus as restated as appearing in ANNEXURE -6 to this report.
7. Details of long-term borrowings as restated as appearing in ANNEXURE -7 to this report.
8. Details of long-term provisions as appearing in ANNEXURE -8 to this report.
9. Details of short-term borrowings as restated as appearing in ANNEXURE -9 to this report.
10. Details of trade payables as restated as appearing in ANNEXURE-10 to this report.
11. Details of other current liabilities as restated as appearing in ANNEXURE -11 to this report.
12. Details of short-term provisions as restated as appearing in ANNEXURE 12 to this report.
13. Details of property, plant & equipment and intangible assets as restated as appearing in ANNEXURE -13 to this report.
14. Details of long-term loans and advances as restated as appearing in ANNEXURE 14 to this report.
15. Details of deferred tax assets / liability (net) of as appearing in ANNEXURE -15 to this report.
16. Details of other non-current assets as restated as appearing in ANNEXURE -16 to this report.
17. Details of inventories as restated as appearing in ANNEXURE -17 to this report.
18. Details of trade receivables as restated as appearing in ANNEXURE -18 to this report.
19. Details of cash and cash equivalent as restated as appearing in ANNEXURE -19 to this report.
- 19A. Details of other bank balances as restated as appearing in ANNEXURE -19A to this report.
20. Details of short-term loans and advances as restated as appearing in ANNEXURE -20 to this report.
21. Details of restated statement of other Current Assets as appearing in ANNEXURE -21 to this report.
22. Details of restated statement of Revenue from Operations as appearing in ANNEXURE -22 to this report.
23. Details of other income as restated as appearing in ANNEXURE -23 to this report.
24. Details of cost of materials consumed as restated as appearing in ANNEXURE -24 to this report.
25. Details of restated statement of Purchase of Stock in Trade as appearing in ANNEXURE -25 to this report;
26. Details of change in inventories of finished goods and stock in trade as restated as appearing in ANNEXURE -26 to this report.
27. Details of employee benefit expenses as restated as appearing in ANNEXURE -27 to this report.
28. Details of finance costs as restated as appearing in ANNEXURE -28 to this report.
29. Details of depreciation and amortization expenses as restated as appearing in ANNEXURE -29 to this report.
30. Details of other expenses as restated as appearing in ANNEXURE -30 to this report;
31. Details of Current Tax & Deferred Tax as appearing in ANNEXURE -31 to this report.
32. Details of Calculation of EPS & Other financial information as appearing in ANNEXURE -32 to this report.
33. Details of restated statement of Capitalization as appearing in ANNEXURE -33 to this report.
- 34(a). Details of statement of Accounting Ratios as appearing in ANNEXURE -34(a) to this report.
- 34(b). Details of statement of Accounting Ratios Comparisons as appearing in ANNEXURE -34(b) to this report.

35. Details of Related Party Transactions as appearing in ANNEXURE -35 to this report.
 36. Details of restated statement of Tax Shelters as appearing in ANNEXURE -36 to this report.
 37. Details of contingent liabilities & commitment as restated as appearing in ANNEXURE -37 to this report.
 38. Details of terms of Loan Taken from banks & Financial Institutions as appearing in ANNEXURE - 38 to this report.
 39. Details of restated statement of Additional Notes as appearing in ANNEXURE -39 to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, National Stock Exchange of India Limited (“NSE Emerge”) and Registrar of Companies Mumbai in connection with the proposed SME 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 YKC & Company

Chartered Accountants

Firm Registration No. 136640W

Sd/

CA Ravi Kabra

Partner

Membership No. 148323

UDIN: 26148323HJHRCY1633

Place: Maharashtra

Date: 01-09-2026

Annexure - 1: Restated Statement of Assets and Liabilities

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	Annexure No.	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	5	91.10	91.10	37.50
(b) Reserves & Surplus	6	897.60	668.11	(2.20)
(2) Non-Current Liabilities				
(a) Long-Term Borrowings	7	-	-	-
(b) Long-Term Provisions	8	61.27	61.69	-
(3) Current Liabilities				
(a) Short-Term Borrowings	9	837.31	20.75	-
(b) Trade Payables - MSME	10	-	-	-
(c) Trade Payables - Others	10	699.04	732.82	-
(d) Other Current Liabilities	11	136.12	44.65	2.70
(e) Short-Term Provisions	12	100.67	20.09	-
TOTAL EQUITY & LIABILITIES		2,823.11	1,639.21	38.00
II. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	13	147.64	154.00	-
(b) Intangible Assets	13	22.96	24.15	-
(c) Intangible Assets under Development	13	0.88	-	-
(d) Long-Term Loans & Advances	14	26.33	26.33	-
(e) Deferred Tax Assets (Net)	15	19.50	17.16	0.50
(f) Other Non-Current Assets	16	79.96	67.06	-
(2) Current Assets				
(a) Inventories	17	213.45	425.85	-
(b) Trade Receivables	18	1,522.58	349.82	-
(c) Cash & Cash Equivalents	19	329.33	26.50	37.50
(d) Other Bank Balances	19A	206.20	248.81	-
(e) Short-Term Loans & Advances	20	109.33	90.65	-
(f) Other Current Assets	21	144.95	208.88	-
TOTAL ASSETS		2,823.11	1,639.21	38.00

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 39)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-

CA Ravi Kabra

Partner

Membership No. 148323

UDIN: 26148323HJHRCY1633

Place: Maharashtra

Date: September 1, 2026

For and on behalf of the Board of Directors of
Nexa Defence (I) Limited (formerly known as Nexa
Defence (I) Private Limited)

Sd/-

Jyothi Kumar Nannat

Director

DIN: 02174936

Sd/-

Sunitha J Kumar

Director

DIN: 02175002

Sd/-

Abhay Jain

Chief Financial Officer

Sd/-

Sonam Sharma

Company Secretary
(M.No. A52445)

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Annexure - 2: Restated Statement of Profit and Loss

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	Annexure No.	For the Period ended			
		June 30, 2026)	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	31st March 2026	7th March 2025 to 31st March 2025)
I. Revenue from Operations	22	1,438.75	5,323.92	2,181.14	-
II. Other Income	23	4.43	20.82	-	-
III. Total Income (I + II)		1,443.18	5,344.74	2,181.14	-
IV. Expenses					
Cost of Materials Consumed	24	533.88	3,206.70	1,885.99	-
Purchase of Stock-in-Trade	25	-	-	-	-
Changes in Inventories of Finished Goods & Stock-in-Trade	26	241.63	(83.90)	(347.36)	-
Employee Benefits Expense	27	177.24	565.76	102.70	-
Finance Costs	28	12.72	173.88	0.03	-
Depreciation & Amortization Expense	29	14.31	42.31	0.90	-
Other Expenses	30	156.37	772.00	243.93	2.70
Total Expenses		1,136.15	4,676.76	1,886.18	2.70
V. Profit Before Exceptional Items and Tax		307.03	667.98	294.96	(2.70)
Exceptional Items		-	-	-	-
VI. Profit Before Tax (PBT)		307.03	667.98	294.96	(2.70)
VII. Tax Expense					
Current Tax	31	79.88	176.40	75.45	-
Deferred Tax	31	(2.34)	(5.57)	(1.39)	(0.50)
Total Tax Expense		77.54	170.82	74.06	(0.50)
VIII. Profit After Tax (PAT)		229.49	497.15	220.90	(2.20)
IX. Earnings Per Equity Share (EPS)					
Basic & Diluted EPS (₹) (post-bonus)	32	2.96	11.67	5.19	(0.05)

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 39)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-

CA Ravi Kabra

Partner

Membership No. 148323

UDIN: 26148323HJHRCY1633

Place: Maharashtra

Date: September 1, 2026

For and on behalf of the Board of Directors of
Nexa Defence (I) Limited (formerly known as Nexa
Defence (I) Private Limited)

Sd/-

Jyothi Kumar Nannat

Director

DIN: 02174936

Sd/-

Sunitha J Kumar

Director

DIN: 02175002

Sd/-

Abhay Jain

Chief Financial Officer

Sd/-

Sonam Sharma

Company Secretary
(M. No.A52445)

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Annexure - 3: Restated Statement of Cash Flow

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	For the period ended		
	June 30, 2026	March 31, 2026	March 07 2025 to March 31, 2025
A. Cash Flow from Operating Activities			
Profit Before Tax (PBT)	307.03	294.96	(2.70)
Adjustments for:			
Gratuity Provision	1.52	5.95	-
Interest Received	(4.43)	-	-
Finance Costs	12.72	0.03	-
Depreciation & Amortisation	14.31	0.90	-
Liquidated Damages & Bad debt Expense	-	-	-
Operating Profit Before Working Capital Changes	331.15	301.84	(2.70)
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(1,172.74)	(40.27)	-
(Increase)/Decrease in Inventories	212.40	(417.61)	-
(Increase)/Decrease in Short-Term Loans & Advances	(18.68)	(62.92)	-
(Increase)/Decrease in Other Current Assets	63.94	(73.70)	-
Increase/(Decrease) in Trade Payables	(33.78)	299.32	-
Increase/(Decrease) in Other Current Liabilities	91.47	17.59	2.70
Cash Generated from / (Used in) Operations	(526.24)	24.25	-
Less: Income Tax Paid	1.24	60.30	-
Net Cash Flow from Operating Activities (A)	(527.50)	(36.05)	-
B. Cash Flow from Investing Activities			
Change in Fixed Deposits	29.70	15.46	-
Interest Received	4.43	-	-
Purchase of Property, Plant & Equipment	(6.76)	(21.73)	-
Purchase of Intangible Assets	-	(1.66)	-
Purchase of Intangible Assets under Developments	(0.88)	-	-
Sale of Property, Plant & Equipment	-	-	-
Net Cash Flow from Investing Activities (B)	26.49	(7.93)	-
C. Cash Flow from Financing Activities			
Proceeds from Issue of Share Capital	-	12.50	37.50
Proceeds from Short-Term Borrowings	816.56	20.51	-
Proceeds from Long-Term Borrowings	-	-	-
Repayment of Short-Term Borrowings	-	-	-
Repayment of Long-Term Borrowings	-	-	-
Finance Costs Paid	(12.72)	(0.03)	-
Net Cash Flow from Financing Activities (C)	803.84	32.98	37.50
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	302.83	(11.00)	37.50
Cash & Cash Equivalents at Beginning of Year	26.50	37.50	-
Cash & Cash Equivalents at End of Year	329.33	26.50	37.50

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 39)

Note: Acquisition of the business through issue of equity shares, other than for cash consideration, has not been considered in the above Cash Flow Statement, except for fixed deposits with maturity of less than 3 months, which have been shown as part of Investing activity as they have been considered as cash and cash equivalents in accordance with AS-3.

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-
CA Ravi Kabra
Partner
Membership No. 148323
UDIN: 26148323HJHRCY1633
Place: Maharashtra
Date: September 1, 2026

For and on behalf of the Board of Directors of
Nexa Defence (I) Limited (formerly known as Nexa
Defence (I) Private Limited)

Sd/-
Jyothi Kumar Nannat
Director
DIN: 02174936

Sd/-
Abhay Jain
Chief Financial Officer

Sd/-
Sunitha J Kumar
Director
DIN: 02175002

Sd/-
Sonam Sharma
Company Secretary
(M. No.A52445)

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Annexure - 4(a): Significant Accounting Policies and Notes to the Restated Financial Statements

1. Corporate Information

Nexa Defence (I) Limited is a company incorporated on 07th March 2025, having its registered office at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India. The Company is engaged in the business of design, development, Indigenisation, manufacture, assembly, testing and supply of Ground Support Equipment ("GSE"), Test Rigs and Test Benches, and Test Equipment, catering to the aviation, aerospace and defense sectors.

On March 31, 2026, the Company undertook the object of succeeding the business of the sole proprietary concern namely Nexa Mumbai (Proprietor: Mr. Jyothi Kumar Nannat) located at Plot No. 118, Sector 1(S), CIDCO, Industrial Area, New Panvel East, Raigad - 410206, Maharashtra, India, carried on under the name and style of Nexa Defence (I) Limited, as a going concern along with all business assets and liabilities, whether tangible or intangible, of the said business.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The restated summary statement of assets and liabilities of Nexa Defence (I) Limited (the "Company") as at June 30, 2026, March 31, 2026, and March 31, 2025, and the related restated summary statements of profit and loss and cash flows for the year/period ended June 30, 2026, March 31, 2026, and March 31, 2025 (collectively, the "Restated Summary Statements"), have been compiled by the management of the Company from the audited financial statements of the Company for the respective year/periods ended June 30, 2026, March 31, 2026, and March 31, 2025, as approved by the Board of Directors of the Company. Further, the Company has prepared a statement of profit and loss as per Company Act, 2013 for the year ended March 31, 2026, incorporating the consolidated financial information of Nexa Mumbai and Nexa Defence (I) Limited. Such consolidated financial statements have been prepared in accordance with the applicable financial reporting framework and present the financial position and results of the entities as a single economic entity.

The Restated Summary Statements have been prepared to comply, in all material respects, with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"), and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note"). The Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with NSE Limited ("NSE") in connection with the proposed SME initial public offering ("IPO") of the Company.

For the purpose of preparation of the Restated Summary Statements, the management of the Company has recast the financial statements in the format prescribed under Schedule III to the Act. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Act and the relevant provisions of the Act, as applicable. The financial statements have been prepared on an accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preceding year, except where otherwise stated. Accounting policies not specifically referred to herein are consistent with and in conformity with the generally accepted accounting principles in India.

All assets and liabilities have been classified as current and non-current based on the Company's normal operating cycle and other criteria prescribed under Schedule III to the Act. Based on the nature of the products and the time elapsed between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle to be twelve months for the purpose of classification of assets and liabilities as current and non-current.

.2.2 Use of Estimates

The preparation of Restated Financial Statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates and assumptions used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3 Takeover of Proprietorship Firm

Pursuant to the Business Transfer Agreement (“BTA”) dated 09 February 2026, executed between Nexa Mumbai (Proprietorship Concern) (Transferor) and Nexa Defence (I) Limited (Transferee), the Company has acquired the entire business undertaking of the proprietorship concern Nexa Mumbai on a slump sale basis as defined under Section 2(42C) of the Income-tax Act, 1961

The Company has acquired the business of a sole proprietorship concern as a going concern, including the assets and liabilities of the business, for a total consideration of ₹513.99 Lakhs, pursuant to the Business Transfer Agreement (“BTA”) effective from March 31, 2026.

a. Property, Plant and Equipment (PPE) and Intangible Assets:

Recorded at carrying values as per the audited books of Nexa Mumbai, where assets were stated at cost less depreciation computed in accordance with the rates prescribed under the Income Tax Act, 1961.

b. Income Tax Liability and Refund Balance:

Not carried forward, as such refund pertains to the PAN of the proprietor and is not transferable. Accordingly, it has not been considered in the business takeover.

c. Deferred Tax Assets (DTA):

Deferred tax asset/liability on assets acquired will not be carried forward, as the assets were recorded at WDV as per the Income-tax Act, 1961, as explained in Point (a) above.

Deferred tax asset on gratuity provision will be recognised based on the outstanding provision.

d. Provision for Gratuity:

The sole proprietary concern had not created any provision for gratuity in respect of its employees up to the date of succession. The Company, having assumed the corresponding obligation under the Business Transfer Agreement, has recognised this liability in its books in the following manner:

(i) Employees taken over on succession (March 31, 2026):

The provision for gratuity of ₹ 29.63 Lacs pertaining to the employees of the erstwhile proprietary concern, whose liability was assumed by the Company on succession, has been recognised as a liability of the Company. As this liability represents an obligation existing on the date of acquisition of the business and forms part of the net assets/liabilities taken over, the corresponding effect has been given to Goodwill and has not been charged to the Statement of Profit and Loss as a revenue expense for the year.

(ii) Employees transferred during the year under Employment Transfer Agreements:

In respect of certain employees who were transferred to the Company during the year pursuant to Employment Transfer Agreements, the gratuity liability of ₹ 31.05 Lacs accrued up to the respective dates of transfer has been treated as capital in nature and has accordingly been adjusted against Reserves and Surplus, and has not been routed through the Statement of Profit and Loss.

(iii) Deferred Tax Asset:

Deferred tax asset/liability in respect of the assets acquired from Nexa Mumbai will not be carried forward, as the assets were recorded at their written down value (“WDV”) in accordance with the provisions of the Income-tax Act, 1961, as explained in Point (a) above.

Deferred tax asset on the gratuity provision will be recognised based on the outstanding gratuity liability of Nexa Mumbai as at March 31, 2026, supported by a valuation report. Such gratuity liability represents an inherent liability transferred to and assumed by the Company pursuant to the Business Transfer Agreement.

e. Details of assets and liabilities acquired are as follows:

Particulars	As per accounting treatment by the Company (₹ in Lakhs)
Assets	
a. Property, Plant & Equipment and Intangible Assets	133.49
b. Long Term Loan and Advances	26.33
c. Other Non-current Assets	278.32
d. Inventory	8.24
e. Trade Receivables	309.54
f. Short Term Loans and Advances	27.73
g. Other Current Assets	135.19
h. Cash & Cash Equivalents	15.46
i. Other Bank Balances	37.56
j. Deferred Tax Assets	7.46
Total Assets (A)	979.32
Liabilities	
a. Long-term Provisions	27.76
b. Trade Payables	433.52
c. Other Current Liabilities	24.35
d. Short Term Provisions	1.87
Total Liabilities (B)	487.50
Net Assets Acquired as Restated (C = A- B)	491.81
Consideration (D)	513.99
Goodwill (D-C)	22.17

2.4 Property, Plant and Equipment

The Company has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and any impairment loss. The cost comprises of - purchase price, including import duties, other non-recoverable taxes, and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, after deducting trade discounts and rebates.

Expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Property, plant & equipment are eliminated from financial statements either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant & equipment are recognized in the statement of profit and loss in the year of occurrence

Intangible assets are stated at cost, less accumulated amortisation. Costs include all expenses incurred to bring the asset to its present condition. Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Pursuant to the Business Transfer Agreement (“BTA”), which became effective from March 31, 2026, the Company acquired various assets and liabilities of the business. The assets acquired pursuant to the BTA have

been recognised in the books of account of the Company at the consideration attributable to such assets acquired, in accordance with the terms of the BTA.

Depreciation on the Property, Plant and Equipment acquired pursuant to the BTA has been provided prospectively from the date of acquisition, based on the carrying amount recognised in the books and the remaining useful lives of the respective assets.

2.5 Depreciation / Amortisation

Depreciation on PPE is commenced on when it is available and put to use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended. Depreciation is provided on the “Written Down Value Method” as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, and if expectations differ from previous estimates, the change is recognised in the statement of profit and loss with appropriate disclosure thereof.

In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Useful life as per Schedule II of the Companies Act, 2013:

Particulars	Useful Life
Building or Factory Structure	30 Years
Computers	3 Years
Plant & Machinery	10 - 15 Years
Office Equipment	3 - 10 Years
Furniture and Fixtures	10 Years
Vehicle	8 - 10 Years
Intangible Assets	5 - 10 Years

2.6 Impairment of Assets

As on each Balance Sheet date, if internal / external indicators suggest that an asset, whether tangible or intangible, may be impaired, the carrying amount of the asset is tested for impairment so as to determine, the provision for impairment loss required. No such provision is required to be made. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Reversal of impairment loss is recognized immediately as income in the profit and loss account.

2.7 Leases

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease.

Rental expenses on assets obtained under operating lease arrangements are recognized on a straight-line basis as an expense in the Statement of Profit and Loss over the lease term of respective lease arrangement unless there is another systematic basis which is more representative of the time pattern of the lease

2.8 Investments

Investments are classified into long-term investments and current investments. Current investments are stated at the lower of cost and fair value. Long-term investments are generally carried at cost. Provision is made for

diminution in the value of long-term investments where such diminution is considered to be other than temporary, on an individual investment basis.

An investment is classified as a current investment if, by its nature, it is readily realisable and is intended to be held for not more than one year from the date on which such investment is made. Investments other than current investments are classified as long-term investments.

2.9 Other Bank Balances

Other bank balances include balances with banks having an original maturity of more than three months but not exceeding twelve months from the date of the deposit.

2.10 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described. Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales includes goods and services tax. Income from Services is recognized as the service is performed and the right to ultimate collection is reasonably assured.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition as prescribed under the authority of section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Rules, 2021. Sales are recognized on accrual basis, and only after transfer of goods to the customer.

2.11 Other Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Other items of income are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

2.12 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.13 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent assets are neither recognized, nor disclosed. The Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.14 Income Taxes

(i) Current Tax: Tax expenses comprise of current tax, deferred tax charge or credit, minimum alternative tax and adjustments of taxes for earlier years. Provision for current tax is made as per the provisions of Income Tax Act, 1961.

(ii)Deferred Tax: Deferred tax charge or credit reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years and are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.15 Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.16 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Employee Benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are short term employee benefits and are recognised in the period in which the employee renders the related services. Employee benefits include provident fund and ESIC.

Post-employment benefits

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss during the period in which employee renders the related service. The Company's contribution to provident fund and ESIC are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefits Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method. Provision for gratuity has been made and bifurcated into current and non-current provision in the books as per actuarial valuation done as at the end of the year/Period.

2.18 Inventories

Inventories comprise Raw Materials, Work-in-Progress and Finished Goods. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on the First-In, First-Out (FIFO) basis.

For Work-in-Progress and Finished Goods, the cost of inventory includes the cost of raw materials (net of recoverable taxes), direct costs of conversion, and a proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition.

The provision for inventory obsolescence is assessed regularly based on the estimated usage and shelf life of the inventory.

2.19 Foreign Currency Transactions

(i) Initial recognition - Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii) Conversion -As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items are carried at historical cost using exchange rate on the date of transaction.

Exchange Difference Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise.

2.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events of bonus issue and share split.

Annexure - 4(b): Restated Statement of Reconciliation of Restated Profit and Audited Profit

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Net Profit / (Loss) After Tax as per Audited Statement of Profit & Loss	229.49	220.88	(2.18)
Adjustments for:			
Deferred Tax	-	0.02	(0.02)
Net Profit / (Loss) after Tax as Restated	229.49	220.90	(2.20)

Explanatory note: Deferred tax for FY 2024-25 was originally calculated at an income tax rate of 26% instead of 25.17% (the Company's actual applicable rate). The reconciliation above restates this difference in the Restated Financial Statements.

Annexure - 4(c): Restated Statement of Reconciliation of Restated Equity / Net Worth

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Equity / Net Worth as per Audited Financials	988.70	759.21	35.32
Adjustments for:			
Deferred Tax Asset of Earlier Year	-	-	(0.02)
Equity / Net Worth as Restated	988.70	759.21	35.30

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

Deferred Tax: Deferred tax for the FY 2024-25 was calculated at the rate of Income Tax of 26% instead of 25.17% which actually is the rate of Income Tax of the company and hence the said reconciliation is done and restated in the restated Financial Statements.

Deferred Tax of Earlier Year: Deferred tax for the FY 2024-25 was calculated at the rate of Income Tax of 26% instead of 25.17% which actually is the rate of Income Tax of the company and hence the said reconciliation is done and restated in the restated Financial Statements.

Annexure No. 5: Restated Statement of Share Capital

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
1. Authorised share capital and par value per share			
(June 30, 2026: 50,00,000; March 31, 2026: 50,00,000; March 31, 2025: 5,00,000 Equity Shares of ₹10/- each)	500.00	500.00	50.00
2. Issued, subscribed and paid up Shares			
(June 30, 2026 / March 31, 2026: 9,11,000; March 31, 2025: 5,00,000 Equity Shares of ₹10/- each)	91.10	91.10	50.00
Less: Subscription money not received	-	-	(12.50)
Paid-up Share Capital (June 30, 2026 / March 31, 2026: 9,11,000; March 31, 2025: 3,75,000 shares)	91.10	91.10	37.50

3. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Equity Share	No of Shares	No of Shares	No of Shares
At the beginning of the period	9,11,000	5,00,000	-
Add: Share issued & subscribed during the period (Note 4c)	-	-	5,00,000
Add: Shares issued for Business Takeover (Note 4e)	-	4,11,000	-
Outstanding at the end of the period	9,11,000	9,11,000	5,00,000

4. Terms & Right attached to Equity Shares & Preference shares

a. Equity Shares: The Company has only one class of shares referred to as Equity Shares having face value of Rs. 10/- Each holder of Equity share is entitled to 1 vote per share. In the event of Liquidation of the company, the holders of Equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by shareholder.

b. The equity shares are not repayable except in the case of a buyback, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

c. The Company was incorporated on March 07, 2025, with subscribed share capital of ₹50 lakh, comprising 5,00,000 equity shares. However, during the period, the Company received only ₹37.50 lakh from one of the shareholders, which has been recorded as paid-up share capital.

d. Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

e. The company has allotted 4,11,000 equity shares under Business Transfer Agreement having face value of Rs. 10 each by way of passing Board Resolution for allotment of shares dated March 31, 2026.

5A. Details of shareholding of Promoters (Issued and subscribed basis)

Promoter	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Jyothi Kumar Nannat			
Number of Share	7,86,000	7,86,000	3,75,000
Percentage of Holding (%)	86.28%	86.28%	75.00%
Percentage Change during the year	-	11.28%	-
Sunitha J Kumar			
Number of Share	55,000	55,000	55,000
Percentage of Holding (%)	6.04%	6.04%	11.00%
Percentage Change during the year	-	(4.96%)	-

5B. Details of shareholders holding more than 5% shares in the company-Issued and subscribed basis (in terms of No. of shares holding)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Jyothi Kumar Nannat			
Number of Share	7,86,000	7,86,000	3,75,000
Percentage of Holding (%)	86.28%	86.28%	75.00%
Sunitha J Kumar			
Number of Share	55,000	55,000	55,000
Percentage of Holding (%)	6.04%	6.04%	11.00%

Company has not issued a bonus shares and for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting period.

Annexure No. 6: Restated Statement of Reserves & Surplus

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
a) Securities Premium Reserve			
Opening Balance as per last financial statement	472.65	-	-
Add: During the year (Business Takeover)	-	472.65	-
Add-During the year/Period	-	-	-
Closing Balance	472.65	472.65	-
b) Surplus / (Deficit) in the Statement of Profit & Loss			
Opening Balance	195.46	(2.20)	-
Add: Restated Profit/(Loss) for the year/Period	229.49	220.90	(2.20)
Add: Deferred Tax Asset of Earlier Year	-	-	-

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Less: Acquisitions/Disposals adjustment for Employee transfer related to Gratuity Provision*	-	(31.05)	-
Add: Deferred Tax on Acquisitions/Disposals adjustment for Employee transfer related to Gratuity Provision	-	7.81	-
Closing balance at the end of year	424.95	195.46	(2.20)
TOTAL: RESERVES AND SURPLUS	897.60	668.11	(2.20)

Annexure No. 7: Restated Statement of Long Term Borrowings

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
1. Secured			
- Term Loan:			
From Banks	-	-	-
-Vehicle Loan			
From Banks	-	-	-
From NBFC	-	-	-
2. Unsecured			
- Term Loan:			
From Banks	-	-	-
From NBFC	-	-	-
-Vehicle Loan			
From Banks	-	-	-
-Other			
From Others	-	-	-
Less: Current Maturity of Long term Borrowings	-	-	-
Total	-	-	-

Annexure No. 8: Restated Statement of Long Term Provisions

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits			
Provision for Gratuity	61.27	61.69	-
TOTAL: LONG-TERM PROVISION	61.27	61.69	-

Note:

1.As per Gratuity Valuation Report.

Annexure No. 9: Restated Statement of Short Term Borrowings

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
a) Loans repayable on demand			
A) From Banks			
Secured			

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Working capital (Over Draft facility)-from Bank	636.97	-	-
Unsecured			
Bank Loan	-	-	-
B) From NBFC			
Unsecured			
Over Draft facility-from Bank	-	-	-
Cash Credit from facility-from Bank	-	-	-
C) From Others			
From NSIC (bill discounting facilities)	-	-	-
Loan from Related Party	200.34	20.75	-
Loan from others	-	-	-
Total	837.31	20.75	-

Annexure No. 10: Restated Statement of Trade Payables

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Trade Payable for Goods & Services includes:			
Dues to MSME	-	-	-
Others	699.04	732.82	-
Disputed Dues to MSME	-	-	-
Disputed Dues to Others	-	-	-
Total	699.04	732.82	-

10.1 Trade Payables Ageing as at June 30, 2026

Particulars	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
(i)Dues to Micro & Small Enterprises					
(ii)Others	699.04	-	-	-	699.04
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	699.04	-	-	-	699.04

Trade Payables Ageing as at March 31, 2026

Particulars	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
(i)Dues to Micro & Small Enterprises					
(ii)Others	732.82	-	-	-	732.82
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	732.82	-	-	-	732.82

Trade Payables ageing as at March 31, 2025

Particulars	less than 1 year	1 to 2 years	2 to 3 years	more than 3 years	Total
(i) Dues to Micro & Small Enterprises					
(ii) Others	-	-	-	-	-
(iii) Disputed	-	-	-	-	-
dues – MSME	-	-	-	-	-
(iv) Disputed	-	-	-	-	-
dues – Others	-	-	-	-	-
Total	-	-	-	-	-

Notes :-

1. There is no due & unbilled Trade Payable as of the reporting date.
2. Trade Payable includes dues to Related Parties which are disclosed in Annexure No. 32

Annexure No. 11: Restated Statement of Other Current Liabilities

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Statutory Dues Payable	67.43	7.25	-
Audit Fees Payable	4.50	2.00	0.20
Salary & Wages Payable	59.69	35.29	-
Preliminary Incorporation Expenses Payable	-	-	2.50
Interest on Overdraft	4.51	-	-
GST Late Fees & Interest Payable	-	0.11	-
Total	136.12	44.65	2.70

Annexure No. 12: Restated Statement of Short Term Provisions

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
1. Provision for employee benefits			
Provision for Gratuity	6.88	4.94	-
2. Others			
Provision for Tax Net of Advance tax and TDS receivables	93.79	15.15	-
Total	100.67	20.09	-

Notes :

- 1 As Per Gratuity Valuation Report.
2. As per Income tax computation

Annexure No. 14: Restated Statement of Long-Term Loans and Advances

(₹ in Lakhs, unless otherwise stated)

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Capital Advances	26.33	26.33	-
TOTAL: LONG-TERM LOANS AND ADVANCES	26.33	26.33	-

Annexure No. 15: Restated Statement of Deferred Tax Asset / Liability (Net)*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Deferred Tax Asset	19.50	17.16	0.50
Total	19.50	17.16	0.50

Annexure No. 16: Restated Statement of Other Non-Current Assets*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Security Deposits			
Unsecured, considered good			
Electricity Security Deposit	1.68	1.07	-
Water Connection Deposit	1.14	1.14	-
Other Security Deposit	10.39	10.34	-
CDSL Security Deposit	0.10	-	-
NSDL Security Deposit	0.10	-	-
Rent/Security Deposit	-	-	-
Other Deposits		-	-
Fixed Deposits with Banks having Original maturity of more than 12 Month	66.55	54.52	-
Total	79.96	67.06	-

Annexure No. 17: Restated Statement of Inventories*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Raw Materials and Components	99.48	70.25	-
Finished Goods	53.90	233.40	-
Work-in-Progress	60.06	122.20	-
Total	213.45	425.85	-

Annexure No. 18: Restated Statement of Trade Receivables*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Undisputed trade receivable - considered good	1522.58	349.82	-
Undisputed trade receivable - considered doubtful	-	-	-
Disputed trade receivable - considered good	-	-	-
Disputed trade receivable - considered doubtful	-	-	-
Total	1522.58	349.82	-

18.1 Trade Receivables aging on June 30, 2026

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1328.50	194.08	-	-	-	1,522.58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	1328.50	194.08	-	-	-	1,522.58

Trade Receivables aging on March 31, 2026

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	235.10	103.81	8.46	2.45	-	349.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	235.10	103.81	8.46	2.45	-	349.82

Trade Receivables aging on March 31, 2025

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	-	-	-	-	-	-

Notes :-

1. There are no due & unbilled Trade receivables as of the reporting date.
2. Trade Receivable includes dues from Related Parties which are disclosed in Annexure No 32

Annexure No. 19: Restated Statement of Cash and Cash Equivalents*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Balance with Bank Account			
in Current Account	295.98	9.41	37.50
in Saving Account	-	-	-
Cash on Hand	3.06	1.63	-
Bank deposit less than 3 month	30.28	15.46	-
Total	329.33	26.50	37.50

Annexure No. 19A: Restated Statement of Other Bank Balances*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Fixed Deposit Balance with Bank			
Bank deposit more than 3 month and upto 12 month	206.20	248.81	-
Total	206.20	248.81	-

Annexure No. 20: Restated Statement of Short Term Loans and Advances*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good:			
Prepaid Expenses	1.28	1.70	-
Advance to Supplier	106.78	88.80	-
Advance to Employee	1.28	0.15	-
Total	109.33	90.65	-

Annexure No. 21: Restated Statement of Other Current Assets*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Input Tax Credit Receivable	135.19	206.62	-
Deferred IPO Expenses	7.50	-	-
Earnest Money Deposit	2.26	2.26	-
Total	144.95	208.88	-

Annexure No. 13: Details of Property, Plant & Equipment and Intangible Assets as Restated

Fiscal 2025

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block
	As on April 01, 2024	Additions	Sale/deletions during the year	As on March 31, 2025	As on April 01, 2024	Depreciation for the year	Reduction / Adj. during the year	As on March 31, 2025	As on March 31, 2025
Freehold Land	-	-	-	-	-	-	-	-	-
Building or Factory Structure	-	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-	-
Plant & Machinery	-	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-
Vehicle	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

Fiscal 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block					Depreciation and Amortization					Net Block		
	As on April 01, 2025	Additions	Additions due to Business Purchase	Sale/deletions during the year	As on March 31, 2026	As on April 01, 2025	Depreciation for the year	Depreciation due to Business Purchase	Reduction / Adj. during the year	As on March 31, 2026	As on March 31, 2026	As on March 31, 2025	As on March 31, 2025
Freehold Land	-	-	-	-	-	-	-	-	-	-	-	-	-
Building or Factory Structure	-	-	55.46	-	55.46	-	-	-	-	-	55.46	-	-
Computers	-	0.61	6.09	-	6.70	-	0.04	-	-	0.04	6.66	-	-
Plant & Machinery	-	19.10	25.82	-	44.92	-	0.40	-	-	0.40	44.52	-	-
Office Equipment	-	-	8.01	-	8.01	-	-	-	-	-	8.01	-	-
Furniture and Fixtures	-	2.01	37.68	-	39.70	-	0.35	-	-	0.35	39.34	-	-
Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As on April 01, 2025	Additions	Additions due to Business Purchase	Sale/deletions during the year	As on March 31, 2026	As on April 01, 2025	Depreciation for the year	Depreciation due to Business Purchase	Reduction / Adj. during the year	As on March 31, 2026	As on March 31, 2026	As on March 31, 2025
Total	-	21.73	133.07	-	154.79	-	0.80	-	-	0.80	154.00	-

For the Three month ended June 30, 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2026	Additions	Sale/deletions during the year	As on June 30, 2026	As on April 01, 2026	Depreciation for the year	Reduction / Adj. during the year	As on June 30, 2026	As on June 30, 2026	As on March 31, 2026
Freehold Land	-	-	-	-	-	-	-	-	-	-
Building or Factory Structure	55.46	-	-	55.46	-	1.76	-	1.76	53.70	55.46
Computers	6.70	1.19	-	7.89	0.04	1.69	-	1.73	6.16	6.66
Plant & Machinery	44.92	3.11	-	48.04	0.40	4.12	-	4.52	43.51	44.52
Office Equipment	8.01	0.42	-	8.43	-	1.13	-	1.13	7.30	8.01
Furniture and Fixtures	39.70	2.04	-	41.74	0.35	4.42	-	4.77	36.96	39.34
Vehicle	-	-	-	-	-	-	-	-	-	-
Total	154.79	6.76	-	161.56	0.80	13.12	-	13.92	147.64	154.00

Intangible Assets

Fiscal 2025

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization			Net Block	
	As on April 01, 2024	Additions	Sale/deletions during the year	As on March 31, 2025	As on April 01, 2024	Depreciation for the year	Reduction / Adj. during the year	As on March 31, 2025	As on March 31, 2025
Brands /Trademarks	-	-	-	-	-	-	-	-	-
Computer Software	-	-	-	-	-	-	-	-	-

Particulars	Gross Block				Depreciation and Amortization				Net Block
	As on April 01, 2024	Additions	Sale/deletions during the year	As on March 31, 2025	As on April 01, 2024	Depreciation for the year	Reduction / Adj. during the year	As on March 31, 2025	As on March 31, 2025
Total	-	-	-	-	-	-	-	-	-

Fiscal 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As on April 01, 2025	Additions	Additions due to Business Purchase	Sale/deletions during the year	As on March 31, 2026	As on April 01, 2025	Depreciation for the year	Depreciation due to Business Purchase	Reduction / Adj. during the year	As on March 31, 2026	As on March 31, 2026	As on March 31, 2025
Brands /Trademarks	-	0.88	0.17	-	1.05	-	0.06	-	-	0.06	0.99	-
Computer Software	-	0.78	0.25	-	1.03	-	0.04	-	-	0.04	0.99	-
Goodwill on Acquisition	-	-	22.17	-	22.17	-	-	-	-	-	22.17	-
Total	-	1.66	22.59	-	24.25	-	0.10	-	-	0.10	24.15	-

For the Three month ended June 30, 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block					Depreciation and Amortization					Net Block	
	As on April 01, 2026	Additions	Additions due to Business Purchase	Sale/deletions during the year	As on June 30, 2026	As on April 01, 2026	Depreciation for the year	Depreciation due to Business Purchase	Reduction / Adj. during the year	As on June 30, 2026	As on June 30, 2026	As on March 31, 2026
Brands /Trademarks	1.05	-	-	-	1.05	0.06	0.03	-	-	0.09	0.96	0.99
Computer Software	1.03	-	-	-	1.03	0.04	0.05	-	-	0.09	0.94	0.99
Goodwill on Acquisition	22.17	-	-	-	22.17	-	1.11	-	-	1.11	21.06	22.17
Total	24.25	-	-	-	24.25	0.10	1.19	-	-	1.29	22.96	24.15

Intangible Assets under Development

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Opening Balance	-	-	-
Add: Addition during the period	0.88	-	-
Less: Capitalised during the period	-	-	-
Closing Balance	0.88	-	-

Intangible assets under development ageing Schedule

Reporting period ended June 30, 2026

Particulars	CWIP Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.88	-	-	-	0.88
Projects temporarily suspended	-	-	-	-	-

Reporting period ended March 31, 2026

Particulars	CWIP Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Reporting period ended March 31, 2025

Particulars	CWIP Amount in CWIP for a period of				Total
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Commitments for Acquisition of Intangible Assets

The Company has entered into contractual arrangements for the acquisition/development of intangible assets ERP 6 Process module for the project / product budgeting and costing. The position of such contractual commitments as at the reporting dates is as follows:

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Opening contractual commitment outstanding	-	-	-
Add: Contractual value of arrangements for acquisition/development of intangible assets	5.85	-	-
Less: Amount already incurred and recognised as Intangible Assets Under Development	0.88	-	-
Balance contractual commitment outstanding	4.97	-	-

Annexure No. 22: Restated Statement of Revenue from Operations*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Sale of Goods	1,392.45	5,298.08	2,181.14	-
Sale of Services	46.30	25.84	-	-
Total	1,438.75	5,323.92	2,181.14	-

Annexure No. 23: Restated Statement of Other Income*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Interest Income	4.43	20.30	-	-
Other income	-	-	-	-
Discount Received	-	0.52	-	-
Total	4.43	20.82	-	-

Annexure No. 24: Restated Statement of Cost of Material Consumed*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Opening Balance of Raw Materials	70.25	333.88	-	-
Add : Purchase of Raw Materials	563.11	2,943.07	1,956.24	-
Less : Closing Balance of Raw Materials	99.48	70.25	70.25	-
Total	533.88	3,206.70	1,885.99	-

* Closing stock amounting to ₹8.24 lakh as at March 31, 2026 has been considered as part of the assets acquired under the Business Transfer Agreement (BTA) and has therefore been excluded from the Profit and Loss Account

Annexure No. 25: Restated Statement of Purchase of Stock-in-Trade*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Purchase of Finished Goods	-	-	-	-
Purchase of Stock In Trade	-	-	-	-
Total	-	-	-	-

Annexure No. 26: Restated Statement of Change in Inventories of Finished Goods and Stock-in-Trade*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Finished goods				
Opening Balance	233.40	156.70	-	-
Less: Closing Balance	53.90	233.40	225.16	-
Net Change in Finished Goods	179.49	(76.70)	(225.16)	-
Stock In Trade / WIP				
Opening Balance	122.20	115.00	-	-
Less: Closing Balance	60.06	122.20	122.20	-
Net Change in Stock in Trade/WIP	62.14	(7.20)	(122.20)	-
Total	241.63	(83.90)	(347.36)	-

Annexure No. 27: Restated Statement of Employee Benefit Expenses*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Salary and Wages	155.79	523.05	92.08	-
Contribution to Provident Fund and Other Funds	6.27	8.52	4.48	-
Staff Welfare Expenses	13.66	18.18	0.19	-
Gratuity	1.52	16.01	5.95	-
Total	177.24	565.76	102.70	-

Annexure No. 28: Restated Statement of Finance Costs*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Interest on Loan	5.29	157.48	-	-
Other Borrowing Cost	7.43	16.40	0.03	-
Total	12.72	173.88	0.03	-

Annexure No. 29: Restated Statement of Depreciation and Amortisation Expense*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Depreciation Expenses on Tangible Assets	13.12	42.06	0.80	-
Amortization Expenses on Intangible Assets	1.19	0.25	0.10	-
Total	14.31	42.31	0.90	-

Annexure No. 30: Restated Statement of Other Expenses*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Other Expenses				
Freight and Transportation Expenses	17.64	92.82	32.31	-
Packing & Forwarding Charges	-	-	-	-
Operating Service Expenses	47.18	423.99	168.51	-
Audit fees	2.50	5.20	2.00	0.20
Electricity Expenses	4.97	14.68	0.01	-
Preliminary expense	-	-	-	2.50
Liquidated Damages Expense	-	39.29	-	-
Duties and Taxes	0.05	1.39	0.22	-
Printing and Stationery	1.71	7.40	1.76	-
Legal and Professional Charges	21.49	42.88	22.36	-
Repair and Maintenance	2.28	13.38	0.37	-
Travelling & Conveyance Expenses	41.66	92.28	5.30	-
Promotion Expenses	3.13	6.21	6.21	-
Courier & Postage Expenses	1.58	5.51	1.20	-
Insurance Expenses	1.35	4.41	0.20	-
Foreign Exchange Loss	-	0.29	-	-
Other Borrowing Cost	-	1.82	-	-
Interest on Statutory Dues	-	0.41	-	-
Rent Expenses	8.01	4.14	-	-
Statutory Fees	0.15	-	-	-
Inspection Expense	0.28	-	-	-
Telephone & Mobile Expenses	0.08	0.89	-	-
Communication Expenses	0.48	0.84	-	-

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Miscellaneous expenses	1.83	14.17	3.45	-
Total	156.37	772.00	243.93	2.70

Annexure No. 31: Restated Statement of Current Tax & Deferred Tax

(₹ in Lakhs, unless otherwise stated)

Particulars	For three month period Ended June 30 2026	Combined (Nexa Defence & Nexa Mumbai) for Financial Year Ended 31st March 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Current Tax Expenses	79.88	176.40	75.45	-
Deferred Tax	(2.34)	(5.57)	(1.39)	(0.50)
Total	77.54	170.82	74.06	(0.50)

General Notes:

- 1 The figures disclosed above are based on the profit & loss of the Company.
- 2 The above statement should be read with statement of assets and liabilities, statement of profit and loss, statement of cash flow, significant accounting policies and notes to summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively

Annexure No. 32: Restated Statement of Calculation of EPS and Other Financial Information

(₹ in Lakhs, unless otherwise stated)

Particulars	For three month period Ended June 30 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Restated PAT as per P&L Account (Rs. in Lakhs)	229.49	220.90	(2.20)
Actual No. of Equity Shares outstanding at the end of the period (Pre-Bonus)	9,11,000	9,11,000	5,00,000
Weighted Average Number of Equity Shares at the end of the Period (Pre-Bonus)	9,11,000	5,01,126	5,00,000
Bonus adjustments (75:10)	68,32,500	37,58,445	37,50,000
Weighted Average Number of Equity Shares at the end of the Period (Post-Bonus)	77,43,500	42,59,571	42,50,000
Earnings Per Share			
Basic & Diluted EPS (Pre Bonus)	25.19	44.08	(0.44)
Basic & Diluted EPS (Post Bonus)	2.96	5.19	(0.05)
EBITDA	329.64	295.88	(2.70)
EBITDA Margin %	22.91%	13.57%	NA
Net Worth			
Total Equity (Share capital + Reserve-Deferred Expense)	981.20	759.21	35.30
No of Share outstanding (Pre-Bonus)	9,11,000	9,11,000	5,00,000
Bonus adjustments (75:10)	68,32,500	68,32,500	37,50,000
No of Share outstanding (Post-Bonus)	77,43,500	77,43,500	42,50,000
Net Asset Value Per Share (post Bonus)	12.67	9.80	0.83
Return on Net Worth (%)	23.39%	29.10%	(6.22%)
Nominal Value per Equity share(Rs.)	10	10	10

Subsequent to the balance sheet date of June 30, 2026, and prior to the approval of these financial statements, the Company undertook the following capital transactions:

(a) A preferential issue of 1,37,000 equity shares of ₹10 each at a price of ₹125 per share (including securities premium of ₹115 per share), allotted on 06/08/2026; and

(b) A bonus issue of equity shares in the ratio of 75:10 (i.e. 75 equity shares of ₹10 each for every 10 equity shares held) as approved on 10/08/2026, with record date 08/08/2026.

Both of the above are events occurring after the balance sheet date and have been treated as non-adjusting events in accordance with AS 4, 'Contingencies and Events Occurring After the Balance Sheet Date'. Accordingly, the share capital and reserves recognised in the balance sheet as at June 30, 2026 have not been adjusted to give effect to either transaction, and both events are disclosed herein.

The impact of the above on the computation of Earnings Per Share, determined in accordance with AS 20, Earnings Per Share, is as follows:

The preferential issue, being an issue of equity shares for fresh consideration, has not been given effect to in the computation of basic and diluted EPS for the year ended June 30, 2026 or for the comparative period, since it represents a corresponding increase in resources of the Company. Such shares are includible in the weighted average number of shares only from their date of allotment, which falls after the reporting date.

The bonus issue, being an issue of equity shares without any corresponding change in resources, has been given effect to in the computation of basic and diluted EPS for the current year and for all prior periods presented, as required by AS 20, as if such shares had always been in issue.

For the purpose of restating EPS, the bonus adjustment factor has been applied to the number of equity shares outstanding as at the reporting date prior to the preferential issue (i.e. the pre-preferential share base). Consequently, the bonus shares attributable to the preferentially allotted shares have been excluded from the EPS computation, consistent with the exclusion of the preferential shares themselves.

Annexure No. 33: Restated Statement of Capitalization

(₹ in Lakhs, unless otherwise stated)

Particulars	Pre-Issue figures As on June 30, 2026	As Adjusted for the proposed issue
Debt		
Short Term Debt	837.31	[•]
Long Term Debt including Short term portion of Long term Debt	-	[•]
Total Debt	837.31	[•]
Shareholder's Funds		
Share Capital	91.10	[•]
Reserve and Surplus-As Restated	897.60	[•]
Total Shareholder's Fund	988.70	[•]
Long Term Debt/Shareholder's Fund	-	[•]
Total Debt/Shareholder's Fund	0.85	[•]

Annexure No. 34(a): Statement of Accounting Ratios

(₹ in Lakhs, unless otherwise stated)

Sr No:	Ratio	Numerator	Denominator	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
1	Current Ratio	Current Assets	Current Liabilities	1.42	1.65	13.89
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.85	0.03	-

Sr No:	Ratio	Numerator	Denominator	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + principle repayments	26.27	10,720.34	NA
4	Return on equity ratio	Profit After tax	Total Equity=Shareholder Equity+ Reserve & Surplus	23.21%	29.09%	(6.22%)
5	Inventory Turnover Ratio	Cost of Materials Consumed+Changes in Inventories of Finished Goods & Stock-in-Trade	Average Inventory	2.43	7.23	NA
6	Trade Receivables turnover Ratio	Revenue from operations	Average Trade Receivables	1.54	12.47	NA
7	Trade Payables turnover Ratio	Total Purchase of Raw Materials	Average Trade Payables	0.79	5.34	NA
8	Net Capital Turnover Ratio	Net Sales	Working capital (i.e. Total current assets less Total current liabilities)	1.91	4.10	-
9	Net Profit Ratio (in %)	Net Profit	Revenue from operations	15.95%	10.13%	NA
10	Return on Capital employed (in %)	Earning before interest and taxes	Capital employed = Tangible Net worth + Total debt + Deferred tax liabilities	16.81%	37.82%	(7.64%)
11	Return on investment	Return Income	Investments	1.62%	0.00%	NA

ANNEXURE NO 34(b). STATEMENT OF ACCOUNTING RATIOS COMPARISONS:

(₹ in Lakhs, unless otherwise stated)

Sr No:	Ratio	As at June 30, 2026	As at March 31, 2026	Variance %	Reasons for Changes if > 25%
1	Current Ratio	1.42	1.65	(13.69%)	NA
2	Debt Equity Ratio	0.85	0.03	2998.56%	Refer Note A
3	Debt Service Coverage Ratio	26.27	10,720.34	(99.75%)	Refer Note B
4	Return on equity ratio	23.21%	29.09%	(20.22%)	NA

Sr No:	Ratio	As at June 30, 2026	As at March 31, 2026	Variance %	Reasons for Changes if > 25%
5	Inventory Turnover Ratio	2.43	7.23	(66.43%)	NA
6	Trade Receivables Turnover Ratio	1.54	12.47	(87.68%)	Refer Note C
7	Trade Payables Turnover Ratio	0.79	5.34	(85.27%)	Refer Note D
8	Net Capital Turnover Ratio	1.91	4.10	(53.36%)	Refer Note E
9	Net Profit Ratio (in %)	15.95%	10.13%	57.51%	Refer Note F
10	Return on Capital employed (in %)	16.81%	37.82%	(55.54%)	Refer Note G
11	Return on investment	0.02	-	NA	NA

Note for Reasons:

- A. The increase in the debt-equity ratio is primarily attributable to the loan availed by the Company during the first quarter of FY 2026-27, which resulted in an increase in the Company's borrowings during the period.
- B. . The decrease in the debt service ratio is primarily attributable to the absence of debt as at March 31, 2026, resulting in lower finance costs during the period as compared to June 30, 2026.
- C. The trade receivables turnover ratio as at June 30, 2026 is lower due to revenue considered for the three-month period and is therefore not directly comparable with full-year ratios.
- D. The trade payable turnover ratio as at June 30, 2026 is lower due to purchase considered for the three-month period and is therefore not directly comparable with full-year ratios.
- E. Net Capital Turnover Ratio as at June 30, 2026 is lower due to revenue considered for the three-month period and is therefore not directly comparable with full-year ratios.
- F. Net Profit ratio increased because of increased in operations and EBIT
- G. Return on Capital employed is less due to increase in borrowings during the period June 30, 2026

Sr No:	Ratio	As at March 31, 2026	As at March 31, 2025	Variance %	Reasons for Changes if > 25%
1	Current Ratio	1.65	13.89	(88.12%)	Refer Note below
2	Debt Equity Ratio	0.03	-	NA	
3	Debt Service Coverage Ratio	10,720.34	NA	NA	
4	Return on equity ratio	29.09%	(6.22%)	(567.47%)	
5	Inventory Turnover Ratio	7.23	NA	NA	
6	Trade Receivables Turnover Ratio	12.47	NA	NA	
7	Trade Payables Turnover Ratio	5.34	NA	NA	
8	Net Capital Turnover Ratio	4.10	-	NA	
9	Net Profit Ratio (in %)	10.13%	NA	NA	
10	Return on Capital employed (in %)	37.82%	(7.64%)	(594.70%)	
11	Return on investment	-	NA	NA	

Note: During Fiscal 2025, the Company did not have any significant operations. Accordingly, the increase in the relevant financial parameters as at March 31, 2026, as compared to March 31, 2025, is primarily attributable to the commencement of operations during Fiscal 2026.

Annexure No. 35: Restated Statement of Related Party Transactions*(₹ in Lakhs, unless otherwise stated)***Directors**

1. Jyothi Kumar Nannat
2. Sunitha J Kumar
3. Athira T Nair

Enterprises where Directors have Significant Influence

Related Party	Person Interested	Type of Relationship	Period
Nexa Mumbai	Jyothi Kumar Nannat	Proprietorship Concern of MD	From Incorporation to till date
Nexa Mumbai Aviation LLP	Jyothi Kumar Nannat	Designated partner	From Incorporation to till date
ESOI Enterprise Pvt Ltd	1. Sunitha J Kumar 2. Athira T Nair	Director	From Incorporation to till date

Summary of Related Party Transactions

Nature of Transaction	Nature of Related parties	Particular	As at 30 June 2026	As at 31 March 2026	As at 31 March 2025
Loans & Advances Taken	Sunitha J Kumar	Opening Balance	0.51	-	-
		Addition during the year	-	0.51	-
		Repayment during the year			-
		Closing balance	0.51	0.51	-
Salary Expenses / Directors Remuneration	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Salary Due for the period	21.00	-	-
		Paid during the period	(14.00)	-	-
		Closing balance	7.00	-	-
Salary Expenses / Directors Remuneration	Sunitha J Kumar	Opening Balance	-	-	-
		Salary Due for the period	9.00	-	-
		Paid during the period	(5.58)	-	-
		Closing balance	3.42	-	-
Salary Expenses / Directors Remuneration	Athira T Nair	Opening Balance	-	-	-
		Salary Due for the period	3.00	-	-
		Paid during the period	-	-	-
		Closing balance	3.00	-	-
Rent Expense	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Rent Due for the period	7.50	-	-
		Paid during the period	(5.70)	-	-
		Closing balance	1.80	-	-
		Opening Balance	-	-	-

Nature of Transaction	Nature of Related parties	Particular	As at 30 June 2026	As at 31 March 2026	As at 31 March 2025
Purchase, Expense & Payable	Nexa Mumbai (Proprietorship Concern of)	Trf from Nexa Mumbai	-	-	-
		Purchase during the year	14.59	298.00	-
	Jyothi Kumar Nannat)	Reimbursement of payment of Expenses paid by Nexa Mumbai on behalf of the Company	0.23	64.87	-
		Payment made during the period	-	(362.87)	-
		Closing balance	14.82	-	-
Sales & Receivable	Nexa Mumbai (Proprietorship Concern of Jyothi Kumar Nannat)	Opening Balance	-	-	-
		Trf from Nexa Mumbai	-	-	-
		Sales during the year	284.92	2,059.29	-
		Amount receivable towards the payments was made by the company on behalf of Nexa Mumbai during the period	7.12	8.17	-
		Payment received during the period	(57.15)	(2,067.46)	-
		Closing balance	234.89	-	-
Purchase Expense & Payable	ESOI Enterprise Pvt Ltd	Opening Balance	25.06	-	-
		Trf from Nexa Mumbai	-	25.06	-
		Purchase during the year	-	-	-
		Payment made during the period	(16.00)	-	-
		Closing balance	9.06	25.06	-
Purchase of Business Through BTA and Issue of Equity Share	Jyothi Kumar Nannat	Opening Balance	-	-	-
		Purchase of Business through BTA	-	513.99	-
		Less: Issue of Equity Share	-	(513.75)	-
		Transfer to Loan outstanding	-	0.24	-
Loans & Advances Taken	Jyothi Kumar Nannat	Opening Balance	20.24	-	-
		Addition during the year	580.42	20.00	-
		Transfer from business Purchase	-	0.24	-
		Repayment during the year	(400.83)	-	-
		Closing balance	199.83	20.24	-

Annexure No. 36: Restated Statement of Tax Shelters*(₹ in Lakhs, unless otherwise stated)*

Particulars	For three month period Ended June 30 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Profit before tax as per books (A)	307.03	294.96	(2.70)
Normal Corporate Tax Rate (%)*	25.17%	25.17%	25.17%
MAT Rate (%)*	NA	NA	NA
Income Considered Separately			
Interest Income	(4.43)	-	-
Adjustments:			
Less: Preliminary Expenses	(0.13)	(0.50)	2.00
Add: Depreciation As per Book	14.31	0.90	-
Less: Depreciation As per Income Tax	5.32	0.82	-
Add: Gratuity Expenses	1.52	5.95	-
Total Adjustments	5.97	5.53	2.00
Tax Expenses / (Saving) thereon			
Income From Other Sources	4.43	-	-
Exempt Income			
Income / (Loss)	317.42	300.48	(0.70)
Brought Forward Loss Set off	-	(0.70)	-
Profit/(Loss) as per Income tax	317.42	299.78	(0.70)
Tax Liability as per Normal Provision	79.88	75.45	-
Timing Difference			
Preliminary Expenses	(0.13)	(0.50)	2.00
Depreciation As per Book (Excl. Goodwill amortisation as it's a permanent difference)	13.20	0.90	-
Depreciation As per Income Tax	5.32	0.82	-
Gratuity Expenses	1.52	5.95	-
Total Timing Differences	(9.28)	(5.53)	(2.00)
Deferred Tax Liability/Asset	(2.34)	(1.39)	(0.50)

The Company has opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.

The aforesaid statement of tax shelters has been prepared as per the restated statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return of the respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc. has been adjusted in the tax liability of the year to which the liability pertains.

Annexure No. 37: Details of Contingent Liabilities & Commitments as Restated*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025
Bank Guarantee	444.75	409.37	-

Annexure No. 38: Terms of Loan Taken from Banks & Financial Institutions*(₹ in Lakhs, unless otherwise stated)*

Name of Lender	Nature of Facility	Sanctioned Amount	Rate of Interest & Repayment Terms	Outstanding Amount as on June 30, 2026	Outstanding Amount as on March 31, 2026	Outstanding Amount as on March 31, 2025
From Banks						
ICICI Bank	Cash Credit	700 - Fund Based & 600 - non Fund Based	ROI - 8.75% Tenure Fund Based 1 year renewable after expiry & Non-Fund Based - 5 years.	636.97	-	-

Security:

1. Immovable Property - 5 Immovable property in the name of Directors
2. Current Assets
3. Fixed Deposit

Annexure No. 39: Restated Statement of Additional Notes*(₹ in Lakhs, unless otherwise stated)***I. Restated Statement of Employee Benefits in respect of Gratuity**

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
1. Present value of obligations as at the beginning of the year	66.62	-	-
Interest Cost	1.25	-	-
Current Service Cost	2.85	5.95	-
Past Service Cost	-	-	-
Benefits Paid	-	-	-
Acquisitions/Disposals adjustment	-	31.05	-
Acquisitions/Disposals adjustment-BTA	-	29.63	-
Actuarial (gain) / loss on obligations	(2.58)	-	-
Present value of obligations as at end of year	68.14	66.62	-
2. Fair Value of plan assets at beginning of year	-	-	-
Expected return of plan assets	-	-	-
Contributions	-	-	-
Benefits Paid	-	-	-
Actuarial (gain) / loss on Plan assets	-	-	-
Fair Value of plan assets at the end of year	-	-	-
3. Present value of obligations as at end of year	68.14	66.62	-
Fair value of plan assets as at the end of the year	-	-	-
Funded status Surplus (Deficit)	(68.14)	(66.62)	-
Net (asset) /liability	68.14	66.62	-
- Current DBO Liability	6.88	4.94	-
-Non-current DBO Liability	61.27	61.69	-
4. Current Service Cost	2.85	5.95	-
Past Service Cost	-	-	-
Interest Cost	1.25	-	-
Expected return of plan assets	-	-	-

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
Net Actuarial (gain) / loss recognized in the year	(2.58)	-	-
Expenses Recognized in statement of Profit and loss	1.52	5.95	-
Benefit Type	Gratuity Valuation as per Act		
Funding Status	Unfunded	Unfunded	
Retirement Age	60 Years	60 Years	
Vesting Period	1 to 5 Years	1 to 5 Years	
The principle actuarial assumptions for the above are:			
Discount Rate	6.94%	7.25%	
Salary Escalation	10.00%	10.00%	
Mortality	IALM 2012-14	IALM 2012-14	
Attrition rate	11.00%	11.00%	
<i>(Source: Based on Valuation report Mr. Anirudh Bansal (Fellow Member of Institute of Actuaries of India having membership no.-966.)</i>			

II. Restated Statement of CSR

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
1. Amount Required to be spent during the year	NA	NA	NA
2. Amount of expenditure incurred	NA	NA	NA
3. Shortfall at the end of the year	NA	NA	NA
4. Total of previous years shortfall	NA	NA	NA
5. Reasons for shortfall	NA	NA	NA
6. Nature of CSR Activities	NA	NA	NA

Note :- The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the period and hence reporting under this clause is not applicable.

III. Disclosures related to advances granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013)

The Company has granted advances to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other as under:

Types of Borrower	As At 30th June, 2026		As At 31st March, 2026		As At 31st March, 2025	
	Amount of Advances	Percentage to the total advances	Amount of Advances	Percentage to the total advances	Amount of Advances	Percentage to the total advances
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-

IV. Value of Import Calculated on C.I.F basis by the Company

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
Raw Material Components and spare parts	-	0.58	-

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
Finished Goods Imported	-	-	-
Capital goods	-	-	-

V. Expenditures in Foreign Currency

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
Royalty	-	-	-
Professional and Consultancy Fees	-	-	-
Others	-	-	-

VI. Disclosures related to Earnings in Foreign Exchange

Particulars	As At 30th June, 2026	As At 31st March, 2026	As At 31st March, 2025
Export of goods calculated on F.O.B. basis	-	-	-
Royalty, know-how, professional and consultation fees	-	-	-
Other income	-	-	-

VII. Events Occurring After the Balance Sheet Date

In accordance with Accounting Standard (AS) 4 “Contingencies and Events Occurring After the Balance Sheet Date”, the following material events have occurred subsequent to the Balance Sheet date, i.e., June 30, 2026 (being the latest date to which the Restated Financial Statements are drawn up), and up to the date of approval of these Restated Financial Statements:

Particulars of Event	Date
Allotment of Equity Shares on Private Placement basis	06-08-26
Appointment of Chief Financial Officer (CFO)	06-08-26
Allotment of Bonus Shares (Bonus Issue)	12-08-26
Appointment of Company Secretary (CS)	22-08-26

VIII. Restated Additional regulatory information

1. The Company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the company) for which title deeds are not held in the name of the company. Accordingly, the requirement to disclose details relating to title deeds of immovable properties not held in the name of the Company is not applicable.
2. The Company has not revalued its Property, Plant and Equipment and Intangible assets.
3. The Company affirms that no proceedings have been initiated or are pending against it under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. The Company does not hold any benami property, nor has it been involved in any transaction that qualifies as a benami transaction as defined under the said Act.
4. The Company or Directors is not declared wilful defaulter by any bank or financial institution or other lender.
5. Struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 is not applicable to the company
6. Complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the companies (Registration on number of Layers) Rules, 2017
7. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
8. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any sources or kind of funds) by the Company to or in any other person or entity, including

foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

9. The Management has represented, that, to the best of its knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10. No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

11. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

12. All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs or decimals thereof as per the requirement of Schedule III, unless otherwise stated.

13. Information pursuant to Division I of Revised Schedule III of the Companies Act, 2014 are given to the extent they are applicable to the Company.

14. The Company have any Intangible Assets under development. The Company has entered into contractual arrangements for the acquisition/development of intangible assets ERP 6 Process module for the project / product budgeting and costing.

15. There are no charges or satisfaction yet to be registered with ROC.

IX. Material Regrouping

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

X. Segment Reporting

The Company is engaged in the business of trading and manufacturing. The Company has only one segment viz "manufacturing of Defence Equipment's" and hence Segment Reporting is not applicable

XI. Disclosures related to Micro, Small and Medium Enterprises.

Management has obtained the necessary information from its suppliers regarding their status under the MSME act. Based on the information and confirmations received from the suppliers, none of the suppliers fall with the definition of Micro, Small or Medium Enterprises as specified under the MSME act. Accordingly, no disclosure is required in respect of amounts due to such enterprise under the applicable provisions.

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-
CA Ravi Kabra
Partner
Membership No. 148323
UDIN: 26148323HJHRCY1633
Place: Maharashtra
Date: September 1, 2026

For and on behalf of the Board of Directors of
Nexa Defence (I) Limited (formerly known as Nexa
Defence (I) Private Limited)

Sd/-
Jyothi Kumar Nannat
Director
DIN: 02174936

Sd/-
Abhay Jain
Chief Financial Officer

Sd/-
Sunitha J Kumar
Director
DIN: 02175002

Sd/-
Sonam Sharma
Company Secretary
(M.No. A52445)

Independent Auditor's Examination Report on Restated Financial Statements

To,
The Jyothi Kumar Nannat
Proprietor Entity (NEXA MUMBAI)
Plot No. 118, Sector 1(S),
CIDCO, Industrial Area, New Panvel East,
Raigad - 410206, Maharashtra, India

1. We have examined the attached restated financial information of Proprietorship Entity **NEXA MUMBAI** of the proprietor - **Jyothi Kumar Nannat** comprising the restated statement of assets and liabilities as at March 31, 2026, March 31, 2025 and March 31, 2024, restated statement of profit and loss and restated cash flow statement for the financial year/period ended on March 31, 2026, March 31, 2025 and March 31, 2024 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the "Restated Financial Information" or "Restated Financial Statements") annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Proprietorship Entity and approved by the management in connection with the proposed Initial Public Offering of the acquiring Company - **Nexa Defence (I) Limited** on SME Platform ("IPO" or "SME IPO") of National Stock Exchange of India Limited ("NSE Emerge").
2. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI");
 - (iii) The Guidance Note on Reports in Proprietorship Entity Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Management is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus ("Offer Document") to be filed with Securities and Exchange Board of India ("SEBI"), NSE Emerge and Registrar of Companies (Mumbai) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Proprietorship Entity on the basis of preparation stated in Annexure 4(a) to the Restated Financial Statements. The responsibility of the Management includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Management are also responsible for identifying and ensuring that the Proprietorship Entity complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
 - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;

- (iv) The requirements of Section 26 and 32 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 ICDR Regulations and the Guidance Note in connection with the IPO.
- 5. The Restated Financial Statements of the Proprietorship Entity have been compiled by the management from audited financial statements for the year/period ended March 31, 2026, March 31, 2025 and March 31, 2024.
- 6. The financial statements for the financial year ended March 31, 2026 were audited by us vide our report dated June 29, 2026. The audit for the financial years ended March 31, 2025 and March 31, 2024 was conducted by V Kumar Jain & Associates (previous auditor) vide their audit reports dated September 21, 2025 and September 26, 2024 respectively. There are no audit qualifications in the audit reports issued by us or the previous auditor which would require adjustments in the Restated Financial Statements of the Proprietorship Entity. The financial information included for these years is based solely on the reports submitted by them.
- 7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
 - a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended March 31, 2026, March 31, 2025 and March 31, 2024.
 - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
 - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments;
 - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
- 8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
 - (i) The “restated statement of asset and liabilities” of the Proprietorship Entity as at March 31, 2026, March 31, 2025 and March 31, 2024 examined by us, as set out in Annexure 1 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to Individual financial statements of the financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (ii) The “restated statement of profit and loss” of the Proprietorship Entity for the financial year/period ended as at March 31, 2026, March 31, 2025 and March 31, 2024 examined by us, as set out in Annexure 2 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to Individual financial statements of the financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
 - (iii) The “restated statement of cash flows” of the Proprietorship Entity for the financial year/period ended as at March 31, 2026, March 31, 2025 and March 31, 2024 examined by us, as set out in Annexure 3 to this report read with significant accounting policies in Annexure 4(a) has been arrived at after making such adjustments and regroupings to Individual financial statements of the financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
- 9. We have also examined the following other financial information relating to the Proprietorship Entity prepared by the management and as approved by the Management of the Proprietorship Entity and annexed

to this report relating to the Proprietorship Entity for the financial year/period ended as at March 31, 2026, March 31, 2025 and March 31, 2024 proposed to be included in the Offer Document.

Annexure to Restated Financial Statements of the Proprietorship Entity: -

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE 1;
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE 2;
3. Summary statement of cash flow, as restated as appearing in ANNEXURE 3;
- 4(a). Significant Accounting Policies and Notes to the Restated Financial Statements as appearing in ANNEXURE 4(a);
- 4(b). Reconciliation of Restated Profit and Audit Profit as appearing in ANNEXURE 4(b);
- 4(c). Reconciliation of Restated Equity / Net Worth as appearing in ANNEXURE 4(c);
5. Restated Statement of Proprietor's Capital as appearing in ANNEXURE 5;
6. Restated Statement of Long Term Borrowings as appearing in ANNEXURE 6;
7. Restated Statement of deferred tax liabilities / assets(Net) as appearing in ANNEXURE 7;
8. Restated Statement of Long Term Provisions as appearing in ANNEXURE 8;
9. Restated Statement of Short Term Borrowings as appearing in ANNEXURE 9;
10. Restated Statement of Trade Payables as appearing in ANNEXURE 10;
11. Restated Statement of Other Current Liabilities as appearing in ANNEXURE 11;
12. Restated Statement of Short Term Provisions as appearing in ANNEXURE 12;
13. Details of Property, Plant & Equipment and Intangible Assets as restated as appearing in ANNEXURE 13;
14. Restated Statement of Long-Term Loans and Advances as appearing in ANNEXURE 14;
15. Restated Statement of Non-Current Investments as appearing in ANNEXURE 15;
16. Restated Statement of Other Non-Current Assets as appearing in ANNEXURE 16;
17. Restated Statement of Inventories as appearing in ANNEXURE 17;
18. Restated Statement of Trade Receivables as appearing in ANNEXURE 18;
19. Restated Statement of Cash and Cash Equivalent as appearing in ANNEXURE 19;
- 19A. Restated Statement of Other Bank Balances as appearing in ANNEXURE 19A;
20. Restated Statement of Short Term Loans and Advances as appearing in ANNEXURE 20;
21. Restated Statement of Other Current Assets as appearing in ANNEXURE 21;
22. Restated Statement of Revenue from Operations as appearing in ANNEXURE 22;
23. Restated Statement of Other Income as appearing in ANNEXURE 23;
24. Restated Statement of Cost of Material Consumed as appearing in ANNEXURE 24;
25. Restated Statement of Purchase of Stock in Trade as appearing in ANNEXURE 25;
26. Restated Statement of Change in Inventories of Finished Goods and Stock in Trade as appearing in ANNEXURE 26;
27. Restated Statement of Employee Benefit Expenses as appearing in ANNEXURE 27;
28. Restated Statement of Finance Costs as appearing in ANNEXURE 28;
29. Restated Statement of Depreciation and Amortization as appearing in ANNEXURE 29;
30. Restated Statement of Other Expenses as appearing in ANNEXURE 30;
31. Restated Statement of Current Tax & Deferred Tax as appearing in ANNEXURE 31;
32. Restated Statement of Related Party Transactions as appearing in ANNEXURE 32;
- 33(a). Restated Statement of Accounting Ratios as appearing in ANNEXURE 33(a);
- 33(b). Summary of Accounting Ratios Comparisons as appearing in ANNEXURE 33(b);
34. Restated Statement of Tax Shelters as appearing in ANNEXURE 34;
35. Contingent Liabilities & Commitments as restated as appearing in ANNEXURE 35;
36. Terms of Loan Taken from Banks & Financial Institutions as appearing in ANNEXURE 36;
37. Restated Statement of Additional Notes as appearing in ANNEXURE 37.

10. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the erstwhile Proprietorship firm and are in accordance with the provisions of the Act and SEBI ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Proprietorship Entity.
11. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, NSE Emerge and Registrar of Companies (Mumbai) in connection with the proposed SME 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 YKC & Company

Chartered Accountants

Firm Registration No. 136640W

Sd/

CA Ravi Kabra

Partner

Membership No. 148323

UDIN: 26148323QWRDVO8000

Place: Maharashtra

Date: September 01, 2026

Annexure - 1: Restated Statement of Assets and Liabilities

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	Note no.	As At		
		31st March 2026	31st March 2025	31st March 2024
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital		-	-	-
(b) Proprietor's Capital	5	596.85	269.78	169.00
(c) Reserves & Surplus		-	-	-
(2) Non-Current Liabilities				
(a) Long-Term Borrowings	6	-	329.81	138.25
b) Deferred Tax Liabilities (Net)	7	-	-	-
(c) Long-Term Provisions	8	27.76	46.32	38.89
(3) Current Liabilities				
(a) Short-Term Borrowings	9	-	763.44	827.36
(b) Trade Payables - MSME		-	-	-
(c) Trade Payables - Others	10	433.52	398.21	336.10
(d) Other Current Liabilities	11	24.35	36.39	24.47
(e) Short-Term Provisions	12	1.87	4.29	15.18
TOTAL EQUITY & LIABILITIES		1084.35	1848.24	1549.25
II. ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	13	131.98	253.37	210.02
(b) Capital Work in Progress		-	-	-
(c) Intangible Assets	13	0.47	0.23	0.30
(d) Long-Term Loans & Advances	14	26.33	6.59	-
(e) Non-Current Investments	15	37.50	37.50	-
(f) Deferred Tax Assets (Net)	7	7.72	11.35	6.38
(g) Other Non-Current Assets	16	67.07	67.53	61.58
(2) Current Assets				
(a) Inventories	17	8.24	605.58	497.04
(b) Trade Receivables	18	309.54	295.65	526.54
(c) Cash & Cash Equivalents	19	15.46	39.64	52.49
(d) Other Bank Balances	19A	248.81	232.94	56.28
(e) Short-Term Loans & Advances	20	27.73	115.93	98.94
(f) Other Current Assets	21	203.50	181.93	39.68
TOTAL ASSETS		1084.35	1848.24	1549.25

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 37)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-
CA Ravi Kabra
Partner
Membership No. 148323
UDIN: 26148323QWRDVO8000
Place: Maharashtra
Date: September 1, 2026

For NEXA MUMBAI

Sd/-
Jyothi Kumar Nannat
Proprietor

Annexure - 2: Restated Statement of Profit and Loss

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	Note no.	FOR THE YEAR ENDED		
		31st March 2026	31st March 2025	31st March 2024
I. Revenue from Operations	22	5,500.07	2,645.45	1,893.82
II. Other Income	23	20.82	14.10	10.34
III. Total Income (I + II)		5,520.89	2,659.55	1,904.16
IV. Expenses				
Cost of Materials Consumed	24	3,678.00	1,636.18	1,167.73
Purchase of Stock-in-Trade	25	-	-	-
Changes in Inventories of Finished Goods & Stock-in-Trade	26	263.46	(27.20)	(86.84)
Employee Benefits Expense	27	463.07	323.10	236.73
Finance Costs	28	173.85	125.72	87.92
Depreciation & Amortization Expense	29	41.41	28.89	20.15
Other Expenses	30	528.08	433.49	376.73
Total Expenses		5,147.87	2,520.18	1,802.42
V. Profit Before Exceptional Items and Tax		373.02	139.37	101.74
Exceptional Items				
VI. Profit Before Tax (PBT)		373.02	139.37	101.74
VII. Tax Expense				
Current Tax	31	100.94	40.05	30.27
Deferred Tax		(4.18)	(4.97)	(4.66)
Total Tax Expense		96.76	35.08	25.61
VIII. Profit After Tax (PAT)		276.26	104.29	76.13
IX. Earnings Per Equity Share (EPS)				
Basic EPS (₹)				

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 37)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-
CA Ravi Kabra
Partner
Membership No. 148323
UDIN: 26148323QWRDVO8000
Place: Maharashtra
Date: September 1, 2026

For NEXA MUMBAI

Sd/-
Jyothi Kumar Nannat
Proprietor

Annexure - 3: Restated Statement of Cash Flow

(₹ in Lakhs, unless otherwise stated)

PARTICULARS	FOR THE YEAR ENDED		
	31st March 2026	31st March 2025	31st March 2024
A. Cash Flow from Operating Activities			
Profit Before Tax (PBT)	373.02	139.37	101.74
Adjustments for:			
Gratuity Provision	10.06	7.83	10.13
Interest Received	(20.30)	(13.50)	(5.72)
Finance Costs	173.85	125.72	87.92
Foreign Exchange Fluctuation (Unrealised)	-	-	-
CSR Provision	-	-	-
Depreciation & Amortisation	41.41	28.89	20.15
Liquidated Damages & Bad debt Expense	39.29	81.69	61.25
Operating Profit Before Working Capital Changes	617.33	370.00	275.47
Changes in Working Capital			
(Increase)/Decrease in Trade Receivables	(53.17)	149.20	(210.32)
(Increase)/Decrease in Inventories	597.34	(108.55)	(273.62)
(Increase)/Decrease in Short-Term Loans & Advances	88.20	(16.99)	(51.87)
(Increase)/Decrease in Long-Term Loans & Advances	(19.74)	(6.59)	-
(Increase)/Decrease in Other Current Assets	33.77	(129.28)	(22.91)
Increase/(Decrease) in Trade Payables	35.31	62.12	78.88
Increase/(Decrease) in Other Current Liabilities	(12.04)	11.91	(23.37)
Cash Generated from / (Used in) Operations	1,287.01	331.82	(227.74)
Less: Income Tax Paid	156.28	64.31	30.32
Net Cash Flow from Operating Activities (A)	1,130.72	267.51	(258.07)
B. Cash Flow from Investing Activities			
(Increase)/Decrease in Non-Current Investments	-	(37.50)	-
Change in Fixed Deposits / Other Non-Current Assets	(15.41)	(182.62)	(46.24)
Interest Received	20.30	13.50	5.72
Purchase of Property, Plant & Equipment	(50.83)	(72.11)	(18.79)
Purchase of Intangible Assets	(0.39)	(0.05)	(0.37)
Sale of Property, Plant & Equipment	-	-	-
Net Cash Flow from Investing Activities (B)	(46.34)	(278.77)	(59.68)
C. Cash Flow from Financing Activities			
Proceeds from Issue of Share Capital	-	-	-
Capital Introduced	225.08	-	49.93
Capital Withdrawal	(66.54)	(3.51)	(35.76)
Proceeds from Short-Term Borrowings	-	-	346.84
Proceeds from Long-Term Borrowings	-	191.56	78.39
Repayment of Short-Term Borrowings	(763.44)	(63.92)	-
Repayment of Long-Term Borrowings	(329.81)	-	-

PARTICULARS	FOR THE YEAR ENDED		
	31st March 2026	31st March 2025	31st March 2024
Finance Costs Paid	(173.85)	(125.72)	(87.92)
Net Cash Flow from Financing Activities (C)	(1,108.56)	(1.59)	351.48
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(24.18)	(12.85)	33.73
Cash & Cash Equivalents at Beginning of Year	39.64	52.49	18.76
Cash & Cash Equivalents at End of Year	15.46	39.64	52.49

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 37)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-

CA Ravi Kabra

Partner

Membership No. 148323

UDIN: 26148323QWRDVO8000

Place: Maharashtra

Date: September 1, 2026

For NEXA MUMBAI

Sd/-

Jyothi Kumar Nannat

Proprietor

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Annexure - 4(a): Significant Accounting Policies and Notes to the Restated Financial Statements

(₹ in Lakhs, unless otherwise stated)

1. Corporate Information

The proprietorship concern of Mr. Jyothi Kumar Nannat, namely “Nexa Mumbai”, is engaged in the design, development, indigenisation (i.e. developing and manufacturing in India products that were previously sourced through imports), manufacture, assembly, testing, supply, and servicing of Ground Support Equipment (“GSE”), Test Rigs, Test Benches, and Test Equipment. The proprietorship concern is located at Plot No. 118, Sector 1-S, CIDCO Industrial Area, Panvel, Raigad, Maharashtra – 410206.

Pursuant to the Business Transfer Agreement dated February 9, 2026, Nexa Defence (I) Limited, having its registered office at Plot No. 118, Sector 1-S, CIDCO Industrial Area, Panvel, Raigad, Maharashtra – 410206, succeeded to the business of the sole proprietorship concern, “Nexa Mumbai”. With effect from March 31, 2026, the business of Nexa Mumbai was taken over by the Nexa Defence (I) Limited. As part of the transaction, all the assets and liabilities of Nexa Mumbai were transferred to Nexa Defence (I) Limited in accordance with the terms of the Business Transfer Agreement.

2. Significant accounting policies

2.1 Basis of Preparation of Financial Statements

The Restated Summary Statement of Assets and Liabilities of the Proprietorship Concern as at March 31, 2026, March 31, 2025 and March 31, 2024, and the related Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flows for the years ended March 31, 2026, March 31, 2025 and March 31, 2024 (collectively, the “Restated Summary Statements”) have been compiled by the Proprietor from the audited financial statements of the Proprietorship Concern for the respective years, as approved by the Proprietor.

For the purpose of presenting the financial information of the business carried on by the Proprietorship Concern, the Restated Summary Statements include only those assets, liabilities, income and expenses that are attributable to and used in the operations of the Proprietorship Concern. Accordingly, personal assets and liabilities of the Proprietor, and any related income or expenses not pertaining to the business operations of the Proprietorship Concern, have been excluded from the Restated Summary Statements to present the financial position, results of operations and cash flows of the business of the Proprietorship Concern.

The Restated Summary Statements have been prepared to comply, in all material respects, with the provisions of Part I of Chapter III of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The Restated Summary Statements have been prepared specifically for inclusion in the Draft Red Herring Prospectus/Prospectus to be filed by the Company with NSE in connection with its proposed SME Initial Public Offering. For this purpose, the management of the Proprietorship Concern has recast the audited financial statements in the format prescribed under Schedule III to the Companies Act, 2013 for presentation as the Restated Summary Statements.

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.

The accounting policies adopted in the preparation of financial statements have been consistently applied. All assets and liabilities have been classified as current or non-current as per the Proprietorship Concern’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time difference between the provision of services and realization of cash and cash equivalents, the

Proprietorship Concern has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3 Property, plant and equipment & Intangible Assets:

The Proprietorship Concern has adopted the cost model as its accounting policy for all its PPE and accordingly, the same are carried at its cost less any accumulated depreciation and any impairment loss. The cost comprises of - purchase price, including import duties, other non-recoverable taxes, and any cost incurred directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, after deducting trade discounts and rebates.

Intangible assets are stated at cost, less accumulated amortisation. Costs include all expenses incurred to bring the asset to its present condition. Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

2.4 Depreciation / Amortisation

Depreciation on PPE is commenced on when it is available on use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended. Depreciation is provided on the “Written Down Value Method” as per the useful lives specified in Part C of Schedule II to the Companies Act, 2013. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, and if expectations differ from previous estimates, the change is recognised in the statement of profit and loss with appropriate disclosure thereof.

In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Useful life as per Schedule II of the Companies Act, 2013:

Particulars	Useful Life
Building or Factory Structure	30 Years
Computers	3 Years
Plant & Machinery	10 - 15 Years
Office Equipment	3 - 5 Years
Furniture and Fixtures	10 Years
Vehicle	8 - 10 Years
Intangible Assets	5 - 10 Years

2.5 Impairment of Assets:

As on each Balance Sheet date, if internal / external indicators suggest that an asset, whether tangible or intangible, may be impaired, the carrying amount of the asset is tested for impairment so as to determine, the provision for impairment loss required. No such provision is required to be made. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and

the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. Reversal of impairment loss is recognized immediately as income in the profit and loss account. No such reversal is required to be made.

2.6 Leases

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized on a straight-line basis as an expense in the Statement of Profit and Loss over the lease term of respective lease arrangement unless there is another systematic basis which is more representative of the time pattern of the lease

2.7 Investments

Investments are classified as long term investments and current investments. Current investments are stated at lower of cost and fair value. Long term investments are usually carried at cost and provision for diminution is made to recognise a decline, other than temporary separately for each individual long term investments.

Investments are classified as current if it is by nature readily realisable and is intended to be held for not more than one year from the date on which such investment is made. Any investment other than a current investment is a long term investment.

2.8 Other Bank Balances

Other bank balances include balances with banks having an original maturity more than three months but not exceeding twelve months from the date of the deposit.

2.9 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The Proprietorship Concern recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Proprietorship Concern's activities as described. 'Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales includes goods and services tax. Income from Services is recognized as the service is performed and the right to ultimate collection is reasonably assured.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Proprietorship Concern and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition as prescribed under the authority of section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Rules, 2021. Sales are recognized on accrual basis, and only after transfer of goods to the customer.

2.10 Other Income

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and applicable interest rate. Other items of income is recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

2.11 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.12 Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Proprietorship Concern has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best

estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. No contingent Liabilities existed as on the Balance Sheet date as informed to us.

Contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

2.13 Income Taxes

(i) Current Tax: Tax expenses comprise of current tax, deferred tax charge or credit, minimum alternative tax and adjustments of taxes for earlier years. Provision for current tax is made as per the provisions of Income Tax Act, 1961.

(ii) Deferred Tax: Deferred tax charge or credit reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years and are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash and cash deposits with banks. The Proprietorship Concern considers all highly liquid investments with an original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.15 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Proprietorship Concern are segregated.

2.16 Foreign Currency Transactions

(i) Initial recognition - Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii) Conversion - As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items are carried at historical cost using exchange rate on the date of transaction.

Exchange Difference Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise.

2.17 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are short term employee benefits and are recognised in the period in which the employee renders the related services. Employee benefits include provident fund and ESIC

Post-employment benefits

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss during the period in which employee renders the related service. The Proprietorship Concern's contribution to provident fund and ESIC are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefits Plan:

The Proprietorship Concern has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. The calculation of the Proprietorship Concern's obligation is performed annually by a qualified actuary using the projected unit credit method. Provision for gratuity has been made and bifurcated into current and non-current provision in the books as per actuarial valuation done as at the end of the year/Period

2.18 Inventories

Inventories are valued at the lower of cost (on FIFO/weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads.

2.19 The various figures of financial statement have been regrouped or reclassified wherever necessary.

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Annexure - 4(b): Restated Statement of Reconciliation of Restated Profit and Audit Profit*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Net Profit / (Loss) After Tax of Audited Statement of Profit & Loss	250.06	159.11	120.19
Adjustments for:			
Depreciation	(17.97)	(11.92)	(8.38)
Gratuity Expense	(10.06)	(7.83)	(10.13)
Income Tax Expenses Not Debited to the Audited Statement of Profit and Loss and Differences in Tax Provision	49.98	(40.05)	(30.27)
Deferred Tax	4.18	4.97	4.66
Interest Income booked in P&L which was booked in Capital account in audited financial statements	0.07	0.02	0.05
Net Profit / (Loss) after tax as restated	276.26	104.29	76.13

Annexure - 4(c): Restated Statement of Reconciliation of Restated Equity / Net Worth*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Equity / Net worth as per audited financials	513.99	275.57	344.93
Adjustments for:			
Difference in Opening Reserve and Surplus	(5.79)	(175.94)	-
Changes in Profit and Loss	(23.85)	(14.78)	(13.85)
Depreciation of Earlier Year	-	-	25.81
Differences in Income Tax Expense	49.98	13.33	13.47
Deferred Tax Asset of Earlier Year	(7.81)	-	1.72
Gratuity Expense of Earlier Year	31.05	-	(32.66)
Personal assets & Liability Adjustment of earlier year	39.29	171.59	(170.43)
Equity / Net worth as Restated	596.85	269.79	169.00

Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:

A. Income Tax Expenses Not Debited to the Audited Statement of Profit and Loss and Differences in Tax Provision: As the provision for Income Tax in Nexa Mumbai, a proprietorship firm, was created earlier under income tax act, the consequent effect has been duly rectified in the restated Financial Statements as per company Act.

B. Gratuity Expense / Gratuity Expense of Earlier Year: Provision for Gratuity is provided in Restated Financials Statement which was not provided in Audited Financial Statements and the provision and adjustment related for gratuity relating to preceding years was adjusted against reserves and surplus

C. Deferred Tax: Deferred tax is calculated on the difference of Depreciation as per Companies Act & income tax Act in Restated financials. Further Deferred Tax has been calculated on Timing difference arises due to Gratuity Expense which was not considered in Audited Financial Statements.

D. Deferred Tax of Earlier Year: Deferred tax is calculated on the difference of depreciation as per Companies Act & income tax Act in Restated financials but in Audited financials the same has not been calculated for earlier financial year.

E. Depreciation: As the Depreciation has been recalculated as per company act, 2013, and hence the consequent effect has been duly given in restated financial statement

F. Depreciation of Earlier Year: In the earlier year, the depreciation was calculated based upon income tax act and the same has been recalculated in restated financial statement as per company Act.

G. Interest Income booked in P&L which was booked in Capital account in audited financial statements: This interest income was booked under Proprietor's Capital under Nexa Mumbai, which has been classified as Income under Profit and Loss Statement in the restated Financial Statements as per company Act.

H. Opening Difference in Reserve and Surplus: Prior period items have been adjusted in the Restated Financial Statements, whereas their effect was not reflected in the Audited Financial Statements.

I. Personal assets & Liability Adjustment of earlier year: The proprietor's personal assets and liabilities have been adjusted to present only the assets, liabilities and operations relating to the business. Accordingly, the Restated Financial Information reflects only the business operations transferred to the Company and has been prepared in accordance with the applicable provisions of the Companies Act, 2013.

Annexure No. 5: Restated Statement of Proprietor's Capital

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Balance	269.78	169.00	214.67
Add-Capital Introduced	225.08	-	49.93
Less-Capital Withdrawn	(66.54)	(3.51)	(35.76)
Add-Restated Profit/(loss) for the year	276.26	104.29	76.13
Add-Depreciation of Earlier year	-	-	25.81
Less-Gratuity Expense of Earlier Year	-	-	(32.66)
Add: Deferred Tax of Earlier Year	-	-	1.72
Add: Personal assets & Liability Adjustment	(130.95)	-	(130.84)
Add: Acquisitions/Disposals adjustment for Employee transfer related to Gratuity Provision*	31.05	-	-
Less: Deferred Tax on Acquisitions/Disposals adjustment for Employee transfer related to Gratuity Provision*	(7.81)	-	-
Closing balance at the end of year	596.85	269.78	169.00
TOTAL: PROPRIETOR'S CAPITAL	596.85	269.78	169.00

* Certain employees were transferred to Nexa Defence (I) Limited prior to the effective date of the Business Transfer Agreement (BTA). Accordingly, all employee benefit obligations, provisions and related liabilities pertaining to such employees have been recognised in the Restated Financial Information of Nexa Defence (I) Limited. Consequently, the corresponding employee-related liabilities have also been transferred to Nexa Defence (I) Limited

Annexure No. 6: Restated Statement of Long Term Borrowings*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Unsecured			
- Term Loan:			
From Banks	-	126.84	27.08
From NBFC	-	202.97	111.17
- Vehicle Loan	-	-	-
Total	-	329.81	138.25

For detailed terms and conditions relating to loans availed from banks and financial institutions, refer Annexure 29- Terms of Loans from Banks and Financial Institutions.

Annexure No. 7: Restated Statement of Deferred Tax Liabilities/Assets (Net)*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Balance DTA/(DTL)			
Deferred Tax Assets			
Differences in WDV as per Company Act and Income Tax Act	0.26	-	-
Provision for Gratuity	7.46	12.74	10.77
Gross Deferred Tax Assets	7.72	12.74	10.77
Deferred Tax Liability			
Differences in WDV as per Company Act and Income Tax Act	-	1.39	4.39
Gross Deferred Tax Liability	-	1.39	4.39
Net Deferred Tax Assets (Liability)	7.72	11.35	6.38

Notes

- In accordance with accounting standard 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year.
- The figures disclosed above are based on the restated summary statement of assets and liabilities of the company
- The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

Annexure No. 8: Restated Statement of Long Term Provisions*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits			
Provision for Gratuity	27.76	46.32	38.89

TOTAL: LONG-TERM PROVISION	27.76	46.32	38.89
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Note:

1. As per Gratuity Valuation Report.

Annexure No. 9: Restated Statement of Short Term Borrowings

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
a) Loans repayable on demand			
Unsecured			
Over Draft facility-from Bank	-	-	-
Cash Credit from facility-from Bank	-	520.07	511.87
C) From Others			
From NSIC (bill discounting facilities)	-	-	-
Loan from Related Party	-	115.02	130.52
Loan from others	-	128.35	184.97
Total	-	763.44	827.36

For detailed terms and conditions relating to loans availed from banks and financial institutions, refer Annexure 29 – Terms of Loans from Banks and Financial Institutions.

Annexure No. 10: Restated Statement of Trade Payables

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Trade Payable for Goods & Services includes:			
Dues to MSME	-	-	-
Others	433.52	398.21	336.10
Disputed Dues to MSME	-	-	-
Disputed Dues to Others	-	-	-
Total	433.52	398.21	336.10

10.1 Trade Payables Ageing as at March 31, 2026

Particulars	less than 1 year	1 to 2 years	2 to 3 years	Total
(i)Dues to Micro & Small Enterprises	-	-	-	-
(ii)Others	433.52	-	-	433.52
(iii) Disputed	-	-	-	-
dues – MSME	-	-	-	-
(iv) Disputed	-	-	-	-
dues - Others	-	-	-	-
Total	433.52	-	-	433.52

10.2 Trade Payables Ageing as at March 31, 2025

Particulars	less than 1 year	1 to 2 years	2 to 3 years	Total
(i)Dues to Micro & Small Enterprises	-	-	-	-
(ii)Others	393.86	4.03	0.33	398.21
(iii) Disputed	-	-	-	-

Particulars	less than 1 year	1 to 2 years	2 to 3 years	Total
dues – MSME	-	-	-	-
(iv) Disputed	-	-	-	-
dues - Others	-	-	-	-
Total	393.86	4.03	0.33	398.21

10.3 Trade Payables Ageing as at March 31, 2024

Particulars	less than 1 year	1 to 2 years	2 to 3 years	Total
(i)Dues to Micro & Small Enterprises	-	-	-	-
(ii)Others	329.43	6.67	-	336.10
(iii) Disputed	-	-	-	-
dues – MSME	-	-	-	-
(iv) Disputed	-	-	-	-
dues - Others	-	-	-	-
Total	329.43	6.67	-	336.10

Notes :-

1. There is no not due & unbilled Trade Payable as of the reporting date.
2. Trade Payable includes dues to Related Parties which are disclosed in Annexure No. 32

Annexure No. 11: Restated Statement of Other Current Liabilities

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Statutory Dues Payable	1.60	4.31	6.28
Audit Fees Payable	-	4.50	4.00
Salary & Wages Payable	22.76	25.30	11.91
Advance from Customer	-	2.28	2.28
Total	24.35	36.39	24.47

Annexure No. 12: Restated Statement of Short Term Provisions

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1. Provision for employee benefits	-	-	-
Provision for Gratuity	1.87	4.29	3.90
2. Others	-	-	-
Provision for Taxation (net of advance tax and TDS)	-	-	11.28
Total	1.87	4.29	15.18

General Notes :

- 1 The figures disclosed above are based on the restated summary statement of assets and liabilities of the company.
- 2 The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively.

Annexure No. 14: Restated Statement of Long-Term Loans and Advances*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital Advances	26.33	6.59	-
TOTAL: LONG-TERM LOANS AND ADVANCES	26.33	6.59	-

Annexure No. 15: Restated Statement of Non-Current Investments*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Non-Current Investments			
Investment in Share of Company	37.50	37.50	-
Total	37.50	37.50	-

General Notes: Investments held by the Proprietor in a personal capacity have not been considered for the purpose of preparation of these Restated Financial Statements.

Annexure No. 16: Restated Statement of Other Non-Current Assets*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Security Deposits			
Unsecured, considered good			
Electricity Security Deposit	1.07	1.07	1.07
Water Connection Deposit	1.14	1.14	1.14
Security Deposit	10.34	10.34	0.36
Rent/Security Deposit	-	0.55	0.55
Other Deposits			
Fixed Deposits with Banks having Original maturity of more than 12 Month	54.52	54.43	58.46
Total	67.07	67.53	61.58

Annexure No. 17: Restated Statement of Inventories*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Raw Materials and components	-	333.88	252.54
Finished goods	8.24	156.70	19.50
Work In Progress	-	115.00	225.00
Total	8.24	605.58	497.04

General Notes:

Raw materials and components are valued at the lower of cost (determined on a weighted average basis) and net realisable value.

Finished goods are valued at the lower of cost and net realisable value. Work-in-progress is valued at cost.

During FY 2025-26, the majority of procurement and sale transactions were routed through Nexa Defence (I) Limited. Accordingly, the entity is not required to maintain significant inventories of raw materials or work-in-progress, and consequently, the balances of raw materials and work-in-progress as at the reporting date are expected to be nil.

Annexure No. 18: Restated Statement of Trade Receivables

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Undisputed trade receivable - considered good	309.54	295.65	526.54
Undisputed trade receivable - considered doubtful	-	-	-
Disputed trade receivable - considered good	-	-	-
Disputed trade receivable - considered doubtful	-	-	-
Total	309.54	295.65	526.54

18.1 Trade Receivables aging on March 31, 2026

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	194.82	103.81	8.46	2.45	-	309.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	194.82	103.81	8.46	2.45	-	309.54

18.2 Trade Receivables aging on March 31, 2025

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	234.93	40.36	18.53	1.83	-	295.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	234.93	40.36	18.53	1.83	-	295.65

18.3 Trade Receivables aging on March 31, 2024

Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	423.82	28.03	72.85	1.83	-	526.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
Total	423.82	28.03	72.85	1.83	-	526.54

Notes :-

1. There is no not due & unbilled Trade receivables as of the reporting date.
2. Trade Receivable includes dues from Related Parties which are disclosed in Annexure No.32

Annexure No. 19: Restated Statement of Cash and Cash Equivalent*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Balance with Bank Account			
in Current Account	-	9.81	36.53
in Saving Account	-	0.75	1.43
Cash on Hand	-	15.89	5.06
Bank deposit less than 3 month	15.46	13.19	9.47
Total	15.46	39.64	52.49

Annexure No. 19A: Restated Statement of Other Bank Balances*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Fixed Deposit Balance with Bank			
Bank deposit more than 3 month and upto 12 month	248.81	232.94	56.28
Total	248.81	232.94	56.28

Annexure No. 20: Restated Statement of Short Term Loans and Advances*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good:			
Advances given to related Party	-	61.43	33.67
Advance to Supplier	27.73	54.19	64.35
Advance to Employee	-	0.30	0.92
Total	27.73	115.93	98.94

Annexure No. 21: Restated Statement of Other Current Assets*(₹ in Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Input Tax Credit Receivable	135.19	168.95	39.68
Advance Tax (including TDS Receivable), Net of Provision for Taxation	68.32	12.99	-
Total	203.50	181.93	39.68

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Annexure No. 13: Details of Property, Plant & Equipment and Intangible Assets as Restated

Fiscal 2024

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2023	Additions	Sale/deletions during the year	As on March 31, 2024	As on April 01, 2023	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2024	As on March 31, 2024	As at March 31, 2023
Freehold Land	123.98	-	-	123.98	-	-	-	-	123.98	123.98
Building or Factory Structure	141.03	-	-	141.03	67.22	10.50	-	77.72	63.31	73.81
Computers	9.40	1.69	-	11.10	8.82	1.83	-	10.65	0.45	0.58
Plant & Machinery	59.24	10.93	-	70.16	52.84	4.15	-	56.99	13.17	6.40
Office Equipment	7.68	1.95	-	9.63	6.30	1.22	-	7.53	2.11	1.38
Furniture and Fixtures	30.19	3.30	-	33.49	25.89	1.92	-	27.81	5.68	4.30
Vehicle	21.91	0.91	-	22.82	21.04	0.45	-	21.49	1.33	0.87
Total	393.43	18.79	-	412.22	182.11	20.08	-	202.19	210.02	211.32

Fiscal 2025

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2024	Additions	Sale/deletions during the year	As on March 31, 2025	As on April 01, 2024	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2025	As on March 31, 2025	As on March 31, 2024
Freehold Land	123.98	-	-	123.98	-	-	-	-	123.98	123.98
Building or Factory Structure	141.03	34.66	-	175.69	77.72	12.05	-	89.77	85.92	63.31
Computers	11.10	1.66	-	12.75	10.65	0.96	-	11.61	1.15	0.45
Plant & Machinery	70.16	0.86	-	71.03	56.99	4.00	-	60.99	10.04	13.17
Office Equipment	9.63	4.93	-	14.56	7.53	1.85	-	9.38	5.18	2.11
Furniture and Fixtures	33.49	15.01	-	48.49	27.81	7.03	-	34.85	13.65	5.68
Vehicle	22.82	14.99	-	37.82	21.49	2.87	-	24.36	13.45	1.33
Total	412.22	72.11	-	484.32	202.19	28.76	-	230.96	253.37	210.02

Fiscal 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2025	Additions	Sale/deletions during the year*	As on March 31, 2026	As on April 01, 2025	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2026	As on March 31, 2026	As on March 31, 2025
Freehold Land	123.98	-	123.98	-	-	-	-	-	-	123.98
Building or Factory Structure	175.69	27.81	-	203.50	89.77	14.54	-	104.31	99.19	85.92
Computers	12.75	5.86	-	18.61	11.61	5.76	-	17.36	1.25	1.15
Plant & Machinery	71.03	5.96	-	76.99	60.99	3.99	-	64.98	12.01	10.04
Office Equipment	14.56	1.48	-	16.04	9.38	2.81	-	12.19	3.85	5.18
Furniture and Fixtures	48.49	9.73	-	58.22	34.85	7.69	-	42.54	15.68	13.65
Vehicle	37.82	-	37.82	-	24.36	6.48	30.84	-	-	13.45
Total	484.32	50.83	161.80	373.36	230.96	41.26	30.84	241.38	131.98	253.37

* Freehold land and all vehicles have been transferred to the proprietor's personal assets, as ownership of these assets was retained by the proprietor and they were not transferred to the Company under the Business Transfer Agreement (BTA). Accordingly, these assets have been excluded from the Restated Financial Information to present only the assets and liabilities of the business transferred to the Company.

Intangible Assets

Fiscal 2024

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2023	Additions	Sale/deletions during the year	As on March 31, 2024	As on April 01, 2023	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2024	As on March 31, 2024	As at March 31, 2023
Brands /Trademarks	-	-	-	-	-	-	-	-	-	-
Computer Software	-	0.37	-	0.37	-	0.07	-	0.07	0.30	-

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2023	Additions	Sale/deletions during the year	As on March 31, 2024	As on April 01, 2023	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2024	As on March 31, 2024	As at March 31, 2023
Total	-	0.37	-	0.37	-	0.07	-	0.07	0.30	-

Fiscal 2025

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2024	Additions	Sale/deletions during the year	As on March 31, 2025	As on April 01, 2024	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2025	As on March 31, 2025	As on March 31, 2024
Brands /Trademarks	-	-	-	-	-	-	-	-	-	-
Computer Software	0.37	0.05	-	0.42	0.07	0.12	-	0.20	0.23	0.30
Total	0.37	0.05	-	0.42	0.07	0.12	-	0.20	0.23	0.30

Fiscal 2026

(₹ in Lakhs, unless otherwise stated)

Particulars	Gross Block				Depreciation and Amortization				Net Block	
	As on April 01, 2025	Additions	Sale/deletions during the year	As on March 31, 2026	As on April 01, 2025	Depreciation for the year	Reduction / Adj during the year	As on March 31, 2026	As on March 31, 2026	As on March 31, 2025
Brands /Trademarks	-	0.22	-	0.22	-	0.04	-	0.04	0.18	-
Computer Software	0.42	0.17	-	0.59	0.20	0.11	-	0.31	0.28	0.23
Total	0.42	0.39	-	0.81	0.20	0.15	-	0.35	0.47	0.23

Annexure No. 22: Restated Statement of Revenue from Operations*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Sale of Goods	5,474.23	2,430.47	1,855.19
Sale of Services	25.84	214.98	38.63
Total	5,500.07	2,645.45	1,893.82

Annexure No. 23: Restated Statement of Other Income*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Interest Income	20.30	13.50	5.72
Other income	-	-	-
Discount Received	0.52	0.60	4.33
Foreign Exchange Gain	-	-	0.28
Total	20.82	14.10	10.34

Annexure No. 24: Restated Statement of Cost of Material Consumed*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Opening Balance of Raw Materials	333.88	252.54	65.76
Add : Purchase of Raw Materials	3,344.13	1,717.52	1,354.51
Less : Closing Balance of Raw Materials	-	333.88	252.54
Total	3,678.00	1,636.18	1,167.73

Annexure No. 25: Restated Statement of Purchase of Stock-in-Trade*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Purchase of Finished Goods	-	-	-
Purchase of Stock In Trade	-	-	-
Total	-	-	-

Annexure No. 26: Restated Statement of Change in Inventories of Finished Goods and Stock-in-Trade*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Finished goods			
Opening Balance	156.70	19.50	125.04
Less: Closing Balance	8.24	156.70	19.50
Net Change in Finished Goods	148.46	(137.20)	105.54
Stock In Trade / WIP			
Opening Balance	115.00	225.00	32.63
Less: Closing Balance	-	115.00	225.00
Net Change in Stock in Trade/WIP	115.00	110.00	(192.37)
Total	263.46	(27.20)	(86.84)

Annexure No. 27: Restated Statement of Employee Benefit Expenses*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Salaries and Wages	430.97	300.56	215.18
Contribution to Provident Fund and Other Funds	4.04	1.61	1.24
Staff Welfare Expenses	17.99	13.11	10.18
Gratuity Expenses	10.06	7.83	10.13
Total	463.07	323.10	236.73

Annexure No. 28: Restated Statement of Finance Costs*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Interest on Loan	157.48	110.99	68.83
Other Borrowing Cost	16.38	14.74	19.09
Total	173.85	125.72	87.92

Annexure No. 29: Restated Statement of Depreciation and Amortisation*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Depreciation on Tangible Asset	41.26	28.76	20.08

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Amortization on Intangible Asset	0.15	0.12	0.07
Total	41.41	28.89	20.15

Annexure No. 30: Restated Statement of Other Expenses

(₹ in Lakhs, unless otherwise stated)

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Other Expenses			
Freight and Transportation Expenses	60.51	48.34	45.55
Packing & Forwarding Charges	-	-	0.06
Operating Service Expenses	255.47	197.93	159.43
Audit Fees	3.20	4.65	4.10
Electricity Expenses	14.67	9.01	7.93
Bad Debt Written Off	-	-	0.36
Liquidated Damages Expense	39.29	81.69	60.88
Rent Expenses	4.14	4.05	2.89
Duties and Taxes	1.17	0.14	3.23
Printing and Stationery	5.64	3.14	2.10
Legal and Professional Charges	20.52	18.83	12.55
Repair and Maintenance	13.01	9.96	5.38
Travelling & Conveyance Expenses	86.97	42.19	60.70
Interest on Statutory Dues	0.41	0.27	0.03
Water Charges	-	0.16	-
Foreign Exchange Loss	0.29	0.40	-
Other Borrowing Cost	1.82	-	-
Communication Expenses	0.84	0.53	0.44
Telephone & Mobile Expenses	0.89	0.29	0.33
Courier & Postage Expenses	4.31	6.19	8.49
Insurance Expenses	4.20	2.03	0.92
Miscellaneous Expenses	10.73	3.69	1.37
Total	528.08	433.49	376.73
Payment to Auditor includes			
Statutory Audit Fees	-	-	-
Tax Audit Fees	3.00	4.50	4.00
Other Fees*	0.20	0.15	0.10

* Other Fees are included in Legal and professional fees

Annexure No. 31: Restated Statement of Current Tax & Deferred Tax*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Current Tax Exp.	100.94	40.05	30.27
Deferred Tax	(4.18)	(4.97)	(4.66)
Total	96.76	35.08	25.61

General Notes:

- 1 The figures disclosed above are based on the restated statement of profit & loss of the Company.
- 2 The above statement should be read with the restated statement of assets and liabilities, restated statement of profit and loss, restated statement of cash flow, significant accounting policies and notes to restated summary statements as appearing in Annexures 1, 2, 3 and 4(A) respectively

Annexure No. 32: Restated Statement of Related Party Transactions*(₹ in Lakhs, unless otherwise stated)***Proprietor**

1. Jyothi Kumar Nannat

Related Party of Proprietor

Name of Relatives	Relationship with Proprietor
Sunitha J Kumar	Wife
Athira T Nair	Daughter
Mukundan	Father
Remadevi	Mother

Enterprise where Proprietor has Significant Influence

Related Party	Person Interested	Type of Relationship
Nexa Mumbai Aviation LLP	Jyothi Kumar Nannat	Designated partner
Aviation & Marine Services	Jyothi Kumar Nannat	Partner
Nexa Defence (I) Limited	Jyothi Kumar Nannat	Director
ESOI Enterprise Pvt Ltd	Jyothi Kumar Nannat	Wife is Director in the company

Summary of Related Party Transactions*

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
Loans And Advances Taken	Sunitha J Kumar	Opening Balance	-	-	71.65
		Received during the year	-	-	52.31
		Repayment during the year	-	-	(123.96)

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
		Closing balance	-	-	-
Loans And Advances Given	Sunitha J Kumar	Opening Balance	40.24	33.67	-
		Given during the year	-	66.55	33.67
		Set off against salary payment	(5.45)	(59.98)	-
		Received during the year	(26.00)	-	-
		Transferred to Prop. Capital	(8.79)	-	-
		Closing balance	-	40.24	33.67
Loans And Advances Taken	Athira T Nair	Opening Balance	-	5.31	5.96
		Received during the year	-	-	1.59
		Repayment during the year	-	(5.31)	(2.24)
		Closing balance	-	-	5.31
Loans And Advances Given	Athira T Nair	Opening Balance	21.19	-	-
		Given during the year	-	21.19	-
		Received during the year	(17.44)	-	-
		Set off against salary payment	(3.75)	-	-
		Closing balance	-	21.19	-
Loans And Advances Taken	Mukundan	Opening Balance	40.68	37.32	34.24
		Received during the year	3.67	3.36	3.08
		Transferred to Prop. Capital	(44.35)	-	-
		Closing balance	-	40.68	37.32
Loans And Advances Taken	Remadevi	Opening Balance	31.50	28.90	26.51
		Received during the year	2.81	2.60	2.39
		Transferred to Prop. Capital	(34.31)	-	-
		Closing balance	-	31.50	28.90
Sales & Receivables	Nexa Defence (I) Limited	Opening Balance	-	-	-
		Sale made during Year (including GST)	298.00	-	-
		Amount receivable towards the payments was made by the nexa Mumbai on behalf of Nexa Defence company during the period	64.87	-	-
		Received during the year	-	-	-
		Closing balance	362.87	-	-
Purchase expenses and Payable	Nexa Defence (I) Limited	Opening Balance	-	-	-
		Purchase/Expenses during Year (including GST)	2,059.29	-	-

Nature of Transactions	Name of Related Parties	Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
		Reimbursement of payment of Expenses paid by Nexa Defence Company on behalf of the Nexa Mumbai	8.17	-	-
		Paid during the year	(2,067.46)	-	-
		Closing balance	-	-	-
Purchase expenses and Payable	ESOI Enterprise Pvt Ltd	Opening Balance	37.21	24.69	4.69
		Purchase/Expenses during Year (Excluding GST)	114.06	97.92	89.45
		Paid during the year	(151.27)	(85.40)	(69.45)
		Closing balance	-	37.21	24.69
Advances Given to Supplier and received	Nexa Mumbai Aviation LLP	Opening Balance	3.56	-	-
		Advances Given	-	3.56	-
		Transferred to Prop. Capital	(3.56)	-	-
		Closing balance	-	3.56	-
Purchase expenses and Payable	Aviation & Marine Service	Opening Balance	-	7.35	7.24
		Purchase/Expenses during Year (including GST)	-	-	18.53
		Paid during the year	-	(7.35)	(18.42)
		Closing balance	-	-	7.35
Salary and Payable	Sunitha J Kumar	Opening Balance	-	-	-
		Salary Expenses during the Period	20.40	-	-
		Paid during the year	(14.95)	-	-
		Set off against outstanding loan	(5.45)	-	-
		Closing balance	-	-	-
Salary and Payable	Athira T Nair	Opening Balance	-	-	-
		Salary Expenses during the Period	8.00	-	-
		Paid during the year	(4.25)	-	-
		Set off against outstanding loan	(3.75)	-	-
		Closing balance	-	-	-

Annexure No. 33(a): Restated Statement Of Accounting Ratios:

(₹ in Lakhs, unless otherwise stated)

Sr No:	Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
1	Current Ratio	Current Assets	Current Liabilities	1.77	1.22	1.06
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	-	4.05	5.71

Sr No:	Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + principle repayments	0.49	(2.67)	(0.58)
4	Inventory Turnover Ratio	Revenue from operations	Average Inventory	17.92	4.80	5.26
5	Trade Receivables Ratio	Revenue from operations	Average Trade Receivables	18.18	6.44	4.19
6	Trade Payables Ratio	Total Purchases	Average Trade Payables	13.23	7.21	6.38
7	Net Capital Turnover Ratio	Net Sales	Average working capital (i.e. Total current assets less Total current liabilities)	15.56	9.82	27.91
8	Net Profit Ratio (in %)	Net Profit	Revenue from operations	0.05	0.04	0.04
9	Return on Capital employed (in %)	Earning before interest and taxes	Capital employed = Tangible Net worth + Total debt + Deferred tax liabilities	373.31	139.46	101.82
10	Interest Coverage Ratio	Earning before interest and taxes	Finance Cost	1.15	0.11	0.16

Annexure No. 33(b): Restated Statement Of Accounting Ratios Comparisons:

Sr No:	Ratio	As at March 31,2026	As at March 31, 2025	Variance %	Reasons for Changes if > 25%
1	Current Ratio	1.77	1.22	44.52	The increase was mainly due to higher current assets and lower current liabilities, resulting in an improved liquidity position.
2	Debt Equity Ratio	-	4.05	(100.00)	The ratio decreased as the Company repaid its outstanding borrowings during FY 2025-26, resulting in nil debt at the year end

Sr No:	Ratio	As at March 31,2026	As at March 31, 2025	Variance %	Reasons for Changes if > 25%
3	Debt Service Coverage Ratio	0.49	(2.67)	(118.20)	The ratio increased due to a rise in total borrowings compared to the increase in shareholders' equity during FY 2024-25.
4	Inventory Turnover Ratio	17.92	4.80	273.47	The ratio increased mainly due to a significant increase in revenue from operations compared to the increase in average inventory during FY 2025-26.
5	Trade Receivables Turnover Ratio	18.18	6.44	182.45	The ratio increased mainly due to a significant increase in revenue from operations.
6	Trade Payables Turnover Ratio	13.23	7.21	83.55	The ratio increased mainly due to a higher increase in total purchases
7	Net Capital Turnover Ratio	15.56	9.82	58.39	The ratio increased mainly due to a significant increase in net sales and improvement in working capital during FY 2025-26.
8	Net Profit Ratio	0.05	0.04	27.41	
9	Return on Capital employed	373.31	139.46	167.68	The ratio increased mainly due to a significant increase in earnings before interest and tax (EBIT)
10	Interest Coverage Ratio	1.15	0.11	955.40	The ratio increased mainly due to a significant increase in earnings before interest and tax (EBIT), which outpaced the increase in finance costs during FY 2025-26.

Sr No:	Ratio	As at March 31, 2025	As at March 31, 2024	Variance %	Reasons for Changes if > 25%
1	Current Ratio	1.22	1.06	15.87	The decrease was mainly due to a higher increase in current liabilities compared to current assets, leading to a decline in the liquidity position.
2	Debt Equity Ratio	4.05	5.71	(29.08)	The ratio increased due to a rise in total borrowings compared to the increase in shareholders' equity during FY 2024-25.
3	Debt Service Coverage Ratio	(2.67)	(0.58)	362.28	The ratio increased due to a rise in total borrowings compared to the increase in shareholders' equity during FY 2024-25.
4	Inventory Turnover Ratio	4.80	5.26	(8.73)	
5	Trade Receivables	6.44	4.19	53.59	The ratio increased mainly due to a significant increase in revenue from operations..

Sr No:	Ratio	As at March 31, 2025	As at March 31, 2024	Variance %	Reasons for Changes if > 25%
	Turnover Ratio				
6	Trade Payables Turnover Ratio	7.21	6.38	12.87	
7	Net Capital Turnover Ratio	9.82	27.91	(64.80)	The ratio increased mainly due to a significant increase in net sales
8	Net Profit Ratio	0.04	0.04	(1.94)	
9	Return on Capital employed	139.46	101.82	36.97	The ratio increased mainly due to a significant increase in earnings before interest and tax (EBIT)
10	Interest Coverage Ratio	0.11	0.16	(30.95)	The ratio decreased mainly due to the increase in finance costs exceeding the growth in earnings before interest and tax (EBIT) during FY 2024-25.

Annexure No. 34: Restated Statement of Tax Shelters

(₹ in Lakhs, unless otherwise stated)

Particulars	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025	For the Financial Year Ended March 31 2024
Profit before tax as per books (A)	373.02	139.37	101.74
Normal Corporate Tax Rate (%)*	25.17%	25.17%	25.17%
MAT Rate (%)*	NA	NA	NA
Adjustments:			
Permanent Difference			
Expenses Disallowed under the Income Tax Act, 1961	-	-	-
Total Permanent Differences			
Income Considered Separately			
Interest Income	(20.30)	(13.50)	(5.72)
Timing Difference			
Depreciation As per Book	41.41	28.89	20.15
Depreciation As per Income Tax	23.44	16.97	11.77
Gratuity Expenses	10.06	7.83	10.13
Total Timing Differences	7.73	6.25	12.79
Income From Other Sources	20.30	13.50	5.72
Exempt Income	-	-	-
Income / (Loss) (A+G+I-J)	401.05	159.12	120.25
Brought Forward Loss Set off	-	-	-
Profit/(Loss) as per Income tax (K-L)	401.05	159.12	120.25
Tax Liability as per Normal Provision	100.94	40.05	30.27

The Company (proprietorship erstwhile) has opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.

The aforesaid statement of tax shelters has been prepared as per the restated statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return of the respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc. has been adjusted in the tax liability of the year to which the liability pertains.

Annexure No. 35: Details of Contingent Liabilities & Commitments as Restated

(₹ in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Bank Guarantee Issued	409.37	388.06	325.31

Annexure No. 36: Terms of Loan Taken from Banks & Financial Institutions

(₹ in Lakhs, unless otherwise stated)

Long Term Borrowings

Name of Lender	Nature of Facility	Sanctioned Amount	Rate of Interest & Repayment Terms	Outstanding Amount as on March 31, 2026	Outstanding Amount as on March 31, 2025	Outstanding Amount as on March 31, 2024
From Banks						
ICICI BANK HOME LOAN LBPVL00005296109	Home Loan	44	ROI-7.80%, repayable in 235 EMI of Rs. 41,543	-	-	19.45
ICICI BANK HOME LOAN LBPVL00006438244	Home Loan	90	ROI-8.65%, repayable in EMI of Rs. 1,05,903	-	-	7.63
From NBFC						
THE NATIONAL SMALL INDUSTRIES CORPORATION LTD (L)	RMA-Raw Material Assistance			-	113.23	111.17
KOTAK MAHINDRA PRIME LTD EECO LOAN	Vehicle Loan	7.1	ROI-9.88%, repayable in 60 EMI of Rs. 14738	-	6.77	-
MAHINDRA AND MAHINDRA LIMITED PICKUP LOAN A/C	Vehicle Loan	10	ROI-10.3%, repayable in 60 EMI of Rs. 21400	-	9.33	-
Axis Bank Ltd.	Term Loan	50	ROI-14.0%, repayable in 24 EMI of Rs. 240064	-	38.55	-
BAJAJ FINANCE LIMITED	Term Loan	51.92	ROI-16.50%, Tenure 60 Months	-	25.01	-
DEUTSCHE BANK	Term Loan	50	ROI-14.95%, Tenure 36 Months	-	44.32	-
GODREJ FINANCE LTD LOAN A/C NO 46533	Term Loan	40	ROI-17.00%, Tenure 24 months	-	11.08	-
NEW KOTAK MAHINDRA BANK LOAN	Term Loan	100	ROI-14.0%, repayable in 24 EMI of Rs. 480129	-	81.52	-
ADITY BIRLA CAPITAL LTD LOAN SEPT 25	Term Loan	50.29	ROI-16.0%, repayable in 36	-	-	-

Name of Lender	Nature of Facility	Sanctioned Amount	Rate of Interest & Repayment Terms	Outstanding Amount as on March 31, 2026	Outstanding Amount as on March 31, 2025	Outstanding Amount as on March 31, 2024
			EMI of Rs. 176822			
Poonawalla Fincorp Limited	Term Loan	50.96	ROI-15.75%, repayable in 12 EMI of Rs. 501925	-	-	-
DEUTSCHE BANK LOAN SEPT 25	Term Loan	100	ROI-14.7%, repayable in 24 EMI of Rs. 483334	-	-	-
GODREJ FINANCE LTD LOAN A/C NO 96863	Term Loan	28	ROI-16.5%, repayable in 36 EMI of Rs. 99425	-	-	-
					-	-
Security:						
ICICI Bank Ltd	Immovable Property - 5 Immovable property in the name of Directors					
KOTAK MAHINDRA PRIME LTD EECO LOAN	secured by hypothecation of vehicle					
MAHINDRA AND MAHINDRA LIMITED PICKUP LOAN A/C	secured by hypothecation of vehicle					

Short Term Borrowings

Name of Lender	Nature of Facility	Sanctioned Amount	Rate of Interest & Repayment Terms	Outstanding Amount as on March 31, 2026	Outstanding Amount as on March 31, 2025	Outstanding Amount as on March 31, 2024
From Banks						
ICICI Bank Ltd	Cash Credit	700	-	-	520.07	-
ICICI Bank Ltd	Overdraft against Fixed Deposit	-	-	-	-	10.29
AXIS BANK CC A/c	Cash Credit	500	-	-	-	501.58
From NBFC						
Security:						
ICICI Bank Ltd – Overdraft	Against Fixed Deposit					
Axis Bank Ltd	Current Assets					
ICICI Bank Ltd - Cash Credit	Current Assets					

Annexure No. 37: Restated Statement of Additional Notes
I. Restated Statement of Employee Benefits in respect of Gratuity
(₹ in Lakhs, unless otherwise stated)

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024	As At 31st March, 2023
1. Present value of obligations as at the beginning of the year	50.62	42.79	32.66	25.03
Interest Cost	4.15	3.11	2.49	1.98
Current Service Cost	12.35	8.90	6.20	5.24
Past Service Cost	-	-	-	-
Benefits Paid	-	-	-	-
Acquisitions/Disposals adjustment	(31.05)	-	-	-
Actuarial (gain) / loss on obligations	(6.44)	(4.18)	1.44	0.40
Present value of obligations as at end of year	29.63	50.62	42.79	32.66
2. Fair Value of plan assets at beginning of year	-	-	-	-
Expected return of plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial (gain) / loss on Plan assets	-	-	-	-
Fair Value of plan assets at the end of year	-	-	-	-
3. Present value of obligations as at end of year	29.63	50.62	42.79	32.66
Fair value of plan assets as at the end of the year	-	-	-	-
Funded status Surplus (Deficit)	(29.63)	(50.62)	(42.79)	(32.66)
Net (asset) /liability	29.63	50.62	42.79	32.66
- Current DBO Liability	1.87	4.29	3.90	2.94
-Non-current DBO Liability	27.76	46.32	38.89	29.71
4. Current Service Cost	12.35	8.90	6.20	5.24
Past Service Cost	-	-	-	-
Interest Cost	4.15	3.11	2.49	1.98
Expected return of plan assets	-	-	-	-
Net Actuarial (gain) / loss recognized in the year	(6.44)	(4.18)	1.44	0.40
Expenses Recognized in statement of Profit and loss	10.06	7.83	10.13	7.63
Benefit Type	Gratuity Valuation as per Act			
Funding Status	Unfunded	Unfunded	Unfunded	Unfunded
Retirement Age	60 Years	60 Years	60 Years	60 Years
Vesting Period	1 to 5 years	5 Years	5 Years	5 Years
The principle actuarial assumptions for the above are:				

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024	As At 31st March, 2023
Discount Rate	7.42%	6.62%	6.97%	7.17%
Salary Escalation	10.00%	10.00%	10.00%	10.00%
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition rate	11.00%	11.00%	11.00%	11.00%
<i>(Source: Based on Valuation report Mr. Anirudh Bansal (Fellow Member of Institute of Actuaries of India - M No.966))</i>				

II. Restated Statement of CSR

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024	As At 31st March, 2023
1. Amount Required to be spent during the year	NA	NA	NA	NA
2. Amount of expenditure incurred	NA	NA	NA	NA
3. Shortfall at the end of the year	NA	NA	NA	NA
4. Total of previous years shortfall	NA	NA	NA	NA
5. Reasons for shortfall	NA	NA	NA	NA
6. Nature of CSR Activities	NA	NA	NA	NA

Note :- The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the year and hence reporting under this clause is not applicable.

III. Disclosures related to advances granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013)

The Company has granted advances to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other as under:

Types of Borrower	As At 31st March, 2026		As At 31st March, 2025		As At 31st March, 2024	
	Amount of Advances	Percentage to the total advances	Amount of Advances	Percentage to the total advances	Amount of Advances	Percentage to the total advances
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	61.43	50.14%	33.67	34.03%

IV. Value of Import Calculated on C.I.F basis by the Company

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024
Raw Material Components and spare parts	68.61	10.48	17.83
Finished Goods Imported	-	-	-
Capital goods	-	-	-

V. Expenditures in Foreign Currency

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024
Royalty	-	-	-
Professional and Consultancy Fees	-	-	-
Others	-	-	-

VI. Disclosures related to Earnings in Foreign Exchange

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 31st March, 2024
Export of goods calculated on F.O.B. basis	-	-	-
Royalty, know-how, professional and consultation fees	-	-	-
Other income	-	-	-

VII. Restated Additional regulatory information

1. The Proprietorship Concern does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the Proprietorship Concern) for which title deeds are not held in the name of the company. Accordingly, the requirement to disclose details relating to title deeds of immovable properties not

2. The Proprietorship Concern has not revalued its Property, Plant and Equipment and Intangible assets held in the name of the Proprietorship Concern is not applicable.

3. The Proprietorship Concern affirms that no proceedings have been initiated or are pending against it under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. The Proprietorship Concern does not hold any benami property, nor has it been involved in any transaction that qualifies as a benami transaction as defined under the said Act.

4. The Proprietorship Concern or Proprietor is not declared willful defaulter by any bank or financial institution or other lender.

5. The Proprietorship Concern are not a company so struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 is not applicable.

6. Complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the companies (Registration on number of Layers) Rules, 2017 is not applicable to Proprietorship Concern.

7. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

8. The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any sources or kind of funds) by the Proprietorship Concern to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

9. The Management has represented, that, to the best of its knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the Proprietorship Concern from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or

otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

10. No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

11. The Proprietorship Concern has not traded or invested in Crypto currency or Virtual Currency during the financial year.

12. All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs or decimals thereof as per the requirement of Schedule III, unless otherwise stated.

13. Information pursuant to Division I of Revised Schedule III of the Companies Act, 2014 are given to the extent they are applicable to the Company.

14. The Proprietorship concern does not have any Intangible Assets under development.

15. There are no charges or satisfaction yet to be registered with ROC.

VIII. Material Regrouping

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

IX. Segment Reporting

The Company is engaged in the business of trading and manufacturing. The Company has only one segment viz “manufacturing of Defence Equipment's” and hence Segment Reporting is not applicable.

X. Disclosures related to Micro, Small and Medium Enterprises.

Management has obtained the necessary information from its suppliers regarding their status under the MSME act. Based on the information and confirmations received from the suppliers, none of the suppliers fall with the definition of Micro, Small or Medium Enterprises as specified under the MSME act. Accordingly, no disclosure is required in respect of amounts due to such enterprise under the applicable provisions.

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. 5 to 37)

For YKC & Company
Chartered Accountants
Firm Registration No. 136640W

Sd/-
CA Ravi Kabra
Partner
Membership No. 148323
UDIN: 26148323QWRDVO8000
Place: Maharashtra
Date: September 1, 2026

For NEXA MUMBAI

Sd/-
Jyothi Kumar Nannat
Proprietor

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

For Issuer Company (Nexa Defence (I) Limited):

Particulars	For three-month period Ended June 30 2026	For the Financial Year Ended March 31 2026	For the Financial Year Ended March 31 2025
Restated PAT as per P&L Account (Rs. in Lakhs)	229.49	220.90	(2.20)
Actual No. of Equity Shares outstanding at the end of the period (pre-bonus)	9,11,000.00	9,11,000.00	5,00,000.00
Weighted Average Number of Equity Shares at the end of the Period (Pre-Bonus)	9,11,000.00	5,01,126	5,00,000.00
Bonus adjustments (75:10)	68,32,500	37,58,445	37,50,000
Weighted Average Number of Equity Shares at the end of the Period (Post-Bonus)	77,43,500	42,59,571	42,50,000
Earnings Per Share			
Basic & Diluted EPS (Pre Bonus)	25.19	44.08	(0.44)
Basic & Diluted EPS (Post Bonus)	2.96	5.19	(0.05)
EBITDA	322.21	295.86	(2.70)
EBITDA Margin %	22.40%	13.57%	NA
Net Worth			
Total Equity (Share capital + Reserve- Deferred expenses)	981.20	759.21	35.30
No of Share outstanding (pre-bonus)	9,11,000.00	9,11,000.00	5,00,000.00
Bonus adjustments (75:10)	68,32,500.00	68,32,500.00	37,50,000.00
No of Share outstanding (post-bonus)	77,43,500.00	77,43,500.00	42,50,000.00
Net Asset Value Per Share (post Bonus)	12.67	9.80	0.83
Return on Net Worth (%)	23.39%	29.10%	(6.22%)
Nominal Value per Equity share (Rs.)	10	10	10

For erstwhile Proprietorship (Nexa Mumbai)

Particulars	31st March 2026	31st March 2025	31st March 2024
Restated PAT as per P&L Account (Rs. in Lakhs)	276.26	104.29	76.13
Earnings Per Share			
Basic & Diluted EPS (Pre Bonus)	NA	NA	NA
Basic & Diluted EPS (Post Bonus)	NA	NA	NA
EBITDA	551.09	265.14	180.38
EBITDA Margin %	10.02%	10.02%	9.52%
Net Worth	596.85	269.79	169.00
Net Asset Value Per Share (post Bonus)	NA	NA	NA
Return on Net Worth (%)	46.29%	38.66%	45.05%

Notes:

The ratios have been calculated as follows:

- Basic Earnings Per Share (₹) = Restated Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Equity Shares outstanding during the year after adjustment of bonus.

- b. Diluted Earnings Per Share (₹) = Restated Profit After Tax attributable to Equity Shareholders / Weighted Average Number of Diluted Potential Equity Shares outstanding during the year after adjustment of bonus.
- c. Return on Net Worth (%) = Restated Profit After Tax attributable to Equity Shareholders / Net Worth × 100.
- d. Restated Net Asset Value per Equity Share (₹) = Restated Net Worth as at the end of the year / Total Number of Equity Shares outstanding as at the end of the year after adjustment of bonus if any.
- e. Earnings Per Share has been calculated in accordance with Accounting Standard 20 – Earnings Per Share, notified under the Companies (Accounting Standards) Rules, 2006, as amended.
- f. Net Worth = Equity Share Capital + Reserves and Surplus (including surplus in the Statement of Profit and Loss) or Proprietor's Capital- Deferred expenses
- g. EBITDA = Profit Before Tax + Finance Costs + Depreciation and Amortisation Expenses – Other Income.
- h. EBITDA Margin=EBITDA/Revenue from operations

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CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at June 30, 2026 of our Company, on the basis of our Restated Financial Statements:

Particulars	Pre-Issue figures As on June 30, 2026	As Adjusted for the proposed issue
Debt		
Short Term Debt	837.31	[●]
Long Term Debt including Short term portion of Long term Debt	-	[●]
Total Debt	837.31	[●]
Shareholder's Funds		
Share Capital	91.10	[●]
Reserve and Surplus-As Restated	897.60	[●]
Total Shareholder's Fund	988.70	[●]
Long Term Debt/Shareholder's Fund	-	[●]
Total Debt/Shareholder's Fund	0.85	[●]

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FINANCIAL INDEBTEDNESS

Our Company have availed certain loans and financing facilities in the ordinary course of business purposes such as, *inter alia*, meeting its working capital, and other business requirements. These credit facilities include *inter alia*, secured and unsecured facilities and bank guarantees.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of the Promoters and members of the promoter group, expansion of business of the Company, effecting changes in the Company's management, ownership, capital structure, shareholding pattern, constitutional documents and Board's composition. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with applicable laws and our Articles of Association. For details regarding the borrowing powers of our Board, please see "*Our Management-Borrowing Powers*" beginning on page 241.

As on June 30, 2026 the fund based outstanding borrowings of our Company aggregated to ₹ 837.30 lakh. Set forth below is a brief summary of our borrowings:

Category of borrowings	Sanctioned amount as on June 30, 2026 (₹ in lakh) *	Outstanding amount as on June 30, 2026 (₹ in lakh) *
Fund Based Borrowings		
<i>Our Company</i>		
<i>Secured borrowings</i>		
Cash Credit Facility	700.00	636.97
Total (A)	700.00	636.97
Loan from Directors	2,000.00	200.34
Total (B)	2,000.00	200.34
Total borrowings (C) = (A + B)	2700.00	837.31
<i>Non-Fund based borrowings</i>		
Bank Guarantee	600.00	444.75
Total Non-fund based borrowings (D)	600.00	444.75
Total (C+D)	3,300.00	1,282.05

*As certified by M/s YKC & Company, Chartered Accountants, pursuant to their certificate dated September 21, 2026.

Principle terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us:

- Interest:** The interest rate applicable to the borrowings availed by us is generally linked to the applicable RBI reference rate / repo rate, together with the applicable spread prescribed by the respective lenders. The applicable spread is generally around 3.50% over the applicable reference rate. Loan taken from directors is interest free.
- Tenor:** The tenor of the bank guarantee facilities availed by us typically ranges from 48 months to 60 months.
- Security:** In relation to the cash credit facilities availed by us, where security is required to be created, such security is created, *inter alia*, by way of an exclusive charge over the current assets of our Company. In addition, personal immovable assets and fixed deposits of our Director and Promoter, Mr. Jyothi Kumar Nannat, have also been provided as security for certain facilities availed by our Company, as applicable.

4. **Guarantee given:** Our Directors and Promoters, Mr. Jyothi Kumar Nannat and Ms. Sunitha J Kumar, have provided personal guarantees in respect of certain loans and facilities availed by our Company. Further, Nexa Mumbai has provided a corporate guarantee in respect of certain loans and facilities availed by our Company.
5. **Pre-payment:** Our Company has availed cash credit facilities, in respect of which no pre-payment or foreclosure premium is payable.
6. **Cross-default:** Our borrowing arrangements contain customary events of default, including cross-default provisions. Any default committed by our Company under the facilities availed from ICICI Bank may constitute an event of default under the home loan / other facilities availed by our Promoter, Mr. Jyothi Kumar Nannat, and vice versa, in accordance with the respective financing documents. Accordingly, the liabilities and obligations under such arrangements may be joint and several, as applicable.

Further, in respect of exposures availed by group entities, including Nexa Mumbai, any default committed by Nexa Mumbai may constitute an event of default under the facilities availed by our Company and vice versa, in accordance with the applicable financing documents. Accordingly, the liabilities and obligations of the respective borrowers may be joint and several, as applicable.

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

The following discussion and analysis of our financial condition and results of operations for the period ended on June 30, 2026 and for the Fiscal Year 2026, Fiscal Year 2025 and Fiscal Year 2024 is based on, and should be read in conjunction with, our Restated Financial Information, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Information" beginning on page 270 of this Red Herring Prospectus. Our Restated Financial Information have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS. You should read the following discussion of our financial condition and results of operations together with our restated financial information included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 25 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year. In this section, unless the context otherwise requires, any reference to "Nexa Defence", "we", "us" or "our" refers to our Company, "Proprietorship", "Nexa Mumbai" refers to Proprietorship concern of our promoter i.e. Mr. Jyothi Kumar Nannat which are taken over by the company through business transfer agreement effective from March 31, 2026. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Information" for the period ended on June 30, 2026 and for the Fiscal Year 2026, Fiscal Year 2025 and Fiscal Year 2024 included on page 270 of this Draft Red Herring Prospectus.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

BASIS OF PRESENTATION OF FINANCIAL INFORMATION FOR ANALYSIS

Our Company was incorporated on March 7, 2025 and, pursuant to a Business Transfer Agreement effective March 31, 2026, succeeded to the business of the erstwhile sole proprietorship concern, Nexa Mumbai, as a going concern. For Fiscal 2026, our Company has presented its Restated Statement of Assets and Liabilities after giving effect to the assets and liabilities transferred pursuant to the Business Transfer Agreement, on a going-concern basis. Accordingly, the financial information discussed in this chapter has been presented on the following basis to facilitate a meaningful analysis of the financial performance and financial position for the respective periods:

Period	Basis of Financial Information Used
Fiscal 2024 & Fiscal 2025	Assets and Liabilities and Profit and Loss Line Items of Nexa Mumbai
Fiscal 2026	The Assets and Liabilities line items are presented based on the financial position of our Company, Nexa Defence (I) Limited. The Profit and Loss line items for Fiscal 2026 are presented on a combined basis, comprising the results of our Company, Nexa Defence (I) Limited and the erstwhile proprietorship concern, Nexa Mumbai, after eliminating inter-company transactions. This basis of presentation has been adopted to facilitate a meaningful analysis of the financial performance and to enable comparability with the preceding financial years.
Three months ended June 30, 2026	Assets and Liabilities and Profit and Loss Line Items of Nexa Defence (I) Limited

BUSINESS OVERVIEW

Our Company is engaged in the design, development, indigenisation, manufacture, assembly, testing and supply of Ground Support Equipment ("GSE"), Test Rigs & Test Benches, and Test Equipment, catering to the aviation, aerospace and defence sectors. For further details regarding our business, operations, infrastructure, products,

competitive strengths and strategies, please refer to the chapter titled “Our Business” beginning on page 183 of this Draft Red Herring Prospectus.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 25 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Order Inflow and Execution of our order book
- Cost of Raw Materials and Bought-Out Components
- Regulatory Approvals, Certifications and Quality Standards
- Dependence on Working Capital Requirements and Finance Costs
- Dependence on defence and government-sector customers
- Government policy and defence indigenization initiatives and Budgetary Allocations
- Dependence upon competitive tender based orders
- Any slowdown or shutdown in our operations
- Failure to acquire new consumers or retain existing customers or fail to do so in a cost-effective manner;
- Fluctuations in the costs of labour, equipment, and interest rates.
- Our ability to attract and retain qualified personnel;
- Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations;
- Fraud or improper employee conduct.
- Global economic conditions which may have an adverse effect on our business, financial condition, results of operations and prospects

KEY PERFORMANCE INDICATORS

Our key performance indicators for the periods indicated, based on our Restated Financial Statements and prepared on the basis set out in “Basis of Presentation of Financial Information in this Chapter” above, are set forth below:

(₹ in Lakhs, except percentages and ratios)

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
Financial KPI				
Revenue from Operations ⁽¹⁾	1,438.75	5,323.92	2,645.45	1,893.82
Growth in Revenue from Operations (%)	NA	101.25%	39.69%	NA
EBITDA ⁽²⁾	322.21	846.95	265.14	180.38
EBITDA Margin (%) ⁽³⁾	22.40%	15.91%	10.02%	9.52%
PAT ⁽⁴⁾	229.49	497.15	104.29	76.13
PAT Margin (%) ⁽⁵⁾	15.95%	9.34%	3.94%	4.02%
Net worth ⁽⁶⁾	981.20	759.21	269.78	169.00
Return on equity (%) ⁽⁷⁾	23.39%	65.48%	38.66%	45.04%
Operational KPI				
No of Airforce Station served (8)	8	42	45	50
Average Revenue per Order (₹ in lakhs) ⁽⁹⁾	20.85	26.49	11.31	1.91
Average revenue per state (₹ in lakhs) ⁽¹⁰⁾	159.86	313.17	125.97	94.69
No of Customers Served (11)	14	51	55	60
No of Repeated Customers (12)	9	44	45	51

KPI	Nexa Defence	Combined (Nexa Mumbai & Nexa Defence)	Nexa Mumbai	
	Three months ended June 30, 2026	March 31, 2026	March 31, 2025	March 31, 2024
% of repeated Customer (13)	64.29%	86.27%	81.82%	85.00%
Average Revenue per Customer (₹ in lakhs) (14)	102.77	104.39	48.10	31.56

Note: For March 2026, the Balance Sheet line items have been considered from the restated financial statements of Nexa Defence (I) Limited, as the Company acquired the business of “Nexa Mumbai” pursuant to the Business Transfer Agreement with effect from March 31, 2026. Accordingly, Balance Sheet line items, such as Net Worth and Total Equity, have been considered only for Nexa Defence (I) Limited. The Profit and Loss Account line items have been considered on a combined basis for Nexa Defence (I) Limited and “Nexa Mumbai”, after eliminating inter-company transactions, to provide a consistent and comparable presentation of the financial performance.

Notes:

1. Revenue from operation means revenue from sale of the products
2. EBITDA is calculated as Profit before tax + Depreciation + Interest Costs-Other Income
3. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
4. PAT Means Profit for the year as appearing in the Restated Financial Statements.
5. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
6. Net Worth amounts are calculated as Share capital and Reserve & Surplus or Proprietor's Capital - Deferred expenses as per Restated Financial Statements
7. Return on Equity/Return on Net Worth is calculated by Profit for the year less Preference dividend (if any) divided by total equity
8. No of Airforce Station served means no of Airforce station from which revenue has been recorded
9. Average revenue per order is calculated is total revenue from operations divided by no of order from which revenue has been recorded during the period
10. Average revenue per states is calculated total revenue divided by no of states company has billed during the period
11. Number of customers served means the number of customers from whom we have generated revenue during the relevant period.
12. No of repeated customer means company has recorded a revenue in current period where those customers are also in past year
13. % of repeated customer means no of repeated customers divided by number of customers served
14. Average revenue per customer is equal to total revenue divided by no of customer from revenue recorded

As certified by our Statutory Auditors i.e. YKC & Company pursuant to their certificate dated September 21, 2026.

SIGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2026

Subsequent to the Reporting Period, the following events have occurred:

- The Company has allotted 1,37,000 equity shares on a preferential basis pursuant to a resolution of the Board of Directors dated August 6, 2026.
- The Company has appointed a Chief Financial Officer (“CFO”) pursuant to a resolution of the Board of Directors and an appointment letter, both dated August 6, 2026.
- The Company has allotted 78,60,000 bonus equity shares pursuant to a resolution dated August 12, 2026, in the ratio of 75:10, i.e., 75 bonus equity shares for every 10 existing equity shares held by the shareholders.
- The Company has appointed a Company Secretary (“CS”) pursuant to a resolution dated August 22, 2026.
- The Company has appointed a Non-Executive Director pursuant to a resolution dated August 22, 2026.
- The Company has appointed two Independent Directors pursuant to a resolution of the shareholders dated August 28, 2026.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to the chapter titled “*Restated Financial Information*” beginning on page 270 of this Draft Red Herring Prospectus.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS BY AUDITOR

There are no reservations, qualifications or adverse remarks in the auditors' report on the Restated Financial Statements of Nexa Defence (I) Limited.

KEY COMPONENTS OF OUR BALANCE SHEET

(₹ in Lakhs)

	Nexa Defence		Nexa Mumbai	
Particulars	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Liabilities				
Long-Term Borrowings	-	-	329.81	138.25
Short-Term Borrowings	837.31	20.75	763.44	827.36
Trade Payables	699.04	732.82	398.21	336.10
Assets				
Long-Term Loans & Advances	26.33	26.33	6.59	-
Short-Term Loans and Advances	109.33	90.65	115.93	98.94
Other Non-Current Assets	79.96	67.06	67.53	61.58
Inventories	213.45	425.85	605.58	497.04
Trade Receivables	1,522.58	349.82	295.65	526.54
Other Current Assets	144.95	208.88	181.93	39.68

Long-Term Borrowing

Particulars	Nexa Defence		Nexa Mumbai	
	As at June 30, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
- Term Loan:				
From Banks		-	126.84	27.08
From NBFC		-	202.97	111.17
Total		-	329.81	138.25

The company's long-term borrowings increased from ₹138.25 Lakhs in Fiscal 2024 to 329.81 and subsequently it decreased to Nil in Fiscal 2026, following the pre-payment/transfer of all loans pursuant to the business transfer from Nexa Mumbai to Nexa Defence (I) Limited.

(i) Short-Term Borrowings

Our short-term borrowings comprise an overdraft facility availed from the bank and loans from related parties, which have been utilised by our Company to meet its ongoing working capital requirements and support the execution of orders. With the increase in our order book, working capital constraints during the period and the

expected growth in orders subsequent to June 30, 2026, our Company availed a cash credit facility during the three-month period ended June 30, 2026, to meet its increased working capital requirements.

During Fiscals 2024 and 2025, the short-term borrowings primarily comprised loans availed to meet the working capital requirements associated with the execution of orders and to support the Company's order book.

Trade Payables

The increase in trade payables from Fiscal 2024 to Fiscal 2026 was primarily attributable to the increase in the Company's order book and the corresponding increase in revenue from operations, resulting in higher procurement of goods and raw materials and, consequently, higher trade payables. Further, the Company's working capital requirements resulted in trade payables remaining at relatively higher levels, as collections from customers were utilised towards the execution of orders and other operating requirements.

Trade payables as a percentage of revenue from operations were 17.75%, 15.05% and 13.76% during Fiscals 2024, 2025 and 2026, respectively, and increased to 48.59% as at June 30, 2026. The decrease from 17.75% in Fiscal 2024 to 13.76% in Fiscal 2026 was primarily attributable to the movement in revenue from operations and the timing of procurement and settlement of supplier dues during the respective periods.

The increase in trade payables as a percentage of revenue from operations to 48.59% as at June 30, 2026 was primarily attributable to the timing of procurement and settlement of supplier dues relative to revenue recognised during the three-month period ended June 30, 2026. Further, during the period, the Company utilised collections from customers towards the execution of ongoing orders and other operating requirements, resulting in higher trade payables outstanding as at June 30, 2026.

Long-Term Loans & Advances

The Long-term loans and advances comprise advances originally made by Nexa Mumbai, which were transferred to our Company pursuant to the Business Transfer Agreement. These advances relate to amounts paid towards the proposed lease/allotment of land by government enterprises for setting up factory facilities in other states.

Short-term loans and advances

Our short-term loans and advances increased to ₹109.33 lakh as at June 30, 2026 from ₹90.65 lakh as at March 31, 2026. Short-term loans and advances primarily comprise advances made to suppliers for the purchase of goods and raw materials required for manufacturing activities, advances for services and prepaid expenses incurred in the ordinary course of business. The level of short-term loans and advances generally varies with the scale of procurement activity and the working capital requirements of our Company.

The increase in short-term loans and advances during Fiscal 2025 as compared to Fiscal 2024 was primarily attributable to an increase in orders received by our Company, resulting in higher procurement requirements for raw materials. In certain cases, advances are required to be made to suppliers in accordance with the agreed terms to facilitate timely procurement and delivery of goods and raw materials.

The decrease in advances to suppliers during Fiscal 2026 was primarily attributable to working capital constraints faced by our Company during the period and the prioritisation of available working capital towards the execution of orders. The increase in short-term loans and advances as at June 30, 2026 was primarily attributable to advances made to suppliers in connection with ongoing procurement requirements.

Other Non-Current Assets

Other non-current assets comprise fixed deposits with an original maturity of more than 12 months, which are maintained by our Company in the ordinary course of business.

Inventories

The increase in inventory from ₹497.04 lakh as at March 31, 2024 to ₹605.58 lakh as at March 31, 2025 was primarily attributable to an increase in inventory levels in line with the increase in the Company's order book during Fiscal 2025. During Fiscal 2026, inventory decreased from ₹605.58 lakh as at March 31, 2025 to ₹425.85 lakh as at March 31, 2026. Further, inventory decreased to ₹213.45 lakh as at June 30, 2026. The decrease in inventory during Fiscal 2026 and the three-month period ended June 30, 2026, despite an increase in the order book, was primarily due to the Company procuring certain raw materials subsequent to the respective period ends for the execution and delivery of projects, considering the working capital crunch of the Company.

Trade receivables

Trade receivables decreased from ₹526.54 lakh as at March 31, 2024 to ₹295.65 lakh as at March 31, 2025, and subsequently increased to ₹349.83 lakh as at March 31, 2026 and ₹1,522.58 lakh as at June 30, 2026. The reduction in the trade receivables days from 57 days in Fiscal 2025 to 22 days in Fiscal 2026 was primarily attributable to an exceptional receipt of ₹1,104.43 lakh in end of March 2026 in respect of sales made towards the end of February 2026. The underlying sales amounted to ₹995.88 lakh, along with GST of ₹179.26 lakh made in end of February 2026. The amount was received within approximately within 30 to 32 days from the date of the relevant sales. Such receipt within this period was exceptional in the context of our Company's historical experience, particularly with respect to payments from government departments and government enterprises, where the payment cycle is generally longer and expected to be 60-80 days. The fluctuations in trade receivables outstanding during the respective periods are primarily attributable to the revenue recognised based on the terms and conditions of the orders and contracts received by the Company and the timing of delivery of products and provision of services.

Other Current Assets

Other current assets primarily comprise input tax receivables. During the period of the proprietorship business, the accumulation of input tax receivables was primarily attributable to are because inverted duty structure in respect of certain products, where the applicable GST rate on the products sold by the Company is lower than the GST rate applicable on certain raw materials and inputs purchased by the company on supplies made to defence organisations and authorities, in respect of which the applicable tax treatment and tax deduction mechanisms resulted in input tax credits and GST TDS balances being accumulated in the books of the Company.

RESULTS OF OUR OPERATIONS

The following table sets forth select financial information from our Restated Financial Statements for the periods indicated, on the basis explained in “Basis of Presentation of Financial Information in this Chapter” above:

Particulars	Nexa Defence		Combined (Nexa Defence & Nexa Mumbai)		Nexa Mumbai			
	30th June 2026	% of Total Income	31st March 2026	% of Total Income	31st March 2025	% of Total Income	31st March 2024	% of Total Income
I. Revenue from Operations	1,438.75	99.69%	5,323.92	99.61%	2,645.45	99.47%	1,893.82	99.46%
II. Other Income	4.43	0.31%	20.82	0.39%	14.10	0.53%	10.34	0.54%
III. Total Income (I + II)	1,443.18	100.00%	5,344.74	100.00%	2,659.55	100.00%	1,904.16	100.00%
IV. Expenses								
Cost of Materials Consumed	533.88	36.99%	3,206.70	60.00%	1,636.18	61.52%	1,167.73	61.33%
Purchase of Stock-in-Trade	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Changes in Inventories of Finished Goods & Stock-in-Trade	241.63	16.74%	-83.90	-1.57%	-27.20	-1.02%	-86.84	-4.56%
Employee Benefits Expense	177.24	12.28%	565.76	10.59%	323.10	12.15%	236.73	12.43%
Finance Costs	12.72	0.88%	173.88	3.25%	125.72	4.73%	87.92	4.62%
Depreciation &	14.31	0.99%	42.31	0.79%	28.89	1.09%	20.15	1.06%

Particulars	Nexa Defence		Combined (Nexa Defence & Nexa Mumbai)		Nexa Mumbai			
	30th June 2026	% of Total Income	31st March 2026	% of Total Income	31st March 2025	% of Total Income	31st March 2024	% of Total Income
Amortization Expense								
Other Expenses	156.37	10.84%	772.00	14.44%	433.49	16.30%	376.73	19.78%
Total Expenses	1,136.15	78.73%	4,676.76	87.50%	2,520.17	94.76%	1,802.43	94.66%
V. Profit Before Exceptional Items and Tax	307.03	21.27%	667.98	12.50%	139.38	5.24%	101.73	5.34%
Exceptional Items								
VI. Profit Before Tax (PBT)	307.03	21.27%	667.98	12.50%	139.38	5.24%	101.73	5.34%
VII. Tax Expense								
Current Tax	79.88	5.53%	176.40	3.30%	40.05	1.51%	30.27	1.59%
Deferred Tax	-2.34	-0.16%	-5.57	-0.10%	-4.97	-0.19%	-4.66	-0.24%
Total Tax Expense	77.54	5.37%	170.82	3.20%	35.08	1.32%	25.61	1.34%
VIII. Profit After Tax (PAT)	229.49	15.90%	497.15	9.30%	104.30	3.92%	76.12	4.00%

KEY COMPONENTS OF THE COMPANY'S PROFIT AND LOSS STATEMENT

Total Income

Total income comprises revenue from operations and other income.

Revenue from Operations

Our revenue from operations comprises revenue from the sale of products, including Ground Support Equipment, Test Rigs & Test Benches and Test Equipment, and revenue from services, including maintenance and servicing services and the provision of equipment spare parts required in connection with such maintenance and servicing. For further details, see “*Our Business*” on page 183.

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products are transferred to the customer, generally upon dispatch of the goods. Revenue from services is recognised when the services are rendered by our Company. Revenue from maintenance and servicing of equipment is recognised based on the delivery of the relevant products and in accordance with the terms and conditions agreed with the customer. For details related to revenue bifurcation between product and services, refer “*Our Business*” on page 183.

Other Income

Other income primarily comprises interest income on bank deposits and other incidental income items, recognised on a time-proportionate basis. Other income is not reflective of the performance of our core operations.

Total Expenses

Total expenses comprise cost of materials consumed, changes in inventories of finished goods and stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense, and other expenses, as detailed below:

Cost of Materials Consumed

Represents the cost of raw materials, bought-out components and other inputs consumed in the manufacture of our products. It comprises opening inventory of raw materials, additions through purchases during the year and reduction for closing inventory of raw materials.

Changes in Inventories

Inventory comprises finished goods and work-in-progress. Finished goods are maintained based on the dispatch requirements of customers, including specified milestones and quantities under the respective orders. Work-in-progress represents products that are under manufacturing or processing and are yet to be completed.

Employee Benefits Expense

It comprises salaries and wages, contributions to statutory funds, gratuity expense and staff welfare costs of our employee both in factory and offices.

Finance Costs

Comprises interest and other borrowing costs relating to working capital borrowings availed to fund inventory, work-in-progress, trade receivables and other working capital requirements. Finance costs primarily comprise the cost incurred by our Company for financing its working capital requirements.

Depreciation and Amortisation

Charged on property, plant and equipment, intangible assets over the useful lives prescribed under Schedule II to the Companies Act, 2013, and has increased in line with capital expenditure incurred to support the growth of our operations.

Other Expenses

It comprises direct expenses relating to the sale of products, such as freight expenses and other operating services availed by the Company for execution of orders. It also includes indirect expenses that are attributable to the execution of orders and support the Company's overall order execution activities.

REVIEW OF THE PERIOD ENDED ON JUNE 30, 2025

Total Income

Our total income of ₹1,443.17 lakh comprises revenue from operations and other income, as set out below:

Revenue from operations

Our Revenue from Operations for the three-month period ended June 30, 2026 was ₹1,438.75 Lakhs, representing approximately 99.69% of our total income. The revenue from operations during the period primarily represented execution of orders and comprised revenue from a single customer, which is a Maharatna public sector undertaking under the Ministry of Defence, accounting for approximately 65% of our Revenue from Operations during the period. The revenue from this customer primarily related to the sale of Ground Support Equipment, comprising indigenously designed and manufactured products.

Further, approximately 19.80% of our Revenue from Operations during the three-month period ended June 30, 2026 comprised back-to-back invoices raised in relation to orders executed through Nexa Mumbai pursuant to the Business Transfer Agreement, while the remaining revenue from operations was supported by the independent execution of orders by our Company.

Other income

Our other income for the period was ₹4.43 Lakhs, representing 0.31% of total income, and comprised interest income on bank deposits.

Total Expenses

Total expenses for the three-month period ended June 30, 2026 of ₹1,136.15 Lakhs comprise cost of materials consumed, changes in inventories of finished goods and stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense and other expenses, as detailed below:

Cost of Materials Consumed & Change in Inventory of Finished Goods

Our cost of materials consumed was ₹533.88 Lakhs, representing 36.99% of total income, while changes in inventories of finished goods and stock-in-trade amounted to ₹241.63 Lakhs, representing 16.74% of total income. Taken together, cost of materials consumed and changes in inventories represented approximately 53.74% of total income.

The changes in inventories during the three-month period ended June 30, 2026 primarily reflect the utilization of inventory, including finished goods and work-in-progress, towards the execution of orders during the period. The utilization of inventory was also influenced by the working capital requirements of the Company, which resulted in the Company executing orders using inventory held at the beginning of the period.

The relatively lower material cost intensity during the period was primarily attributable to the product mix, which included a higher proportion of sales of Ground Support Equipment comprising indigenously designed and manufactured products. Such products generally provide relatively higher margins compared to certain other products and services offered by the Company.

Employee benefits

Our employee benefits expense was ₹177.24 Lakhs, representing 12.28% of total income. It primarily comprises salaries and wages paid to factory workers and employees, including office and administrative staff, as well as statutory contributions and employee-related benefits, including provident fund ("PF"), Employees' State Insurance Corporation ("ESIC") contributions and gratuity.

Finance costs

Finance costs were ₹12.72 Lakhs, representing 0.88% of total income. Finance costs primarily comprise interest and other borrowing costs relating to the overdraft facility availed by the Company during the three-month period ended June 30, 2026, to meet its working capital requirements.

Depreciation and amortisation

Depreciation and amortisation expense was ₹14.31 Lakhs, representing 0.99% of total income. It comprises depreciation and amortisation recognised on the Company's property, plant and equipment and other applicable assets in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013.

Other expenses

Our other expenses were ₹156.37 Lakhs, representing 10.84% of total income. Other expenses primarily comprise direct expenses of ₹64.81 Lakhs relating to freight expenses, operating services and other expenses incurred in connection with the execution of orders.

Further, travelling and conveyance expenses amounted to ₹41.66 Lakhs and were primarily incurred in connection with business operations, including customer visits, business development activities and activities relating to new orders.

Profit after tax and Profit Margin

Our Profit after tax for the three-month period ended June 30, 2026 was ₹229.46 Lakhs, representing 15.90% of total income, after deducting total tax expense of ₹77.56 Lakhs from profit before tax of ₹307.02 Lakhs.

The higher profit margin during the three-month period ended June 30, 2026, as compared to Fiscals 2026, 2025 and 2024, was primarily attributable to the execution of an order for the supply of indigenously designed and manufactured Ground Support Equipment to a Maharatna public sector undertaking. The total order value was ₹1,058.53 Lakhs for the supply of 13 units of Fuel Consumption Trolley, a Ground Support Equipment product. Out of the total order value, revenue of ₹325.70 Lakhs was recognised during Fiscal 2025 and the balance revenue of ₹732.83 Lakhs was recognised during the three-month period ended June 30, 2026.

The Company earned a profit margin of approximately 30.37% on the revenue recognised from the sale of these products during the three-month period ended June 30, 2026, resulting in a profit contribution of approximately ₹222.56 Lakhs. Accordingly, the profit from this order constituted a significant portion of the Company's profit

before tax of ₹307.02 Lakhs for the three-month period ended June 30, 2026, which leads to increase in profit margin for this period.

FISCAL 2025 COMPARED WITH FISCAL 2024

Revenue from Operation

Revenue from operations increased by 101.25% to ₹5,323.92 Lakhs in FY 2025-26 (Combined) from ₹2,645.45 Lakhs in FY 2024-25, primarily attributable to increased order execution and higher volumes across our Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment product lines, as well as the inclusion of our Company's own results for part of the year following the succession of business:

Business Operational Model	Fiscal 2025	Fiscal 2024	Differences	Differences %
Our Product Offerings				
Build-to-Specification (BTS)	2,496.41	973.58	1,522.83	156.42%
Build-to-Print (BTP)	315.38	494.20	(178.82)	(36.18%)
Indigenisation	2,371.07	928.21	1,442.85	155.44%
Service Offering				
Maintenance and Servicing	141.07	249.46	(108.39)	(43.45%)
Total Revenue from Operations	5,323.92	2,645.45	2,678.47	101.25%

The increase in revenue from operations was principally driven by a

- Build to specification business operational model by 156.42% increase by ₹1,522.83 Lakhs from ₹973.58 Lakhs to 2,496.41 lakh, reflecting an increase of sale made to Indian navy for 2 Fuel System Test Rig of total order value of Rs. 1,589.83 lakh without tax received out of which company has recorded around Rs.1,112.88 lakh.
- Revenue from our Indigenisation business model increased by 155.44% from ₹928.21 Lakhs in the previous period to ₹2,371.07 Lakhs, representing an increase of ₹1,442.85 Lakhs. The increase was primarily attributable to the execution of orders received from Air Force stations for the supply of 110 indigenously manufactured Ground Support Equipment units. The Company received an order valued at ₹2,530.00 Lakhs (excluding SGT) for the supply of these 110 indigenous Ground Power Units. During the relevant period, the Company recorded revenue and delivered products aggregating to ₹1,720.49 Lakhs against this order as compared to ₹ 637.10 Lakhs in Fiscal 2025.

Other income

Our other income increased by 47.65% to ₹20.82 Lakhs in FY 2025-26 from ₹14.10 Lakhs in FY 2024-25, though it declined as a proportion of total income, from 0.53% to 0.39%, primarily reflecting higher interest income earned on bank deposits maintained by our Company.

Cost of Materials Consumed

Our cost of materials consumed increased by 95.99% from ₹1,636.18 Lakhs in Fiscal 2025 to ₹3,206.70 Lakhs in Fiscal 2026, broadly in line with the growth in our Revenue from Operations. However, the increase in cost of materials consumed was approximately 5.26% (101.25%-95.99%) lower than the growth in our Revenue from Operations, primarily due to the execution of orders for indigenously designed and manufactured Ground Power Units, which contributed relatively higher margins. Further, the production and execution of orders involving larger quantities enabled the Company to derive benefits from economies of scale, resulting in a relatively lower increase in the cost of materials consumed as compared to the growth in Revenue from Operations.

Change in Stock of Finished Goods

The change in stock of finished goods and work-in-progress decreased from ₹(27.20) lakhs in Fiscal 2025 to ₹(83.90) lakhs in Fiscal 2026. The decrease was primarily attributable to the higher level of finished goods and

work-in-progress maintained by the Company in anticipation of an increase in future sales on a milestone basis. However, due to working capital constraints, the Company was unable to maintain inventory levels commensurate with the increase in its order book.

Employee benefits expense

Our employee benefits expense increased by 75.10% to ₹565.76 Lakhs in Fiscal 2026 from ₹323.10 Lakhs in Fiscal 2025, primarily reflecting an increase in employee headcount and gratuity provisioning following the succession of the business. The increase in employee headcount was also attributable to the higher production requirements arising from increased order execution during the period. However, employee benefits expense as a percentage of total income declined to 10.59% in Fiscal 2026 from 12.15% in Fiscal 2025, primarily reflecting operating leverage as employee costs were spread over a larger revenue base.

Finance costs

Our finance costs increased by 38.31% to ₹173.88 Lakhs in Fiscal 2026 from ₹125.72 Lakhs in Fiscal 2025 in absolute terms, primarily attributable to borrowings availed to meet the Company's working capital requirements and support the execution of higher-value orders. However, finance costs as a percentage of total income declined from 4.73% in Fiscal 2025 to 3.25% in Fiscal 2026, primarily due to the increase in total income during the period.

Depreciation and amortisation

Our Depreciation and amortisation increased by 46.46% to ₹42.31 Lakhs in FY 2025-26 from ₹28.89 Lakhs in FY 2024-25, in line with capital expenditure incurred to support the growth of our operations.

Other expenses

Our other expenses increased by 78.09% from ₹433.49 Lakhs in Fiscal 2025 to ₹772.00 Lakhs in Fiscal 2026 in absolute terms. The increase was primarily in line with the growth in our Revenue from Operations and the corresponding increase in business and order execution activities during the period.

Profit before Tax

Profit before tax increased by ₹528.60 Lakhs, or 379.25%, from Fiscal 2025 to Fiscal 2026, and increased as a percentage of total income from 5.24% in Fiscal 2025 to 12.50% in Fiscal 2026. The increase in profit before tax was primarily attributable to the lower growth in the cost of materials consumed as compared to the growth in Revenue from Operations. The cost of materials consumed increased by 95.99%, which was approximately 5.26 percentage points lower than the 101.25% growth in Revenue from Operations, primarily due to the execution of orders for indigenously designed and manufactured Ground Power Units sale to Airforce stations, which contributed relatively higher margins, as discussed above. Further, the increase in profit before tax was also supported by the increase in other income and the relative movement in other operating expenses during the period.

Tax Expenses

Tax expense increased during Fiscal 2026, primarily due to the increase in Revenue from Operations, total income and profit before tax. The marginal increase in the effective tax rate was primarily attributable to the tax treatment of gratuity provisions and depreciation expense under the applicable provisions of the Income-tax Act, 1961.

Profit after Tax

Profit after tax increased by ₹392.85 Lakhs, or 376.66%, from Fiscal 2025 to Fiscal 2026, and increased as a percentage of total income from 3.92% in Fiscal 2025 to 9.30% in Fiscal 2026.

The increase in profit after tax was primarily attributable to the growth in profit before tax, which was supported by the relatively lower increase in cost of materials consumed as compared to the growth in Revenue from Operations. The cost of materials consumed increased by 95.99%, which was approximately 5.26 percentage points lower than the 101.25% growth in Revenue from Operations. This was primarily due to the execution of orders for indigenously designed and manufactured Ground Power Units supplied to Air Force stations, which contributed relatively higher margins, as discussed above.

The higher profit margin during Fiscal 2026, as compared to Fiscals 2025 and 2024, was primarily attributable to the execution of orders received from Air Force stations for the supply of 110 indigenously manufactured Ground Power Units. The Company received an order valued at ₹2,530.00 Lakhs (excluding SGT) for the supply of these 110 Ground Power Units. In addition, the Company also recorded revenue from the sale of other indigenously

manufactured products during Fiscal 2026, which contributed to the overall improvement in profit margins during the period.

FISCAL 2025 COMPARED WITH FISCAL 2024

Revenue from Operation

Our Revenue from Operations increased by 39.69% to ₹2,645.45 Lakhs in Fiscal 2025 from ₹1,893.82 Lakhs in Fiscal 2024, primarily driven by higher order intake and execution during the year. The increase was attributable to higher order execution and volumes across our Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment product lines.

Business Operational Model	Fiscal 2025	Fiscal 2024	Differences	Differences %
Our Product Offerings				
Build-to-Specification (BTS)	973.58	523.32	450.25	86.04%
Build-to-Print (BTP)	494.20	287.83	206.37	71.70%
Indigenisation	928.21	404.04	524.17	129.73%
Service Offering				
Maintenance and Servicing	249.46	678.62	(429.16)	(63.24%)
Total Revenue from Operations	2,645.45	1,893.82	751.63	39.69%

The increase in Revenue from Operations was primarily driven by the growth in our product offerings under the Build-to-Specification (“BTS”), Build-to-Print (“BTP”) and Indigenisation business models. Revenue from the BTS business model increased by 86.08% from ₹523.32 Lakhs in Fiscal 2024 to ₹973.58 Lakhs in Fiscal 2025, while revenue from the BTP business model increased by 71.70% from ₹287.83 Lakhs to ₹494.20 Lakhs during the same period. Revenue from the Indigenisation business model increased by 129.72% from ₹404.04 Lakhs to ₹928.21 Lakhs.

The increase in revenue from the above product offerings was partly offset by a decrease in revenue from Maintenance and Servicing, which declined by 63.24% from ₹678.62 Lakhs in Fiscal 2024 to ₹249.46 Lakhs in Fiscal 2025. Accordingly, the overall increase in Revenue from Operations reflects higher revenue generated from our product offerings, particularly under the BTS, BTP and Indigenisation business models, partially offset by the decline in revenue from Maintenance and Servicing.

The significant changes in revenue from each of our business operational models are discussed below.

- Build-to-Specification (“BTS”)** - During Fiscal 2024, the Company received an order valued at ₹636.34 Lakhs for the supply of a Fuel Pump Test Rig under its Test Rigs and Test Benches product offering. The Company recognised the entire revenue in Fiscal 2025 relating to the order upon delivery of the product.
- Build-to-Print (BTP)**- Company has made sale of Aircraft Jacks categorise under ground support equipment for an order value of Rs.63.05 lakh in Fiscal 2025 and supply of Fuel System Test Rig categorised under Test rigs and test benches to defence and aviation organisations of Rs. 72.88 lakh. Further supported by increase in order value and executions from further organisations leads to increase in overall sale
- Indigenisation**- The increase was primarily attributable to the execution of orders received from Air Force stations for the supply of 110 indigenously manufactured Ground Support Equipment units. The Company received an order valued at ₹2,530.00 Lakhs (excluding SGT) for the supply of these 110 indigenous Ground Power Units. During the relevant period, the Company recorded revenue and delivered products aggregating to ₹637.10 Lakhs against this order.
- Maintenance and Servicing**- During Fiscal 2024, the Company executed various small-value orders relating to maintenance and servicing, including the supply of small equipment and spare parts. Subsequently, the Company focused on developing and expanding its Build-to-Specification (“BTS”) and Indigenisation business models, resulting in a shift in the revenue mix towards these product offerings.

Other income

Our other income increased by 36.34% to ₹14.10 Lakhs in FY 2024-25 from ₹10.34 Lakhs in FY 2023-24, broadly stable as a percentage of total income, at 0.53% as compared to 0.54% which is in align with increase in fixed deposit in terms of issues of bank guarantee.

Cost of Materials Consumed

Our Cost of materials consumed increased by 40.12% to ₹1,636.18 Lakhs in FY 2024-25 from ₹1,167.73 Lakhs in FY 2023-24, broadly in line with revenue growth, and was broadly stable as a percentage of total income, at 61.52% as compared to 61.33%.

Change in Stock of Finished Goods

The change in stock of finished goods and work-in-progress increased from ₹(86.84) Lakhs in Fiscal 2024 to ₹(27.20) Lakhs in Fiscal 2025. The change was primarily attributable to the higher revenue generated from product sales in Fiscal 2025 as compared to Fiscal 2024. In Fiscal 2024, the Company received product-related orders, resulting in a relatively higher level of finished goods and work-in-progress being maintained during the period. The movement in inventories in Fiscal 2025 reflects the utilisation of such inventory towards the execution of product-related orders during the year.

Employee benefits

Our employee benefits expense increased by 36.48% to ₹323.10 Lakhs in Fiscal 2025 from ₹236.73 Lakhs in Fiscal 2024, primarily attributable to the increase in employee headcount and higher employee-related costs, including gratuity and provident fund ("PF") contributions, broadly in line with the growth in the scale of our operations.

Finance costs

Our finance costs increased by 43.00% to ₹125.72 Lakhs in Fiscal 2025 from ₹87.92 Lakhs in Fiscal 2024, primarily attributable to the higher quantum of working capital borrowings availed to support the growth in business volumes.

Depreciation and amortisation

Our Depreciation and amortisation increased by 43.34% to ₹28.89 Lakhs in FY 2024-25 from ₹20.15 Lakhs in FY 2023-24, in line with additions to fixed assets during the year.

Other expenses

Our other expenses increased by 15.07% to ₹433.49 Lakhs in FY 2024-25 from ₹376.73 Lakhs in FY 2023-24 in absolute terms, but declined as a percentage of total income from 19.78% to 16.30%, reflecting operating leverage on fixed administrative and other operating costs, notwithstanding a higher liquidated damages expense of ₹81.69 Lakhs (FY 2023-24: ₹60.88 Lakhs).

Profit before Tax

Our profit before tax increased by ₹37.65 Lakhs, or 37.01%, in Fiscal 2025 as compared to Fiscal 2024. However, profit before tax as a percentage of total income remained relatively constant at 5.34% in Fiscal 2024 and 5.24% in Fiscal 2025.

Tax Expenses

Our total tax expense increased by ₹9.47 Lakhs, or 36.98%, in Fiscal 2025, primarily attributable to the increase in profit before tax by ₹37.65 Lakhs, while the effective tax rate remained broadly consistent during the respective periods.

Profit after Tax

Our Profit after tax ("PAT") margin remained relatively constant during the period, at approximately 4.00% of total income in Fiscal 2024 as compared to 3.92% of total income in Fiscal 2025.

CASH FLOWS

(₹ in Lakhs)

Particulars	Nexa Defence		Nexa Mumbai		
	Three Months period ended June 30, 2026	Fiscal 2026	Fiscal 2026	Fiscal 2025	Fiscal 2024
Net cash flow from/ (used in) operating activities	(527.50)	(36.05)	1,130.72	267.51	(258.07)
Net cash flow from/ (used in) investing activities	26.49	(7.93)	(46.34)	(278.77)	(59.68)
Net cash flow from/ (used in) financing activities	803.84	32.98	(1,108.56)	(1.59)	351.48
Net increase/(decrease) in cash and cash equivalents	302.83	(11.00)	(24.18)	(12.85)	33.73

Nexa Defence (I) Limited:

Cash Flows from Operating Activities

For the period ended on June 30, 2026

Our net cash used in operating activities for the three months ended June 30, 2026, was (₹527.50 Lakhs) as compared to the Profit Before Tax at ₹307.03 Lakhs. Our operating profit before working capital changes was ₹331.15 Lakhs for the period ended on June 30, 2026, which was primarily adjusted against increase in trade receivables by (₹1,172.74) Lakhs, decrease in inventory by ₹212.40 Lakhs, increase in short term loans and advances by (₹18.68) Lakhs, decrease in other current assets by ₹63.94 Lakhs, decrease in trade payables by (₹33.78) Lakhs, increase in other current liabilities by ₹91.47 Lakhs and Net Income taxes paid of (₹1.24) Lakhs.

For the period ended on March 31, 2026

Our net cash used in operating activities for the year ended March 31, 2026, was (₹36.05 Lakhs) as compared to the Profit Before Tax at ₹294.96 Lakhs. Our operating profit before working capital changes was ₹301.84 Lakhs for the year ended March 31, 2026, which was primarily adjusted against increase in trade receivables by (₹40.27) Lakhs, increase in inventory by (₹417.61) Lakhs, increase in short term loans and advances by (₹62.92) Lakhs, increase in other current assets by (₹73.70) Lakhs, increase in trade payables by ₹299.32 Lakhs, increase in other current liabilities by ₹17.59 Lakhs and Net Income taxes paid of (₹60.30) Lakhs.

Cash Flows from Investing Activities

For the period ended on June 30, 2026

Our net cash generated from investing activities for the three months ended June 30, 2026, was ₹26.49 Lakhs, which was primarily on account of a reduction in fixed deposits of ₹29.70 Lakhs and interest received of ₹4.43 Lakhs, partly offset by purchase of property, plant and equipment of (₹6.76) Lakhs and purchase of intangible assets under development of (₹0.88) Lakhs.

For the period ended on March 31, 2026

Our net cash used in investing activities for the year ended March 31, 2026, was (₹7.93 Lakhs), which was primarily on account of purchase of property, plant and equipment of (₹21.73) Lakhs and purchase of intangible assets of (₹1.66) Lakhs, partly offset by a reduction in fixed deposits of ₹15.46 Lakhs.

Cash Flows from Financing Activities

For the period ended on June 30, 2026

Our net cash generated from financing activities for the three months ended June 30, 2026, was ₹803.84 Lakhs, which was primarily on account of proceeds from short-term borrowings of ₹816.56 Lakhs, partly offset by finance costs paid of (₹12.72) Lakhs.

For the period ended on March 31, 2026

Our net cash generated from financing activities for the year ended March 31, 2026, was ₹32.98 Lakhs, which was primarily on account of proceeds from issue of share capital of ₹12.50 Lakhs and proceeds from short-term borrowings of ₹20.51 Lakhs, partly offset by finance costs paid of (₹0.03) Lakhs.

Nexa Mumbai:

Cash Flows from Operating Activities

For the period ended on March 31, 2026

Our net cash generated from operating activities for the year ended March 31, 2026, was ₹1,130.72 Lakhs as compared to the Profit Before Tax at ₹373.02 Lakhs. Our operating profit before working capital changes was ₹617.33 Lakhs for the year ended March 31, 2026, which was primarily adjusted against increase in trade receivables by (₹53.17) Lakhs, decrease in inventory by ₹597.34 Lakhs, decrease in short term loans and advances by ₹88.20 Lakhs, increase in long term loans and advances by (₹19.74) Lakhs, decrease in other current assets by ₹33.77 Lakhs, increase in trade payables by ₹35.31 Lakhs, decrease in other current liabilities by (₹12.04) Lakhs and Net Income taxes paid of (₹156.28) Lakhs.

For the period ended on March 31, 2025

Our net cash generated from operating activities for the year ended March 31, 2025, was ₹267.51 Lakhs as compared to the Profit Before Tax at ₹139.37 Lakhs. Our operating profit before working capital changes was ₹370.00 Lakhs for the year ended March 31, 2025, which was primarily adjusted against decrease in trade receivables by ₹149.20 Lakhs, increase in inventory by (₹108.55) Lakhs, increase in short term loans and advances by (₹16.99) Lakhs, increase in long term loans and advances by (₹6.59) Lakhs, increase in other current assets by (₹129.28) Lakhs, increase in trade payables by ₹62.12 Lakhs, increase in other current liabilities by ₹11.91 Lakhs and Net Income taxes paid of (₹64.31) Lakhs.

For the period ended on March 31, 2024

Our net cash used in operating activities for the year ended March 31, 2024, was (₹258.07 Lakhs) as compared to the Profit Before Tax at ₹101.74 Lakhs. Our operating profit before working capital changes was ₹275.47 Lakhs for the year ended March 31, 2024, which was primarily adjusted against increase in trade receivables by (₹210.32) Lakhs, increase in inventory by (₹273.62) Lakhs, increase in short term loans and advances by (₹51.87) Lakhs, increase in other current assets by (₹22.91) Lakhs, increase in trade payables by ₹78.88 Lakhs, decrease in other current liabilities by (₹23.37) Lakhs and Net Income taxes paid of (₹30.32) Lakhs.

Cash Flows from Investing Activities

For the period ended on March 31, 2026

Our net cash used in investing activities for the year ended March 31, 2026, was (₹46.34 Lakhs), which was primarily on account of purchase of property, plant and equipment of (₹50.83) Lakhs, an increase in fixed deposits/other non-current assets of (₹15.41) Lakhs and purchase of intangible assets of (₹0.39) Lakhs, partly offset by interest received of ₹20.30 Lakhs.

For the period ended on March 31, 2025

Our net cash used in investing activities for the year ended March 31, 2025, was (₹278.77 Lakhs), which was primarily on account of an increase in fixed deposits/other non-current assets of (₹182.62) Lakhs, purchase of property, plant and equipment of (₹72.11) Lakhs and a decrease in non-current investments of (₹37.50) Lakhs, partly offset by interest received of ₹13.50 Lakhs.

For the period ended on March 31, 2024

Our net cash used in investing activities for the year ended March 31, 2024, was (₹59.68 Lakhs), which was primarily on account of an increase in fixed deposits/other non-current assets of (₹46.24) Lakhs and purchase of property, plant and equipment of (₹18.79) Lakhs, partly offset by interest received of ₹5.72 Lakhs.

Cash Flows from Financing Activities

For the period ended on March 31, 2026

Our net cash used in financing activities for the year ended March 31, 2026, was (₹1,108.56 Lakhs), which was primarily on account of repayment of short-term borrowings of (₹763.44) Lakhs, repayment of long-term borrowings of (₹329.81) Lakhs, finance costs paid of (₹173.85) Lakhs and capital withdrawal of (₹66.54) Lakhs, partly offset by capital introduced of ₹225.08 Lakhs.

For the period ended on March 31, 2025

Our net cash used in financing activities for the year ended March 31, 2025, was (₹1.59 Lakhs), which was primarily on account of finance costs paid of (₹125.72) Lakhs, repayment of short-term borrowings of (₹63.92) Lakhs and capital withdrawal of (₹3.51) Lakhs, partly offset by proceeds from long-term borrowings of ₹191.56 Lakhs.

For the period ended on March 31, 2024

Our net cash generated from financing activities for the year ended March 31, 2024, was ₹351.48 Lakhs, which was primarily on account of proceeds from short-term borrowings of ₹346.84 Lakhs, proceeds from long-term borrowings of ₹78.39 Lakhs and capital introduced of ₹49.93 Lakhs, partly offset by finance costs paid of (₹87.92) Lakhs and capital withdrawal of (₹35.76) Lakhs.

RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “Restated Financial Statements” beginning on page 270 of this Draft Red Herring Prospectus.

OFF-BALANCE SHEET ITEMS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements except contingent liabilities, comprising bank guarantees issued in the ordinary course of business. refer chapter titled “Restated Financial Statements” beginning on page 270 of this Draft Red Herring Prospectus.

QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest rate risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Credit risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in future and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

OTHER MATTERS

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “Restated Financial Statements” beginning on page 270 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”

Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the sections titled “*Risk Factors*” and this chapter, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, beginning on pages 25 and 359 respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing operations.

Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Apart from the risks disclosed under the section titled “*Risk Factors*” beginning on page 25 of this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had, or are expected to have, a material adverse impact on revenue or income from continuing operations.

Future changes in the relationship between costs and revenues

Our Company’s future costs and revenues will be influenced by the orders received and the type and product mix of products manufactured by us, including factors relating to Government defence procurement policies and budgetary allocations, as well as other economic factors. Other than as described in the sections “*Risk Factors*”, “*Our Business*” and this chapter, to our knowledge, no material future changes in the relationship between our expenditure and income are expected to have a material adverse impact on our operations or financial condition.

Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices

Increases in our revenue are, by and large, linked to increases in the orders executed, changes in product mix and pricing. Except as disclosed in this Draft Red Herring Prospectus, there has been no material change in our revenue attributable to the introduction of any new product line during the periods under review.

Total turnover of each major industry segment in which the issuer company operates

Our Company operates in the Aerospace and Defence industry, with a focus on Ground Support Equipment, Test Rigs & Test Benches, and Test Equipment for the aviation, aerospace and defence sectors. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 141 of this Draft Red Herring Prospectus.

Status of any publicly announced new products or business segments

Refer to the chapter titled “*Our Business*” beginning on page 183 of this Draft Red Herring Prospectus for new products or business segments.

The extent to which business is seasonal

Our business is not seasonal in nature.

Any significant dependence on a single or few suppliers or customers

The percentage contribution of our Company's top customers and suppliers has been disclosed in the chapters titled "*Our Business*" and "*Risk Factors*" on page 184 and 26 of this Draft Red Herring Prospectus.

Competitive conditions

We operate in the Ground Support Equipment, Test Rigs and Test Benches, and Test Equipment segment of the aviation, aerospace and defence industry. For a discussion of the competitive landscape, please see "*Our Business*" and "*Industry Overview*" beginning on pages 183 and 141, respectively, of this Draft Red Herring Prospectus.

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SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENT

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation or arbitration proceeding which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**"), in each case involving our Company, Promoters, Directors, Key Managerial Personnel ("**KMP**"), Senior Management Personnel ("**SMP**") or Group Companies (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

*For the purpose of (iv) above, our Board, in its meeting held on September 08, 2026 determined that outstanding legal proceedings involving the Company, its Directors, Promoters, KMP, SMP and Group Companies will be considered as material litigation ("**Material Litigation**") where the value or expected impact of the litigation in terms of value, exceeds the lower of the following:*

- (a) two percent of turnover, as per the Restated Financial Information (combined Nexa Defence & Nexa Mumbai) of the issuer for Fiscal 2026 being ₹ 106.48 lakhs; or*
- (b) two percent of net worth, as per the Restated Consolidated Financial Information of the issuer, except in case the arithmetic value of the net worth is negative being ₹ 15.18 lakhs; or*
- (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer being ₹ 11.29 lakhs.*

*Accordingly, the materiality threshold is ₹ 11.29 lakhs ("**Materiality Threshold**").*

It is clarified that for the purposes of the above, pre-litigation notices received/ sent by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, have not and shall not, be considered as material litigation until such time that the Relevant Parties, as the case may be, are impleaded as a party in proceedings before any judicial / arbitral forum.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Criminal litigations involving our Company

Criminal litigations against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Company.

Criminal litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Company.

B. Material Civil litigations involving our Company

Material Civil litigations against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations against our Company.

Material Civil litigations initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Company.

C. Actions by Statutory or Regulatory Authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or

Regulatory Authorities against our Company.

II. LITIGATIONS INVOLVING OUR PROMOTERS

A. Criminal litigations involving our Promoters

Criminal litigation against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Promoters.

Criminal litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated by our Promoters.

B. Material Civil litigations involving our Promoters

Material Civil litigations against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Promoters.

Material Civil litigations initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Promoters.

C. Actions by Statutory or Regulatory authorities against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions initiated by Statutory or Regulatory authorities against our Promoters.

III. LITIGATIONS INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)

A. Criminal litigations involving our Directors

Criminal litigations against our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Directors.

Criminal litigations by our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Directors.

B. Material Civil litigations involving our Directors.

Material Civil litigations against our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Directors.

Material Civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated by our Directors.

C. Actions by Statutory or Regulatory Authorities against our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

IV. LITIGATIONS INVOLVING OUR GROUP COMPANIES

A. Criminal litigations involving our Group Companies

Criminal litigations against our Group Companies

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Group Companies.

Criminal litigations by our Group Companies

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Group Companies.

B. Material Civil litigations involving our Group Companies

Material Civil litigations against our Group Companies

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Group Companies.

Material Civil litigations initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil material litigations initiated by our Group Companies.

C. Actions by Statutory or Regulatory Authorities against our Directors

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Group Companies.

V. LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL

A. Criminal litigations involving our Key Managerial Personnel

Criminal litigation against our Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal litigations initiated against our Key Managerial Personnel.

Criminal litigations initiated by our Key Managerial Personnel

Except as stated below, there are no outstanding criminal litigations initiated by our Key Managerial Personnel as on the date of this Draft Red Herring Prospectus:

1. Summary Case No. 2094 of 2024, Sonam Sharma vs. Ramesh Kumar Mulchand Saini, before the Court of the Ld. Metropolitan Magistrates' 63rd Court at Andheri, Mumbai

Our Company Secretary, Sonam Mukesh Sharma (the “**Complainant**”) through her husband - Mukesh Kumar Sharma, filed a complaint on May 29, 2024, under Section 138 of the Negotiable Instruments Act, 1881 against Ramesh Kumar Saini, proprietor of “Mahesh Maharaj Mithaiwala” and “Shri Vinayak Caterers” (the “**Accused**”), before the Hon’ble Court of the Ld. Metropolitan Magistrates' 63rd Court at Andheri, Mumbai. The Complainant alleges that the Accused had borrowed ₹ 25 lakhs as a short-term loan, out of which ₹ 20 lakhs were transferred from the Complainant’s account and ₹ 5 lakhs from her husband’s account, with repayment assured within 6–8 months along with interest at 18% per annum. Towards discharge of liability, the Accused issued several cheques. The present complaint pertains to cheque no. 576183 dated April 25, 2024 for ₹ 2 lakhs, which was dishonored with the remark “PAYMENT STOPPED BY DRAWER”. A legal notice dated May 04, 2024 was issued demanding payment of the cheque amount within 15 days; however, the Accused failed to make payment. The Complainant has sought summoning, trial and punishment of the Accused under Section 138 of the Negotiable Instruments Act, including fine and compensation. The matter is next listed for hearing on October 16, 2026.

Please also see “*Outstanding Litigations and Material Development – Litigation involving our Key Managerial Personnel - Material Civil litigations involving our Key Managerial Personnel - Civil Summary Suit No. 222 of 2024, Sonam Sharma vs. Ramesh Kumar Mulchand Saini, before the Court of the Ld. Metropolitan Magistrates' 63rd Court at Andheri, Mumbai*” on page 379.

B. Material Civil litigations involving our Key Managerial Personnel

Material Civil litigations against our Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Key Managerial Personnel.

Material Civil litigations initiated by our Key Managerial Personnel

Except as stated below, there are no outstanding material civil material litigations initiated by our Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

1. Civil Summary Suit No. 222 of 2024, Sonam Sharma vs. Ramesh Kumar Mulchand Saini, before the Court of the Ld. Metropolitan Magistrates' 63rd Court at Andheri, Mumbai

Our Company Secretary, Sonam Mukesh Sharma (the “**Plaintiff**”) through her husband - Mukesh Kumar Sharma, filed the case on July 29, 2024, under the provisions of Order XXXVII of the Code of Civil Procedure, against Ramesh Kumar Saini, proprietor of “Mahesh Maharaj Mithaiwala” and “Shri Vinayak Caterers” (the “**Defendant**”), before the Hon’ble City Civil Court, Dindoshi, Mumbai. The Plaintiff alleges that the Defendant had borrowed ₹ 25 lakhs as a short-term loan, out of which ₹ 20 lakhs were transferred from the Plaintiff’s account and ₹ 5 lakhs from her husband’s account, with repayment assured within 6–8 months along with interest at 18% per annum. Towards discharge of the liability, the Defendant issued five cheques aggregating to ₹ 20.50 lakhs, which were all returned unpaid due to insufficiency of funds or stoppage of payment. The Plaintiff has sought recovery of ₹ 28.82 lakhs as on the date of filing of the suit, along with costs and further interest at 18% per annum on the principle amount of ₹ 20 lakhs from the date of filing till realization. The matter is next listed for hearing on October 23, 2026.

Please also see “*Outstanding Litigations and Material Development – Litigation involving our Key Managerial Personnel - Criminal litigations involving our Key Managerial Personnel - Summary Case No. 2094 of 2024, Sonam Sharma vs. Ramesh Kumar Mulchand Saini, before the Court of the Ld. Metropolitan Magistrates' 63rd Court at Andheri, Mumbai*” on page 380.

C. Actions by Statutory or Regulatory Authorities against our Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Key Managerial Personnel.

VI. LITIGATION INVOLVING OUR SENIOR MANAGEMENT

A. Criminal litigations involving our Senior Management

Criminal litigations against our Senior Management

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations against our Senior Management.

Criminal litigations initiated by our Senior Management

As on the date of this Draft Red Herring Prospectus there are no outstanding criminal litigations initiated by our Senior Management.

B. Material Civil litigations involving our Senior Management

Material Civil litigations against our Senior Management

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil litigations initiated against our Senior Management.

Material Civil litigations initiated by our Senior Management

As on the date of this Draft Red Herring Prospectus, there are no outstanding material civil material litigations initiated by our Senior Management.

C. Actions by Statutory or Regulatory Authorities against our Senior Management

As on the date of this Draft Red Herring Prospectus there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Senior Management.

VII. TAX PROCEEDINGS

Except as disclosed below, there are no proceedings related to direct and indirect taxes involving our Company, Promoters and Directors (other than promoters) except:

Nature of Proceedings	Number of claims	Total amount involved (₹ in lakhs)	Status (Description)
Of the Company			
Direct Tax*	Nil	Nil	Nil
Indirect Tax	Nil	Nil	Nil
TDS	Nil	Nil	Nil
Of the Promoters			
1. Jyothi Kumar N			
Direct Tax*	Nil	Nil	Nil
Indirect Tax	Nil	Nil	Nil
TDS	Nil	Nil	Nil
2. Sunitha J Kumar			
Direct Tax	Nil	Nil	Nil
Of the Directors (other than Promoters)			
1. Athira T Nair			
Direct Tax	Nil	Nil	Nil
2. Vinod Kumar Karikkat			
Direct Tax*	Nil	Nil	Nil
3. Vinod Kumar Cheruvatham Kandy			
Direct Tax	Nil	Nil	Nil
4. Piyush Parasmal Jain			
Direct Tax*	Nil	Nil	Nil

*There are certain e-proceedings pending against our Company/Promoters/Directors. However, as on date the same have not been converted to 'Outstanding Demands'.

VIII. DUES TO CREDITORS

As per the latest restated financial statements, our total trade payables as on June 30, 2026 was ₹ 699.04 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 34.95 lakhs have been considered as 'material' creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

In accordance with the Materiality Policy, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 34.95 lakhs, being 5% of the trade payables of our Company as on June 30, 2026 ("Material Creditor") as per the restated financial statements. Details of amounts outstanding to our creditors as on June 30, 2026, is as follows:

Types of creditors	Number of creditors	Amount involved (₹ in lakhs) *#
Micro, small and medium	-	-

Types of creditors	Number of creditors	Amount involved (₹ in lakhs) * #
enterprises		
Material Creditors	6	421.82
Other Creditors	133	277.22
Total	139	699.04

*As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

As certified by YKC & Company, Chartered Accountant by way of their certificate dated September 21, 2026.

IX. MATERIAL DEVELOPMENTS

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 359, there have not arisen, since the date of the latest Annual Restated Financial Statements disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

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GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the issue or continue our business activities and except as mentioned below, no further approvals are required for carrying on our present or proposed business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.

For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled 'Key Industry Regulations' beginning on page 226 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses / registrations / approvals /consents / permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE:

The following approvals have been obtained or will be obtained in connection with the Issue.

Corporate Approvals

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on August 12, 2026, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The Shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on August 28, 2026, authorized the Issue.
3. The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated September 22, 2026.

Approval from the Stock Exchange

1. In-principle approval dated [●] from the NSE for using the name of the Exchange in the Offer documents for listing of the Equity Shares issued by our Company pursuant to the Issue.

Agreements with NSDL and CDSL

1. The Company has entered into a Tripartite agreement dated May 15, 2026, with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
2. The Company has entered into a Tripartite agreement dated June 17, 2026, with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE2VF601012.

II. MATERIAL LICENSES/ APPROVALS OBTAINED BY OUR COMPANY:

A. Incorporation related Approvals

1. Certificate of Incorporation, bearing number U41002MH2025PTC442318, issued in the name of “*Nexa Defence (I) Private Limited*” by the Registrar of Companies, Central Registration Centre, under the Companies Act, 2013, dated March 07, 2025. [#]
2. Certificate of Incorporation, bearing number U41002MH2025PLC442318, issued pursuant to conversion from private limited company to public limited company in the name of “*Nexa Defence (I) Limited*” by the Registrar of Companies, Central Processing Centre, under the Companies Act, 2013, dated February 06, 2026. [#]

[#] The abovementioned approvals are valid until cancelled.

B. Tax related Approvals

1. Permanent Account Number (PAN), bearing number AAKCN2525N, issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961, dated March 07, 2025. [#]
2. Tax Deduction Account Number (TAN), bearing number PNEN23250D, issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961, dated March 05, 2026. [#]
3. Certificate of Registration of Goods and Services Tax (Maharashtra), bearing number 27AAKCN2525N1Z2, issued by the Goods and Services Tax Department, under the Maharashtra Goods and Services Tax Act, 2017, dated May 09, 2025. [#]
4. Certificate of Registration of Professional Tax (Maharashtra), bearing number 27742515236P, issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975, dated October 01, 2025. ^{##}
5. Certificate of Enrolment of Professional Tax (Maharashtra), bearing number 99365079907P, issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975, dated April 12, 2025. ^{##}

[#]The abovementioned approvals are valid until cancelled.

^{*}The above-mentioned certificate is in the erstwhile name of the Company i.e. *Nexa Defence (I) Private Limited*.

C. Business related Approvals of Our Company

1. UDYAM Registration Certificate, bearing number UDYAM-MH-27-0203708, issued by the Ministry of Micro, Small and Medium Enterprises, Government of India, under the Micro, Small and Medium Enterprises Development Act, 2006, dated June 03, 2025. [#]
2. Fire Safety Compliance Approval, bearing number PAMP/FIRE/2412378/2, issued for the Registered Office by Panvel Municipal Corporation, under the Maharashtra Fire Prevention & Life Safety Act, 2006, dated August 10, 2026. ^{##}
3. Certificate of Importer and Exporter Code, bearing number AAKCN2525N, issued by the Directorate General of Foreign Trade, Government of India, under the Foreign Trade (Development and Regulation) Act, 1992, dated December 22, 2025. [#]
4. Membership Certificate, bearing membership number AM-4475, issued by Federation of Indian Chambers of Commerce and Industry, which is valid until March 31, 2027.
5. Legal Entity Identifier Registration Certificate, bearing number 391200DCYNEBTTMNFP97, issued by the Legal Entity Identifier India Limited, under the Payments and Settlement Systems Act, 2007, which is valid until March 16, 2027.

[#]The abovementioned approvals are valid until cancelled.

^{##} The Company is required to submit the approval within a period of six months to avail the license.

D. Labour Related Approvals

1. Employees' Provident Fund Code number THVSH3522251000, issued under the Employees' Provident

Fund and Miscellaneous Provisions Act, 1952, through the letter dated September 29, 2025. *#

2. Employee's State Insurance Corporation code number 34000885600000606, issued under the Employee's State Insurance Act, 1948. *#
3. Labour Identification Number (Maharashtra), bearing number 1-1532-0941-1, issued by the Ministry of Labour and Employment, Government of India, dated September 07, 2026. *#

#The abovementioned approvals are valid until cancelled.

**The above-mentioned certificate is in the erstwhile name of the Company i.e. Nexa Defence (I) Private Limited.*

E. Environmental Related Approvals

1. Consent to Establish under the Green Category for manufacturing of Ground Power Unit, Hydraulic Servicing Trolleys and Air Craft Jacks, bearing number 0000291933/CE/2607001138, issued by the Maharashtra Pollution Control Board dated July 13, 2026.
2. Consent to Establish and Operate under the White Category for Engineering and Fabrication, issued by the Maharashtra Pollution Control Board through letter dated June 09, 2026.

F. Quality Certification

1. Certification for AS 9100D and ISO 9001:2015, bearing number 189329, issued by NVT Quality Certification International LLP, dated March 09, 2026, which is valid until March 08, 2029.
2. Certificate of Registration, bearing registration number DGAQA/REGN/013/2024, issued by the Directorate General of Aeronautical Quality Assurance, Ministry of Defence, Government of India, dated May 14, 2024, which is valid until February 28, 2029. *

**The above-mentioned certificate is currently in the process of being transferred in the name of Nexa Defence (I) Limited pursuant to the Business Transfer Agreement executed on February 09, 2026, between M/s. Nexa Mumbai, as the Transferor, and M/s. Nexa Defence (I) Limited, as the Transferee.*

G. Domain Details

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	nexagse.com	Registrar: GoDaddy.com, LLC Registrar IANA ID: 146	May 19, 2025	May 19, 2035
2.	nexadefence.com	Registrar: GoDaddy.com, LLC Registrar IANA ID: 146	May 19, 2025	May 19, 2035
3.	nexaindia.com	Registrar: GoDaddy.com, LLC Registrar IANA ID: 146	June 03, 2025	June 03, 2035
4.	nexamumbai.com	Registrar: Rediff.com India Limited Registrar IANA ID: 800140	June 20, 2014	June 20, 2031

H. Intellectual Property

Sr. No.	Description	Class	Application/Certificate Number	Date of Application	Status	Issuing Authority
1.	NEXA DEFENCE* (Device) 	7	7176363	August 14, 2025	Under Examination	Trade Marks Registry, Government of India
2.	NEXA DEFENCE* (Wordmark)	7	7173597	August 12, 2025	Under Examination	Trade Marks Registry,

						Government of India
3.	NEXA DEFENCE (Device) 	7	8009033	September 19, 2026	Send to Vienna Codification	Trade Marks Registry, Government of India
4.	NEXA DEFENCE* (Device) 	12	7173601	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
5.	NEXA DEFENCE* (Wordmark)	12	7173591	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
6.	NEXA DEFENCE* (Device) 	37	7158635	August 04, 2025	Under Examination	Trade Marks Registry, Government of India
7.	NEXA DEFENCE* (Wordmark)	37	7161207	August 05, 2025	Under Examination	Trade Marks Registry, Government of India
8.	NEXA DEFENCE* (Device) 	42	7173590	August 12, 2025	Under Examination	Trade Marks Registry, Government of India
9.	NEXA DEFENCE* (Wordmark)	42	7173575	August 12, 2025	Under Examination	Trade Marks Registry, Government of India

*The above-mentioned application is in the erstwhile name of the Company i.e. Nexa Defence (I) Private Limited and application for name change has been filed.

I. Licenses/Approvals Pending in Respect of Our Company

1. Licenses/approvals or renewals applied for but not received

- a. License to work as a Factory for the unit situated at Plot No. 1055, Survey No. 114, Sector Belavali Post, Chakhale, Panvel – 410221, Belavali, Raigad, Maharashtra, India, issued by the Department of Labour, Government of Maharashtra, under the Maharashtra Factories Rules, 1963.
- b. License to work as a Factory for the unit situated at Plot No. 118, Sector No. 1S, Navin Panvel East, Panvel, Raigad - 410206, Maharashtra, India, issued by the Department of Labour, Government of Maharashtra, under the Maharashtra Factories Rules, 1963.

- c. Registration under the Maharashtra Labour Welfare Fund, 1953, bearing Establishment Code RAPAVN000059, issued by the Maharashtra Labour Welfare Board, dated September 18, 2026.

2. Licenses/approvals required but not applied for

- a. Consent to Operate under the Green Category for manufacturing of Ground Power Unit, Hydraulic Servicing Trolleys and Air Craft Jacks, issued by the Maharashtra Pollution Control Board.
- b. Fire Safety Compliance Certificate issued for the unit situated at Plot No. 1055, Survey No. 114, Sector Belavali Post, Chakhale, Panvel – 410221, Belavali, Raigad, Maharashtra, India, issued under the under the Maharashtra Fire Prevention & Life Safety Act, 2006.

3. Licenses/approvals expired and renewal yet to be applied for

Nil

4. Licenses/Approvals in respect of which application for name change have been made

- a. Certificate of Registration of Professional Tax (Maharashtra), bearing number 27742515236P, issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975, dated October 01, 2025.
- b. Certificate of Enrolment of Professional Tax (Maharashtra), bearing number 99365079907P, issued by the Maharashtra Sales Tax Department, under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975, dated April 12, 2025.
- c. Employees' Provident Fund Code number THVSH3522251000, issued under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, through the letter dated September 29, 2025.
- d. Employee's State Insurance Corporation code number 34000885600000600, issued under the Employee's State Insurance Act, 1948.
- e. Labour Identification Number (Maharashtra), bearing number 1-1532-0941-1, issued by the Ministry of Labour and Employment, Government of India, dated September 07, 2026.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

Corporate Approvals

1. The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated August 12, 2026, and our Shareholders pursuant to a special resolution passed at their Extra ordinary General Meeting (EOGM) dated August 28, 2026 and have authorized the Issue under section 62(1)(c) and all other applicable provisions of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
2. This Draft Red Herring Prospectus has been approved by our Board for filing with the Stock Exchange pursuant to the resolution passed at its meeting held on September 22, 2026.

In-principle Approval from Stock Exchange

Our Company has received ‘in-principle’ approval from the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for the listing of our Equity Shares pursuant to the letter dated [●] bearing reference no. [●]. For the purpose of this Offer, NSE EMERGE is the Designated Stock Exchange.

AUTHORISATION BY THE SELLING SHAREHOLDERS

There are no selling shareholders and, consequently, no authorisations from any selling shareholders are applicable as on the date of this draft red herring prospectus.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

As per Regulation 228 of the SEBI ICDR Regulations and as amended, our Company satisfies the following eligibility conditions on which the specified securities are proposed to be listed:

- a) Our Company, Promoters, members of the Promoter Group, Directors, or persons in control of the Promoters or the Company 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 on the date of this Draft Red Herring Prospectus.
- b) The companies, with which Promoters, Directors or persons in control of our Company were or are associated as Promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- c) Our Company, Promoters, Promoter Group and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.
- d) Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.
- e) There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

All the Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Red Herring Prospectus.

PROHIBITION BY RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor our Promoters, nor Promoter Group, nor our Directors have been identified as a wilful defaulter or fraudulent borrowers, as defined in SEBI ICDR Regulations, 2018 or by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past

and no such proceedings are pending against any of them except as details provided under section titled “*Outstanding Litigations and Material Developments*” beginning on page [●] of this Draft Red Herring Prospectus.

COMPLIANCE UNDER COMPANIES (SIGNIFICANT BENEFICIAL OWNERS) RULES, 2018

Our Company, Promoters and members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are in any manner associated with the securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the sections titled “*Risk Factors*”, “*Promoter and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page 25, 259 and 377 respectively, of this Draft Red Herring Prospectus.

ELIGIBILITY FOR THE ISSUE

We are an unlisted company and are eligible for the Initial Public Offer in accordance SEBI ICDR Regulations. This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital is exceed ₹ 10 crores but does not exceed ₹ 25 crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the NSE Emerge).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- a) Our Company was incorporated as Private Limited Company in the name of “Nexa Defence (I) Private limited” under the provisions of the Companies Act, 2013 vide certification of Incorporation dated on March 7, 2025, issued by Registrar of Companies, Central Registration Centre.
- b) As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 890.80 Lakhs comprising of 89,08,000 Equity Shares of ₹ 10/- each and the post-issue paid-up capital (face value) will be ₹ [●] Lakhs comprising up to [●] Equity Shares of ₹ 10/- each which shall be below ₹2,500.00 Lakhs.
- c) Our Company was incorporated on March 07, 2025, under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. Subsequently, our Company has taken over the business of the proprietorship concern of one of our Promoters, Mr. Jyothi Kumar Nannat, namely M/s. “Nexa Mumbai”, established in 2014-15, as per the Business Transfer Agreement dated February 09, 2026, along with the assets and liabilities of the proprietorship concern as a going concern, in terms of the Business Transfer Agreement, with effect from March 31, 2026. The Company and the proprietorship concern have a combined track record of at least three years as on the date of filing of the Draft Red Herring Prospectus. Therefore, we are in compliance with the criteria of having a track record of three years.
- d) As per the Restated Financial Statements, our company’s net-worth (excluding revaluation reserves) for the financial year ended on March 31, 2026 is ₹ 759.21 Lakhs i.e., our net-worth is positive. The Net worth as on March 31, 2026 based on the Restated Financial Statements was calculated as the sum of share capital and reserves & surplus.
- e) As per the Restated Financial Statements, our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the date of filing of this Draft Red Herring Prospectus:

(₹ in Lakhs)

Particulars	Nexa Defence	Combined (Nexa Defence & Nexa Mumbai)	Nexa Mumbai	
	For the year ended March 31, 2026	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit before Tax	294.96	667.98	139.37	101.74
Add: Interest Cost	-	157.48	110.99	68.83
Add: Depreciation and Amortisation Expenses	0.90	42.31	28.89	20.15
Less: Other Income	-	20.82	14.10	10.34
Operating profits (earnings before interest, depreciation and tax)	295.85	846.95	265.14	180.38

- f) Our Company has positive Free cash flow to Equity (FCFE) as per the restated financial statements at least 2 out of 3 financial years preceding the date of this Draft Red Herring Prospectus as given below:

(₹ in Lakhs)

Particulars	Nexa Defence	Nexa Mumbai		
	For the year ended March 31, 2026	For the year ended March 31, 2026	As on March 31, 2025	As on March 31, 2024
Net Cash flow from Operating Activities	(36.05)	1,130.72	267.51	(258.07)
Less: Purchase of Fixed Assets	(23.38)	(51.22)	(72.16)	(19.16)
Add: Sale of Fixed Assets	-	-	-	-
Less: Borrowings Repaid	-	(1,093.25)	(63.92)	-
Add: Borrowings Taken	20.51	-	191.56	425.23
Add: Proceeds from issuance of Capital	12.50	-	-	-
Less: Post tax Interest expenses	-	(116.63)	(83.05)	(51.50)
Free Cash Flow to equity Before Capital Introduced (Withdrawal) in Nexa Mumbai	(26.42)	(130.38)	239.94	96.50
Net Capital Introduced (Withdrawal) in Nexa Mumbai	-	158.53	(3.51)	14.17
Free Cash Flow to Equity	(26.42)	28.15	236.44	110.67

- g) Offer for sale (OFS) by selling shareholders in SME IPO shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding-**Not Applicable**.
- h) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted in NCLT under Insolvency and Bankruptcy Code (IBC) against our Company and promoting companies.
- i) There is no winding up petition against the company, which has been admitted by NCLT / Court of competent jurisdiction or a liquidator has not been appointed.
- j) There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- k) Our Company has ensured that none of the Book Running Lead Manager involved in the Issue have instances of any of their IPO draft offer document filed with the Exchange being returned in the past 6 months from the date of filing of this Draft Red Herring Prospectus.
- l) Objects of the issue does not consist of repayment of loan taken from promoters, promoter group or any related party, from the issue proceeds, directly or indirectly- **Not Applicable**.

- m) No regulatory action of suspension of trading has been taken against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- n) None of our Promoters/Directors (other than Independent Directors) are/were Promoters/Directors of any company which was compulsorily delisted by any stock exchange nor were Promoters or Directors (other than Independent Directors) of any company that are suspended from trading on account of non-compliance.
- o) None of our Directors are disqualified/ debarred by any of the regulatory authorities.
- p) The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
- q) There are no pending defaults in respect of payment of interest and/or principle to the debenture/ bond/ fixed deposit holders by our Company or promoters or companies promoted by the promoters.
- r) We have disclosed the details of our Company, Promoter/Promoting Company (ies), Group Companies, Companies promoted by the Promoter/Promoting Company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the section “*Outstanding Litigation and Material Developments*” on page 377 of this Draft Red Herring Prospectus.
- s) The Company has a website: <https://nexaindia.com/>
- t) The application of our Company has not been rejected by the Exchange in last 6 complete months from the date of filing of this Draft Red Herring Prospectus.
- u) The composition of the board is in compliance with the requirements of Companies Act, 2013 at the time of in principle approval.
- v) Our Company confirms that there has been no change in its name in the last 1 year immediately preceding the date of the Draft Red Herring Prospectus except name change pursuant to conversion of the Company from a private company to a public company, consequently word “Private” was deleted from the name of the Company.

As per Regulation 229 (4) of the SEBI ICDR Regulations, our Company has ensured that:

In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document:

Complied. Our Company was incorporated as a private limited company on March 7, 2025 and has completed one full financial year, being the financial year from April 1, 2025 to March 31, 2026, prior to the filing of the Draft Offer Document. Further, our Company has taken over the business of the proprietorship concern of one of our Promoters, Mr. Jyothi Kumar Nannat, namely M/s. “Nexa Mumbai”, which was established in 2014-15, pursuant to the Business Transfer Agreement dated February 9, 2026. Pursuant to the Business Transfer Agreement, our Company acquired the assets and liabilities of the proprietorship concern as a going concern, with effect from March 31, 2026.

As per Regulation 229 (5) of the SEBI ICDR Regulations, our Company has ensured that:

In cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s): **Not Applicable**

As per Regulation 229 (6) of the SEBI ICDR Regulations, our Company has ensured that:

An issuer may make an initial public offer, only if the issuer had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years: Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

Particulars	Nexa Defence	Combined (Nexa Defence & Nexa Mumbai)	Nexa Mumbai	
	For the year ended March 31, 2026	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Profit before Tax	294.96	667.98	139.37	101.74
Add: Interest Cost	-	157.48	110.99	68.83
Add: Depreciation and Amortisation Expenses	0.90	42.31	28.89	20.15
Less: Other Income	-	20.82	14.10	10.34
Operating profits (earnings before interest, depreciation and tax)	295.85	846.95	265.14	180.38

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus is being filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge platform of NSE. NSE Emerge is the Designated Stock Exchange.
- Our Company shall mandatorily facilitate trading in demat securities and have entered into tripartite agreement with both the depositories i.e. NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
 - a. Tripartite agreement dated May 15, 2026, with NSDL, our Company and Registrar to the Issue;
 - b. Tripartite agreement dated June 17, 2026, with CDSL, our Company and Registrar to the Issue;
 - c. The Company's shares bear an ISIN: INE2VF601012
- 100% of the Equity Shares of our Company held by our Promoters, directors, KMP & senior management and other shareholders are in dematerialized form.
- The entire pre-issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the section "*Objects of the Issue*" on page 93 of this Draft Red Herring Prospectus.
- The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total issue size: **Not Applicable**.
- The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders' pre issue shareholding on a fully diluted basis: **Not Applicable**
- Objects of the issue is not consisting of repayment of loan taken from promoters, promoter group or any related party, from the offer proceeds, directly or indirectly- **Not Applicable**

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

We further confirm that:

1. We shall be complying with all the other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
2. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled “*General Information – Underwriting*” beginning on page 80 of this Draft Red Herring Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or Equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith.
4. In accordance with Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of offer document through the BRLM immediately upon filing of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations.
5. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager file a copy of the Offer Document along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. We shall also ensure that we submit the soft copy of offer document and Abridged Prospectus through the BRLM to SEBI
6. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.
7. In terms of Regulation 246(3) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a due-diligence certificate including additional confirmations as provided in the SEBI ICDR and the Draft Abridged Prospectus along with the draft offer document to the SME Exchange(s), where the specified securities are proposed to be listed.
8. The offer document shall be displayed from the date of filing on the websites of the Company, the SEBI, Book Running Lead Manager and the SME exchange.
9. In accordance with Regulation 247 (1) of the SEBI (ICDR) Regulations, 2018, the draft offer document including draft abridged prospectus filed with the SME exchange shall be made public for comments, if any, for a period of at least twenty-one days from the date of filing, by hosting it on the websites of the issuer, SME exchange where specified securities are proposed to be listed and Book Running Lead Manager associated with the issue.

Further, in terms of Regulation 247(2), the issuer will, within two working days of filing the draft offer document and draft abridged prospectus with the SME Exchange, make a public announcement in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the registered office of the issuer is situated, disclosing the fact of filing of the draft offer document with the SME exchange and inviting the public to provide their comments to the SME exchange, the issuer or the Book Running Lead Manager in respect of the disclosures made in the draft offer document.

Further, in terms of Regulation 247(3) the Book Running Lead Manager shall, after expiry of the period stipulated in sub-regulation 247 (1), file with the SME exchange, details of the comments received by them or the issuer from the public, on the draft offer document and draft abridged prospectus, during that period and the consequential changes, if any, that are required to be made in the draft offer document.

Further, in terms of Regulation 247(4) the Company and the Book Running Lead Manager will ensure that the offer documents are hosted on the websites as required under these regulations and its contents are the same as the versions as filed with the Registrar of Companies, Board and the SME exchange.

Further, in terms of Regulation 247(5) the Book Running Lead Manager and the SME Exchange shall provide copies of the offer document and draft abridged prospectus to the public as and when requested and may charge a reasonable sum for providing a copy of the same.

10. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE Emerge. For further details of the arrangement of market making please refer to section titled “*General Information*” beginning on page 80 of this Draft Red Herring Prospectus.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS AND AMENDMENTS THERETO

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, DIGGI CORPORATE ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

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 WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, DIGGI CORPORATE ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 22, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, MUMBAI IN TERMS OF THE APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

Note:

Note: All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the NSE EMERGE. The Disclaimer Clause as intimated by the NSE EMERGE to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Prospectus prior to the filing with RoC.

DISCLAIMER FROM OUR COMPANY, PROMOTERS, DIRECTORS AND BOOK RUNNING LEAD MANAGER

Our Company, the Directors, Promoters and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus and draft abridged 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, <https://nexaindia.com/>. It is clarified that neither the Promoters, nor their affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Promoters in relation to itself.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Diggi Corporate Advisors Private Limited (BOOK RUNNING LEAD MANAGER) and our Company on September 08, 2026 and as will be provided in the Underwriting Agreement* dated [●], 2026 entered into among the Underwriters, Promoters and our Company and the Market Making Agreement* dated [●] entered into among the Market Maker, BRLM and our Company.

** The aforesaid agreements will be entered into prior to the filing of Red Herring Prospectus*

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue. The Book Running Lead Manager and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus and draft abridged prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue 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. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus and draft abridged prospectus has been filed with the Emerge platform of NSE (NSE Emerge) for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued 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 sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

The Equity Shares issued through this Draft Red Herring Prospectus and draft abridged prospectus are proposed to be listed on NSE Emerge. Application have been made to NSE Emerge for obtaining permission for listing of the Equity Shares being issued and sold in the issue on its NSE Emerge after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

NSE has given its in-principle approval for using its name in the Issue Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE Emerge the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for

listing and commencement of trading at the NSE Emerge mentioned above are taken within three (3) Working Days of the Issue Closing Date or such period as may be prescribed by SEBI.

If our Company does not allot Equity Shares pursuant to the issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period in accordance with applicable law

CONSENTS

Consents in writing of: (a) Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Senior Management Personnel (SMPs), Statutory and Peer Review Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, the Syndicate Members*, Bankers to the Issue/Escrow Bank*, Public Issue Account Bank(s)*, Sponsor Bank(s)* and Refund Bank(s)*, Underwriter*, Market Maker*, Banker to the Issue*, and Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC. Our Auditor has given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus and Draft Red Herring Prospectus for filing with the RoC.

** The aforesaid will be appointed prior to filing the Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

EXPERTS TO THE ISSUE

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

Our Company has received written consent from our Statutory Auditors namely M/s YKC & Company, Chartered Accountants, who hold a valid peer review certificate dated March 11, 2024, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of (i) the examination report dated September 01, 2026 on the Restated Financial Statements; and (ii) the Statement of Possible Special Tax Benefits dated September 21, 2026, included in this Draft Red Herring Prospectus and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

The Company has received written consent dated September 21, 2026 from Garg and Associates, Chartered Engineer, to include their name as required under Section 26 and 32 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 in respect of certificate issued, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The Company has received written consent dated September 15, 2026 from S. Vaibhav & Co., Practicing Company Secretaries, to include their name as required under Section 26 and 32 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 in respect of certificate issued, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

PREVIOUS PUBLIC OR RIGHTS ISSUES, IF ANY, DURING THE LAST FIVE (5) YEARS

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF THE EQUITY SHARES IN THE LAST FIVE YEARS

Since this is an Initial Public Offer of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of our Company.

PREVIOUS CAPITAL ISSUES BY THE COMPANY / LISTED GROUP COMPANIES, SUBSIDIARIES OR ASSOCIATE ENTITY DURING THE LAST THREE (3) YEARS

Except as disclosed in Chapter titled “Capital Structure” on page 111 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the previous three years. For details in relation to our group companies, please see chapter titled “Our Group Companies” on page 265 of Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF THE COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us.

For details in relation to our group companies, please see chapter titled “Our Group Companies” on page 265 of Draft Red Herring Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC / RIGHTS ISSUE OF OUR LISTED SUBSIDIARIES / PROMOTERS

Our Company does not have any listed subsidiary company and our Promoters are natural persons (individuals)

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER

Price Information on Past Issues (during the current Financial Year and the two Financial Years immediately preceding the current Financial Year) handled by Diggi Corporate Advisors Private Limited (Book Running Lead Manager)

Sr. No.	Financial Year	Issuer Name	Issue Size (₹ in Lakhs)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, +/- % Change in Closing Benchmark]- 30 th Calendar Days from the Listing Day	+/- % Change in Closing Price, +/- % Change in Closing Benchmark]- 90 th Calendar Days from the Listing Day	+/- % Change in Closing Price, +/- % Change in Closing Benchmark]- 180 th Calendar Days from the Listing Day
SME Board									
Nil									
Main Board									
Nil									

*Notes:

1. The BSE SENSEX and NIFTY 50 are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Lead Manager are provided.

Summary statement of price information of past public issues handled by Diggi Corporate Advisors Private Limited

Financial Year		Nos. of IPOs trading at discount- 30 th calendar	Nos. of IPOs trading at premium- 30 th	Nos. of IPOs trading at discount- 180 th	Nos. of IPOs trading at premium- 180 th
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	Total no. of IPOs*	Total Funds Raised (₹ In lakhs)	days from listing			calendar days from listing			calendar days from listing			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%	
SME IPOs															
Nil															
Main Board IPOs															
Nil															

STOCK MARKET DATA FOR THE EQUITY SHARES

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue 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 Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

Bidders can contact the Company Secretary and Compliance Officer, the BRLM and/or the Registrar to the Issue in case of any pre-Issue or post-Issue 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 Issue related queries and for redressal of complaints, Bidders may also write to the BRLM, in the manner provided below.

All Issue related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary, with whom the Bid cum Application Form was submitted giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove.

For Issue-related grievances, investors may contact the BRLM, details of which are given in “General Information – Book Running Lead Manager to the Issue” beginning on page 80.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out

of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the circular March 2021 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	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue.

DISPOSAL OF INVESTOR GRIEVANCE BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on September 01, 2026. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management – Corporate Governance*” beginning on page 241 of this Draft Red Herring Prospectus.

The members of the Stakeholders’ Relationship Committee are:

S. No.	Name of Director	Committee Designation	Nature of Directorship
1.	Mr. Piyush Jain	Chairperson	Independent Director
2.	Mr. Vinod Kumar Karikkat	Member	Independent Director
3.	Ms. Sunitha J Kumar	Member	Whole Time Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders' Relationship Committee.

Our Company has appointed Ms. Sonam Sharma as the Company Secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Name: Ms. Sonam Sharma
Address: Plot No. 118, Sector 1(S), CIDCO,
Industrial Area, New Panvel East,
Raigad - 410206, Maharashtra, India.

Telephone: +91 8356822430
Website: <https://nexaindia.com/>
Email id: grievance@nexaindia.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Further, the Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "*Our Management*" beginning on page 241 of this DRHP. The Company has not received any investor grievances during the 3 (three) years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

EXEMPTIONS FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

OTHER CONFIRMATIONS

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the Issue.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Offer shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018 read along with SEBI ICDR (Amendment) Regulations, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, ROC, RBI and / or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application

Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its UPI 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 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From December 1, 2023, the UPI Mechanism for Individual Investors applying through Designated Intermediaries was made effective along-with the existing process existing timeline of T+3 days.

Further, vide the said circular, Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

THE ISSUE

The Issue comprises a Fresh Issue by our Company. Expenses for the Issue shall be borne by our Company in the manner specified in “Objects of the Issue – Issue Related Expenses” on page 107 of this Draft Red Herring Prospectus.

AUTHORITY FOR THE ISSUE

This Issue of upto 33,64,000 Equity Shares of face value of ₹10 each has been authorized by a resolution of our Board of Directors passed at their meeting held on August 12, 2026, subject to the approval of shareholders through a special resolution to be passed pursuant to applicable provisions of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra-ordinary General Meeting of the Company held on August 28, 2026.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles. For further details, please refer to the section titled “description of equity shares and terms of the articles of association” beginning from page 462 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings,

capital requirements and overall financial condition of our Company. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Applicants/Bidders who have been allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, refer to the section “*Dividend Policy*” and “*Description of equity shares and terms of the articles of association*” beginning on page 269 and 462 respectively of this Draft Red Herring Prospectus.

FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“Cap Price”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders in consultation with the BRLM and advertised Pre Offer and Price Band advertisement all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and all editions of Marathi newspaper (Marathi being the regional language of Maharashtra where our registered office is situated) each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, ‘*Basis for Issue Price*’, beginning on page 127 of this Draft Red Herring Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS, 2018 AND ACCOUNTING NORMS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act 2013;
- e) Right to receive issue for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- g) Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- h) Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, please refer to the section titled '*description of equity shares and terms of the articles of association*' beginning on page 462 of this Draft Red Herring Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, our Company has entered into the following agreements with the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated May 15, 2026 amongst our Company, NSDL and Registrar to the Issue;
- Tripartite agreement dated June 17, 2026 amongst our Company, CDSL and Registrar to the Issue;
- The Company's shares bear an ISIN: INE2VF601012

Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.

Investors should note that as per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29(1) of the Companies Act, 2013, Equity Shares of an issuer shall be allotted to the successful Bidders only in the dematerialised form. Bidders will not have the option of getting Allotment of Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in dematerialised segment of the Stock Exchange. Allottees shall have the option to rematerialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and Regulation 14 of Depositories Act.

MINIMUM BID VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall be 2 Lots per application. Provided that the application size shall be above ₹2,00,000/- (Rupees Two Lakhs)

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE EMERGE (SME platform of NSE) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Shares have not been and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDERS

Where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance with Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Share Transfer Agent of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such a transfer of Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys 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 Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

PRE-OFFER AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 the Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Offer and Price Band Advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of the regional daily newspaper [●], where the registered office of the company is situated each with wide circulation at least two Working Days prior to the Offer Opening Date and shall be available to the Stock Exchange for the purpose of uploading on the website.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-Offer capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 111 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 462 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company, the Selling Shareholders and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company, the Selling Shareholders and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with Book Running Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company and the in consultation with BRLM withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre- Issue and price band advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one (1) Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Issue Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final RoC approval of the Red Herring Prospectus after it is filed with the RoC and the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI ICDR Regulations, Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ISSUE PROGRAM

Event	Indicative Date
Anchor Portion Offer Opens/Closes On*	[●]
Bid/Offer Opening Date	[●] ⁽¹⁾
Bid/Offer Closing Date	[●] ⁽²⁾⁽³⁾
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / unblocking of funds from ASBA Account or UPI ID linked bank account**	On or before [●]
Credit of Equity Shares to demat account of the Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

Note:

1. Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI (ICDR) Regulations.
2. Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI (ICDR) Regulations.
3. UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date.

*The Anchor Portion Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations.

In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Red Herring Prospectus with the Registrar of Companies.

In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.

**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/ Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked

till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with Master Circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in 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, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation 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 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid /Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange and delay in respect of final certificates from SCSBs. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with listing timelines and activities 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.

Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the Issue Procedure is subject to change to any revised SEBI circulars to this effect.

SUBMISSION OF BIDS (OTHER THAN BIDS FROM ANCHOR INVESTORS)

Bid/ Issue Period (except the Bid/ Issue Closing Date)	
Submission and Upward Revision in Bids	Only between 10:00 a.m. and 5:00 p.m. IST
Bid/ Issue Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IIBs other than QIBs and NIIs	Only between 10:00 a.m. and 4:00 p.m. IST

Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	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 3:00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 a.m. and 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 12:00 p.m. IST
Modification/ Revision of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Other than Closing Date: Only between 10:00 a.m. and up to 5:00 p.m. IST On Closing Date: Only between 10:00 a.m. and up to 4:00 p.m. IST
Upward Revision of Bids by individual investors who apply for minimum application size#	Other than Closing Date: Only between 10:00 a.m. and up to 5:00 p.m. IST On Closing Date: Only between 10:00 a.m. and up to 4:00 p.m. IST

* Bidding for all Categories on the last day shall close at 4:00 p.m. UPI mandate end time shall be at 5:00 p.m. on Bid/ Issue Closing Date.

Downward Modification and cancellation shall not be applicable to any of the category of bidders.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays) On the Bid/Offer Closing Date, the Bids shall be uploaded until: 4.00 p.m. IST in case of Bids by all category bidders

On the Bid/Offer Closing Date, the Stock Exchange may extend the time for uploading Bids received from Individual Investors and Eligible Employees bidding in the Employee Reservation Portion, after considering the total number of Bids received, as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer shall obtain details of cancelled, withdrawn or deleted applications from the Stock Exchanges and submit them to the SCSBs daily, within 60 minutes of the Bid closure time, from the Bid/Offer Opening Date until the Bid/Offer Closing Date. The SCSBs shall unblock such applications by the close of business on the relevant Working Day and submit confirmation to the BRLM and RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of Equity Shares.

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

EMPLOYEE DISCOUNT

Employee Discount was offered to Eligible Employees bidding in the Employee Reservation Portion, and, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price were required to ensure payment at the Cap Price, less Employee Discount, at the time of making a Bid. 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 could be taken as the final data for the purpose of Allotment.

MINIMUM SUBSCRIPTION AND UNDERWRITING

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 200 (Two Hundred).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size shall be 2 Lots per application, provided that the application size shall be above ₹2,00,000/- (Rupees Two Lakhs).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 100% of the Fresh Issue, the balance subscription in the Offer will be met through the issuance of balance part of the Fresh Issue.

ARRANGEMENT FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE Limited.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting Except for lock-in of the pre-Offer Equity Shares and Promoter’s minimum contribution in the Offer as detailed in the chapter “*Capital Structure*” beginning on page 111 of this Draft Red Herring Prospectus and except as

provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation/ Splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Offer.

Allotment Of Securities in Dematerialised Form

In accordance with SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

APPLICATIONS BY ELIGIBLE NRIs, FPIs, VCFs, AIFs REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be Offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or offer of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or offer of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of NSE from the Emerge Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on Emerge Platform of NSE is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a Emerge Platform of NSE to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).”

OR

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the NSE Main board from the Emerge Platform of NSE Limited (“NSE EMERGE”), amongst others, has to fulfill following conditions:

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalization	Paid-up equity capital is not less than INR 10 crores And Average capitalisation shall not be less than INR 100 crores. For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the post issue number of equity shares
Revenue from Operation & EBITDA	The revenue from operations should be greater than INR 100 Cr in the last financial year and should have positive operating profit from operations for at least 2 out of 3 financial years.
Listing Period	Should have been listed on SME platform of the Exchange for at least 3 years.
Promoter & Promoter Group Holding	Promoter and Promoter Group shall be holding at least 20% of the Company at the time of making application. Further, as on date of application for migration the holding of Promoter's should not be less than 50% of shares held by them on the date of listing.

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Other Listing Conditions	• No proceedings have been admitted under Insolvency and Bankruptcy Code against Applicant company and promoting company. • The company has not received any winding up petition admitted by NCLT/IBC. • The net worth of the company should be at least 75 crores. • No Material regulatory action in the past 3 years like suspension of trading against the applicant Company and Promoter by any Exchange. • No debarment of Company/Promoter, subsidiary Company by SEBI. • No Disqualification/Debarment of director of the Company by any regulatory authority. • The applicant company has no pending investor complaints in SCORES. • Cooling period of two months from the date the security has come out of the trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed. • No Default in respect of payment of interest and /or principle to the debenture/bond/fixed deposit holders by the applicant, promoter/ Subsidiary Company.

Notes:

- Net worth definition to be considered as per definition in SEBI ICDR.
- Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
- The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
- If the documents and clarification received from the applicant company are not to the satisfaction of NSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
- The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Guidelines / Regulations issued by statutory authorities or for any reason in the interest of Investors and market integrity. The Exchange may also reject the application if the company is found not fulfilling internal NSE standards.
- Companies that have approached for listing on any stock exchange and has been denied listing for any reason whatsoever or has chosen to withdraw its application from the Exchange, may reapply for listing after a minimum period of 6 months (6 months after date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
- NSE decision w.r.t admission of securities for listing and trading is final.
- NSE has the right to change / modify / delete any or all the above norms without giving any prior intimation to the company.
- The companies are required to submit documents and comply with the extant norms.
- The company shall use NSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company.

MARKET MAKING

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 80 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company through this issue.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

In the pre-Issue advertisement and price band advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 and regulation 264 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations. The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make independent investigations and ensure that the number of Equity Shares applied for does not exceed the applicable limits under laws and regulations,

LISTING AND TRADING OF THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS OFFER:

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued pursuant to this Offer shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations, 2018 and SEBI LODR Regulations, 2015, as amended. Our Company has applied for the in-principle approval from the Stock Exchange through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares issued under this Offer will trade after the listing thereof. The listing and trading of the Equity Shares issued pursuant to this Issue shall

be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means / unblock the respective ASBA Accounts, the entire monies blocked within four working days of receipt of intimation from the Stock Exchange, rejecting the issuance of the Equity Shares, and if any such money is not refunded/unblocked within the respective periods as described above, after our Company becomes liable to unblock it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the last day, be jointly and severally liable to repay that money with interest at such rate and within such time as may be prescribed under applicable laws

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ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue paid up capital is more than Ten Crore Rupees and up to Twenty-Five Crore Rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of such Issue, please see the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page 402 and 421 respectively, of this Draft Red Herring Prospectus.

ISSUE STRUCTURE

Initial Public Offer of up to 33,64,000 Equity Shares of face value of ₹ 10 each (“Equity Shares”) for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share) (“Issue Price”) aggregating up to ₹ [●] lakhs (the “Issue”) of which up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per equity share including a Share Premium of [●] per Equity Share aggregating to ₹ [●] will be reserved for subscription by Market Maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e., Net Issue of [●] Equity Shares of face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating to ₹ [●] is hereinafter referred to as the “Net Issue”.

The Issue has been authorized by our Board pursuant to a resolution dated August 12, 2026, and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution dated August 28, 2026. This Issue is being made by way of Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	Individual Bidders
Number of Equity Shares available for allocation**	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not Less than [●] Equity Shares	Not Less than [●] Equity Shares
Percentage of Issue Size available for allocation	[●] % of the Issue Size	Not more than 50% of the Net Issue size shall be available for allocation to QIBs. However, 5% of the Net QIB Portion (excluding the Anchor Investor 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 Net QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and 33.33% shall be reserved for domestic	Not less than 15% of the Net Issue (a) one third (aggregating to [●] number of shares) of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) two third (aggregating to [●] number of shares) of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs:	Not less than 35% of the Net Issue

Particulars	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	Individual Bidders
		Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the price at which allocation is being done to other Anchor Investors.	Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.	
Basis of Allotment/ Allocation if respective category is oversubscribed ⁽²⁾	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity shares shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. (c) Up to 60% of the QIB portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which 33.33% shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. For details, see “<i>Issue Procedure</i>” beginning on page 421 of this Draft Red Herring Prospectus.	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB 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. For details, see “ <i>Issue Procedure</i> ” beginning on page 421 of this Draft Red Herring Prospectus.	Allotment to each Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Individual Portion and the remaining available Equity Shares if any, shall be allotted on proportionate basis. For details, see “ <i>Issue Procedure</i> ” beginning on page 421 of this Draft Red Herring Prospectus.

Particulars	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	Individual Bidders
Mode of Application^	Only through ASBA Process	Only through ASBA Process (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process, Through Banks or by using UPI ID for payment
Mode of allotment	Compulsorily in dematerialized form			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁵⁾			
Minimum Bid Size	[●] Equity Shares of Face Value of ₹ 10.00 each	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 2,00,000	[●] number of Equity Shares and in multiples of [●] Equity Shares.	[●] Equity Shares such that it exceeds Rs. 2,00,000
Maximum Bid Size	[●] Equity Shares	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount is above ₹ 2,00,000
Trading Lot	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof		
Who can Apply ^{(3) (4) (5)}	Market Maker	Public financial institutions as defined in the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board, FPIs other than individuals, corporate bodies and family offices, state industrial development corporation, insurance company registered with IRDAI, provident funds with minimum corpus of ₹ 250 million,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts, family offices and FPIs who are individuals, corporate bodies and family offices which are recategorized as Category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)

Particulars	Market Maker Reservation Portion	QIBs ⁽¹⁾	Non-Institutional Bidders	Individual Bidders
		pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority, National Investment Fund set up by the GoI, 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 NBFC-SI		

***Assuming full subscription in the Issue*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, 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 Exchange shall, for all categories of Investors viz. QIB, NIB and Individual Bidders 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.

- 1. Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 lakhs but up to ₹2,500.00 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500.00 lakhs, and an additional 10 Anchor Investors for every additional ₹2,500.00 lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 lakhs. 33.33% shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price which price shall be determined by the Company in consultation with the BRLM.*
- 2. Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. Such a number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue 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 only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature*

of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

4. *Bids by FPIs with certain structures as described under “Issue Procedure – Bids by FPIs” beginning on page 421 and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.*
5. *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-in Date as indicated in the CAN.*

Anchor Investors are not permitted to use the ASBA process. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, 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 viz. Individual Investors, QIB, NIB 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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares pursuant to the Issue.

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three (3) additional Working Day after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the websites of the BRLM 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 Exchange may be taken as the final data for the purpose of Allotment.

ISSUE PROGRAMME

Bid/ Issue Opening Date	[●]
Bid/ Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	[●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	[●]
Credit of Equity Shares to Demat accounts of Allottees (T+2)	[●]
Commencement of trading of the Equity Shares on the Stock Exchange (T+3)	[●]

Applications and any upward revisions to the same will be accepted only between 10:00 A.M. to 5:00 P.M. (Indian Standard Time) during the Issue Period (Other than Closing Date) at the Application Centers mentioned in the Bid-Cum Application Form. Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date.

A standard cut-off time of 3:00 P.M. for acceptance of applications.

A standard cut-off time of 4:00 P.M. for uploading applications received from other than Individual Applicants which may be extended up to such time as deemed fit by NSE EMERGE after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to NSE EMERGE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Bid-Cum Application form, for a particular applicant, the details as per physical Bid-Cum application form of that Applicant may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

LOT SIZE

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 (“Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to the Issue in consultation with Book Running Lead Manager, our Company and NSE EMERGE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General information Document”) which highlights the key rules, process 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, as amended which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

The SEBI ICDR Regulation, 2018 and amendments thereof, permits the issue of securities to the public through the Book Building Process, which states that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who applies for minimum application size. Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹2.00 lakhs and up to ₹10.00 Lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10.00 Lakhs 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. Subject to the availability of Equity Shares in the Non Institutional investors category, the allotment to each Non-Institutional Investors shall not be less than the minimum application size in 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 of the SEBI (ICDR) Regulations, 2018 and amendments thereof. Not more than 50% of the Net Issue shall be allotted to QIBs, subject to valid Bids being received at or above the Issue Price.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above Rs. 2 lakhs ”

*SEBI through the UPI Circulars 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, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through designated intermediaries, in phase I, was effective along with the prior process and timeline of T+6 days (**UPI Phase I**).*

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), 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/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism was implemented under **UPI Phase III**.

SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 made UPI Phase III 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 Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, 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, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus.

The BRLM shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and Book Running Lead Manager shall continue to coordinate with intermediaries involved in the said process.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in a public issue 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. SEBI has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. 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).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) working days from the Bid/Issue closing date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate per day for the entire duration of delay, by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to two days.

Our Company and the BRLM, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which 33.33% shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least 25% of the post Issue paid-up Equity Share capital of our Company.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar was extended to June 30, 2023.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders applying 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.

Phased Implementation of UPI For Bids by Individual Bidders as per the UPI Circulars.

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by Individual Investors 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 Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) **Phase I:** This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, an Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking funds. The time duration from public issue closure to listing continued to be six Working Days.

- b) **Phase II:** This phase was 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 bearing number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, this phase was extended till further notice. Under this phase, submission of the ASBA Form without UPI by Individual Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days (T+6) during this phase.
- 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 Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Individual Bidders using the UPI.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the Issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

Electronic registration of Bids

- a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchange. 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 Issue.
- b) On the Bid / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange's platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchange's platform during the Bid / Issue Period after which the Stock Exchange sends the bid information to the Registrar to the Issue for further processing.

BID CUM APPLICATION FORMS

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, our Registered Office and an electronic copy of the Bid cum Application Form will also be available for download on the websites of the Company and NSE EMERGE (www.nseindia.com) at least one day prior to the Bid / Issue Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

UPI Bidders applying using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and Bid cum Application Forms submitted by UPI Bidders that do not contain the UPI ID are liable to be rejected.

Bidders (other than Anchor Investors and UPI Bidders applying 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.

Individual Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders applying using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the applications 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 stamps may be liable for rejection. Bidders using the ASBA process to participate in the Issue must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked.

ASBA Bidders may submit the ASBA Form in the manner below:

- i. Individual Bidders (other than the Individual Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

- iii. QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.
- iv. 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

Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with Master Circular number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, all the ASBA Bids in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchange shall accept the ASBA applications in their electronic bidding platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of Bidders viz. Individual, QIB and NIB and also for all modes through which the applications are processed.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors**	White

**Excluding Electronic Bid cum Application Form*

*** Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager.*

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. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders, 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 UPI Mandate Request to the UPI Bidders, for blocking of funds. The Sponsor Bank(s) shall initiate a request for blocking of funds through NPCI to the UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank accounts. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained

Sr. No.	Designated Intermediaries
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Individual Investors submitting applications with any of the entities at 2 to 5 above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Application Form. It is clarified that Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Bid cum Application Forms to SCSBs only.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by Investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by Investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the Bid Cum Application Form, the respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of the stock exchange. Stock exchange shall share application details including the UPI ID with the sponsor bank on a continuous basis, to enable the sponsor bank to initiate mandate requests on investors for blocking of funds. Sponsor bank shall initiate a request for blocking of funds through NPCI to the Investor to accept a mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus and/or Prospectus, without prior or subsequent notice of such changes to the Bidders.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

The Sponsor Bank shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account.

Availability of Draft Red Herring Prospectus (DRHP)/ RHP/Prospectus and Application Forms

The Memorandum containing the salient features of this Draft Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE EMERGE i.e.; www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. Mutual Funds registered with SEBI;
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k. Foreign Venture Capital Investors registered with the SEBI;
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India;

- o. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p. Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r. Multilateral and bilateral development financial institution;
- s. Eligible QFIs;
- t. Insurance funds set up and managed by army, navy or air force of the Union of India;
- u. Insurance funds set up and managed by the Department of Posts, India;
- v. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion” & “QIBs
- w. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

APPLICATIONS NOT TO BE MADE BY:

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE

1. For Individual Bidders

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder is greater than ₹ 2,00,000. In case of upward revision of Applications, the Individual Bidders have to ensure that the Application Price is minimum of 2 lots with value of above ₹ 2,00,000.

2. For Other than Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Size is more than 2 lots and Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised all editions of [●] (a widely circulated English National Daily Newspaper), all editions of [●] (a widely circulated Hindi National Daily Newspaper) and All editions of [●] (a widely circulated Marathi National Daily Newspaper) Marathi being the regional language of Maharashtra where our Registered Office is located, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of [●] (a widely circulated English National Daily Newspaper), all editions of [●] (a widely circulated Hindi National Daily Newspaper) and all editions of [●] (a widely circulated Marathi National Daily Newspaper) Marathi being the regional language of Maharashtra where our Registered Office is located each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 421 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the public issue account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the public issue account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company, in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price will be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.
- b) Our Company, in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price.
- d) The price of the specified securities issued to an anchor investor shall not be lower than the price issued to other applicants.

PARTICIPATION BY ASSOCIATES /AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

INFORMATION FOR THE BIDDERS:

1. Our Company and the Book Running Lead Manager shall disclose the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and shall publish the same in three widely circulated national newspapers, one each in English, Hindi and Marathi, with Marathi being the regional language of Maharashtra, where our Registered Office is situated. Such advertisement shall be published in the prescribed format.
2. Our Company will file the Red Herring Prospectus with the ROC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company a, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 Lakhs
3. 33.33% of the Anchor Investor Portion will be reserved for allocation to domestic mutual funds and 6.67% for Life Insurance Companies and Pension Funds, (aggregating 40%) subject to valid bids being received from them at or above the Anchor Investor Allocation Portion.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company, in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to ₹ 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹ 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹ 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹ 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹ 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹ 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The

parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.

12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

BIDS BY HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non-repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs applying on a repatriation basis are advised to use the Bid cum Application Form meant for non-residents (Blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Bid cum Application Form for residents. (White in colour).

For details of restrictions on investment by NRIs, see “Restrictions on Foreign Ownership of Indian Securities” on page 460 of this DRHP.

BIDS BY FPI INCLUDING FII'S

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Bidder group (which means multiple entities registered as foreign portfolio Bidders and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post Issue Equity Share capital. In case the total holding of an FPI or Bidder group increase beyond 10% of the total paid-up Equity Share capital of our Company, the total investment made by the FPI or Bidder 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 Bidder will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100% under the automatic route). In terms of the FEMA NDI 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 reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

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 Issue 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, may 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:

- i. such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- ii. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- iii. such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and
- iv. such other conditions as may be specified by SEBI from time to time.

An FPI 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.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids and are liable to be rejected:

- FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Bidders and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure “MIM Structure”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of Bidders with segregated portfolio who obtain separate FPI registration;

- 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.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related Bidders registered as Category I FPIs; and
- Entities registered as collective investment schemes having multiple share classes.

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 Bid using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

The Bids belonging to any of the above mentioned seven structures and having the 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).

FPIs must ensure that any Bid by a single FPI and/ or a Bidder group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “FPI Group”) shall be below 10% of the total paid-up Equity Share capital of our Company. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs applying 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 Issue Equity Share capital shall be liable to be rejected.

Participation of FPIs in the Issue shall be subject to the FEMA NDI Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with the other categories for the purpose of allocation.

BIDS BY SEBI REGISTERED AIFs, VCFS AND FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, 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 are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid-up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “Key Industry Regulations” beginning on page 226.

BIDS BY SCSBS

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such accounts shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such accounts for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes For details on designated branches of SCSB collecting the Application Form, please refer to the above-mentioned SEBI link.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a. Equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to

applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer to the above-mentioned SEBI link.

Terms of payment

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Individual Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details

of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Terms of Payment and Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Instead, Anchor Investors are required to transfer the Bid Amount (through direct credit, real-time gross settlement (“RTGS”), national automated clearing house (“NACH”) or national electronic fund transfer (“NEFT”) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: [●]
- b. In case of Non-Resident Anchor Investors: — [●]

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - i. The applications accepted by any Designated Intermediaries
 - ii. The applications uploaded by any Designated Intermediaries or
 - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.

6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bankers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated/ allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Individual Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

Withdrawal of Bids

All categories of Bidders, including Individual Investors, Qualified Institutional Buyers (QIBs) and Non-Institutional Investors (NIIs), shall not be permitted to withdraw or make downward revision their Bids once submitted.

Accordingly, unblocking funds from the ASBA Account shall only be done by the Registrar to the Issue by giving necessary instructions to the Self-Certified Syndicate Bank (SCSB) on the Designated Date in case of non-allotment, technical rejection, or partial allotment.

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. The unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process:

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

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

PRE-ISSUE AND PRICE BAND ADVERTISEMENT

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre- Issue and price band advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional daily newspaper, each with wide circulation. In the pre- Issue and price band advertisement, we shall state the Bid Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

1. Our Company intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Issue Price but prior to the filing of the Red Herring Prospectus or the Prospectus, as applicable.
2. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects

Depository Arrangements

The allotment of the Equity Shares in the Issue shall be only in a dematerialized 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 Issue" on page 402.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Individual Investors can revise their Bids during the Bid/ Issue period and withdraw their Bids until Bid/ Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors 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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that your Bid is for at least 2 lots of the value of above ₹ 2,00,000 (for Bids by Individual Bidders);
5. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
6. Ensure that you have mentioned the correct ASBA Account (for all Bidders other than UPI Bidders applying using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
8. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
9. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
10. In case of Joint bids, ensure the 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. QIBs, Non-Institutional Bidders and the Individual Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, Individual Investor may submit their bid by using UPI mechanism for payment.
12. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
14. Individual Bidders bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for Individual Bidders using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of Individual Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in

- the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
 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;
 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 resident outside India is in compliance with applicable foreign and Indian laws;
 24. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
 25. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
 26. Individual Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which Individual Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the Individual Bidders ASBA Account;
 27. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
 28. Individual Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an Individual Bidder may be deemed to have verified the attachment containing the application details of the Individual Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
 29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (Individual Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in); and
 30. 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 manager 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.

31. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
3. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
4. Do not Bid at Cut-off Price (for Bids by Individual Bidders, QIBs and Non-Institutional Bidders);
5. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
6. Do not submit the Bid for an amount more than funds available in your ASBA account.
7. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
8. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
9. If you are an Individual Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
11. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
12. Do not submit the General Index Register (GIR) number instead of the PAN;
13. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
17. Do not submit a Bid using UPI ID, if you are not an Individual Bidder;
18. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
19. Do not Bid for Equity Shares in excess of what is specified for each category;

20. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Individual Bidders can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
22. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
23. If you are an Individual Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
24. Do not Bid if you are an OCB; and
25. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/ Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre- Issue or post- Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 80 and 241 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 80.

GROUND FOR TECHNICAL REJECTION

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document. In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
6. GIR number furnished instead of PAN;
7. Bid for lower number of Equity Shares than specified for that category of investors;
8. Bids at Cut-off Price by IB, NIIs and QIBs;
9. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
10. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

11. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
12. Category not ticked;
13. Multiple Bids as defined in the DRHP;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
15. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
16. Signature of sole Bidder is missing;
17. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
18. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
19. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
20. Bid by OCBs;
21. Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
22. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
23. Bids not uploaded on the terminals of the Stock Exchanges;
24. Where no confirmation is received from SCSB for blocking of funds;
25. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
26. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
27. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
29. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
30. Details of ASBA Account not provided in the Bid cum Application form.

Further, in case of any pre- Issue or post- Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "*General Information*" beginning on page 80.

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/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Investors shall be entitled to compensation in the manner specified in the

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

RIGHT TO REJECT APPLICATIONS

In case of QIB Bidders, the Company, in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Draft Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

ALLOTMENT PROCEDURE

The Allotment of Equity Shares to Bidders other than Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. No Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for sale only, then minimum subscription may not be applicable.

Flow of Events from the closure of bidding period (T DAY) Till Allotment:

1. On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.

2. RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
3. Third party confirmation of applications to be completed by SCSBs on T+1 day.
4. RTA prepares the list of final rejections and circulates the rejections list with Book Running Lead Manager/ Company for their review/ comments.
5. Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
6. The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
7. The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- a) Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then the system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lots of the category and these applications will be allotted the shares in that category.
- b) In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- c) In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- d) On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE EMERGE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

1. Each successful applicant shall be allotted [●] equity shares; and
2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

- a) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where

the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

- b) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Individual Applicants as described below:
 - 1. As the Individual Investor category is entitled to more than fifty percent on a proportional basis, the Individual Investors shall be allocated that higher percentage.
 - 2. The balance net Issue of shares to the public shall be made available for allotment to:
 - a. Individual applicants other than retails Individual Investors and
 - b. Other investors, including Corporate Bodies/ Institutions irrespective of the number of shares applied for.

The unsubscribed portion of the Net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Individual Investor' means an investor who applies for shares of value of minimum two lots of value of at least ₹ 2,00,000.00. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE EMERGE.

The Executive Director / Managing Director of NSE EMERGE – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

a. For Individual Bidders

Bids received from the Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated.

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The number of Shares to be allocated to the successful Bidders will be arrived in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated.
- c) Each successful Bidder shall be allotted [●] equity shares.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price. The allotment of specified securities to each non-institutional investor shall not be less than the minimum application size in the non-institutional investor category, and the remaining shares, if any, shall be allotted on proportionate basis.

The Issuesize less Allotment to QIBs and Individual Investors shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated.

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The number of Equity Shares to be allocated to the successful Bidders in a particular category shall be determined.
- b) The successful Bidder from amongst all valid Bidders in that category, shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares allocated.
- c) If the proportionate allotment to any Bidder results in a number that is not a multiple of [●] Equity Shares, the number of Equity Shares allotted shall be rounded off to the nearest multiple of [●] Equity Shares, subject to a minimum allotment of [●] Equity Shares of face value ₹10/- each.

If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares Issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:
 - In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●] % of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
 - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. Allotment to Anchor Investor (If Applicable)

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii. 33.33% shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹2 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c. For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Draft Red Herring Prospectus.

Individual Investor' means an investor who applies for Minimum Application Size (shares of value of minimum 2 lots of value of more than ₹ 2,00,000/-). Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE EMERGE.

The Executive Director / Managing Director of NSE EMERGE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

ISSUANCE OF ALLOTMENT ADVICE

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- 3) The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- 4) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 (Two) working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to public issue account of the issuer.

DESIGNATED DATE:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 (Two) working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using a third-party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in public issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of the date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;

Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and

If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

BASIS OF ALLOTMENT IN THE EVENT OF OVER SUBSCRIPTION

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- 1) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- 2) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- 3) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted [●] equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- 5) If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE EMERGE - the Designated Stock Exchange in addition to Book Running

Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

EQUITY SHARES IN DEMATERIALIZED FORM WITH NATIONAL SECURITIES DEPOSITORY LIMITED OR CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED:

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated May 15, 2026 between National Securities Depository Limited, our Company and Registrar to the Issue; and
- b) Tripartite Agreement dated June 17, 2026 between Central Depository Services (India) Limited, our Company and Registrar to the Issue.
- c) The Company's equity shares bear an International Securities Identification Number INE2VF601012

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

UNDERTAKINGS BY OUR COMPANY

We undertake the following:

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid 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;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further Issue of the Equity Shares shall be made until the Equity Shares issued 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.
- adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment;
- our Company in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue and price band advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013.

2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remain unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized.
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertake that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

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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 has prescribed 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 all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “FDI Circular”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure - Bids by Eligible NRIs and Bids by FPIs*” beginning from page 421. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

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 Non-debt Instruments 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.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 421 of this Draft Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Issue. 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 Issue Period. Investors will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and 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, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for the Issue do not exceed the applicable limits under applicable laws or regulations.

For further details, see “*Issue Procedure*” beginning on page 421 of this Draft Red Herring Prospectus.

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SECTION VIII - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

No material clause of Articles of Association set out below has been left out from disclosure which may have a bearing on the issue with respect to any investment decision or otherwise.

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF NEXA DEFENCE (I) LIMITED

- 1) The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are 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

INTERPRETATION

- (i) In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:
 - a) **“The Company” or This Company** means **NEXA DEFENCE (I) LIMITED**.
 - b) **“The Act”** means the Companies Act, 2013 including any statutory amendments thereto and the rules and Schedules made there under, and notified from time to time.

By a Special Resolution passed at the Extraordinary General Meeting of the shareholders of Company held on 15th December 2025, these Articles were adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing articles of the Company.

** Consequent of conversion of the company into a public limited company and the change is the name of the company from **“NEXA DEFENCE(I) PRIVATE LIMITED”** to **“NEXA DEFENCE (I) LIMITED”** vide special resolution passed by the shareholder of the company in the Extra Ordinary general meeting held on 15th December 2025.

- c) **“Applicable Law”** means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time;
- d) **“These Articles”** or **“Articles”** means Articles of Association of the Company as originally framed or altered from time to time by Special Resolution or applied in pursuance of any previous Company law or of this Act.
- e) **“Auditors”** means and include those persons appointed as such for the time being by the Company.
- f) **“Annual General Meeting”** means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.
- g) **“Beneficial Owner”** means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.
- h) **“Board”** or **“Board of Directors”** means the collective body of the Directors of the Company, as constituted from time to time, in accordance with Law, and the provisions of these Articles.
- i) **“Board Meeting”** means any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles;
- j) **“Company”** means: **NEXA DEFENCE (I) LIMITED**, a company incorporated as a public company with limited liability under the Applicable Law;
- k) **“Capital”** means the share capital for the time being raised or authorized to be raised, for the purpose of the Company.

- l) **“The Chairman”** means the Chairman of the Board of Directors for the time being of the Company.
- m) **“Charge”** means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage,
- n) **“Committees”** means committees constituted by the Board of Directors of the Company from time to time;
- o) **“Company Secretary”** or **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by the Company to perform the functions of a company secretary under this Act.
- p) **“Debentures”** includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
- q) **“Depositories Act”** means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.
- r) **“Depository”** means a Depository as defined in clause (e) sub- section (I) of section 2 of the Depositories Act, 1996.
- s) **“Director”** shall mean any director of the Company including alternate director, independent director and nominee director appointed in accordance with the provisions of these articles;
- t) **“Dividend”** includes any interim dividend.
- u) **“E-voting”** means voting by electronic means as prescribed under the Act.
- v) **“Employees' Stock Option”** means the option given to the directors (except Independent Directors), officers or employees of a Company, or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares at a future date at a pre-determined price
- w) **“Equity Share Capital”** means the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis;
- x) **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.
- y) **“Extraordinary General Meeting”** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.
- z) **“Key managerial personnel”**, in relation to a Company, means —
 - A. The Chief Executive Officer or the Managing Director or the Manager;
 - B. The Company secretary;
 - C. The Whole-time director;
 - D. Chief Financial Officer;
 - E. Such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;
 - F. Such other officer as may be prescribed under the Act;
- aa) **“Legal Representative”** means a person who in law represents the estate of a deceased Member.
- bb) **“Members”** in relation to a Company, means;
 - A. The subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members;

- B. Every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company;
- C. Every person holding shares of the Company and whose name is entered as a beneficial owner in the records of a Depository.
- cc) **“Meeting” or “General Meeting”** means a meeting of the members of the Company.
- dd) **“Month”** means a calendar month.
- ee) **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- ff) **“Office”** means the registered office for the time being of the Company.
- gg) **“Ordinary or Special Resolution”** means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.
- hh) **“Paid-up share capital” or “share capital paid up”** means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called. ’
- ii) **“Proxy”** means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.
- jj) **“Register of Beneficial Owners”** means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode.
- kk) **“Security”** means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956
- ll) **“Share”** means a share in the share capital of a Company and includes stock
- mm) **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.
- nn) **“The Registrar”** means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.
- oo) **“The Company's Regulations”** means the regulations for the time being for the management of the Company.
- pp) **“The Statutes”** means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
- qq) **“Year” and “Financial Year” “Years”** means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2 (41) of the Act.
- rr) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
- ss) Save as aforesaid, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof for the time being in force.
- tt) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

- 3) The Authorised Share Capital of the Company shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.
- 4) The Company in a General Meeting, by passing an ordinary resolution, may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights

and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

- 5) Where at any time, the Company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-
- i. to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely: -
 - a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or lesser days as may be prescribed in the Act 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;
 - b. 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 clause (i) shall contain a statement of this right; (ii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company;
 - ii. to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed; or
 - iii. to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (i) or clause (ii), either for cash or for a consideration other than cash, subject to and in accordance with the Act and the Rules.

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 loan raised by the Company to convert such debentures or loans into shares in the Company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

- 6) Subject to the provisions of section 55 of the Act and these Articles, the Board of Directors, through a board resolution, may issue redeemable preference shares, to such persons, such terms and conditions and at such times either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the Company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit. The terms and conditions of redemption shall be determined by the Company by passing a shareholders' resolution before issue of the shares.
- 7) On the issue of redeemable preference shares under the provisions of Article 6 hereof: the following provisions shall take effect: -
- i. no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.
 - ii. no such shares shall be redeemed unless they are fully paid.
 - iii. Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, they shall be redeemed out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

- 8) The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
- 9) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
- 10) The Company may exercise the powers of issuing Sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.
- 11) The Company may issue shares to Employees including its directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or Employee Stock Purchase Scheme (ESPS) or any other scheme, if authorized by a Special Resolution of the company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.
- 12) Subject to the provisions of section 61 of the Act, the Company in General Meeting may from time to time sub-divide, consolidate its shares, classify or reclassify the shares, and the resolution whereby any shares are sub-divided, consolidated, classified or reclassified, as the case maybe, may determine that, as between the holders of the shares resulting from the actions, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES

- 13) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may with the sanction of Special Resolution, purchase its own shares or other specified securities.

SHARE AND CERTIFICATES AND VARIATION OF RIGHTS

- 14) Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 53 of the Act) at a discount as fully paid or partly paid shares and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue and allot shares in the capital of the Company in cash or consideration other than cash and on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.
 - i. Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue may provide, -
 - a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

- ii. Every certificate shall specify the shares to which it relates and the amount paid up thereon and shall be signed by two directors or by a director and the Company Secretary, wherever the Company has appointed a Company Secretary:
 - iii. Provided that in case the Company has a common seal, it shall be affixed in the presence of Managing Director or any two directors, and the company secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person shall sign every instrument to which the seal of the company is so affixed in their presence. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
 - iv.
 - a. Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of members by suitable cross reference in the "Remarks" column.
 - b. Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.
 - v. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each Certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
 Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
 The provisions of this Articles 14 and 15 (i) of these Articles shall mutatis mutandis apply to debentures or any other securities being issued by the Company.
- 16) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as recognised in accordance with the Act) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. If any share stands in the names of two or more persons, the person first named in the Register of Members shall, as regards the receipt of dividends, bonus, service of notices and all or any other matters connected with the Company, except voting at meetings, be deemed to be the sole holder thereof; but the joint holders of such share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof, in accordance with the regulations of the Company

- 17) Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
- 18) If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.
- 19) None of the funds of the Company shall be applied for the purchase of any share of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding company save as provided by section 67 of the Act.
- 20)
 - i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - ii. To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

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.

FURTHER ISSUE OF SHARES

- 21) The Company may, subject to the provisions of the Act and these Articles, increase its subscribed capital by the issue of further shares. Such further shares shall be offered to the existing equity shareholders of the Company in proportion to the paid-up share capital held by them on the date of the offer, by notice specifying the number of shares offered and limiting a time not being less than fifteen days 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. The Board may dispose of the shares not accepted by the shareholders in such manner as it thinks most beneficial to the Company, including offering such shares to any persons, whether or not such persons include the existing shareholders or employees of the Company.
- 22) Notwithstanding anything contained in Article 21 the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of Article 21 here of) in any manner whatsoever.
 - a. If a special resolution to that effect is passed by the Company in general meeting, or
 - b. Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- 23) Nothing in sub-clause (c) of Article 21 here of shall be deemed:
 - a. To extend the time within which the offer should be accepted; or
 - b. To authorize 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 comprised in the renunciation.
- 24) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company:
 - (i) To convert such debentures or loans into shares in the Company; or

- (ii) To subscribe for shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or banks or any financial institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans.

DEMATERIALIZATION OF SECURITIES

- 25) The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.
- 26) The Company or an investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof. the Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.
- 27) Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.
- 28) If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

ELECTRONIC AND DEMATERIALIZED TRANSFER

Notwithstanding anything contained in these Articles relating to the execution, delivery or registration of instruments of transfer, where any Securities are held in dematerialised form or the transfer thereof is effected through a Depository, the provisions of the Depositories Act, 1996, the Act, the rules and regulations made thereunder and the bye-laws, operating instructions and procedures of the concerned Depository shall apply.

The Company shall recognise and give effect to transfers of Securities effected through the Depository in accordance with Applicable Law, and the records of the Depository relating to beneficial ownership shall be recognised by the Company for all purposes permitted under Applicable Law.

- 29) All securities held by a Depository shall be dematerialized and be in fungible form, Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.
- (i) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.
- (ii) Save as otherwise provided in sub-clause 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 Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode.

- 30) Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
- 31) Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.
- 32) Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.
- 33) The Company shall cause to be kept a register and index of Members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of Shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium. The Register and Index of Beneficial owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles. The Company shall have the power to keep in any state or country outside India, a Register of Members, of members resident in that state or country.

UNDERWRITING AND BROKERAGE

- 34) Subject to the provisions of section 40 of the Act:
- i. The Company may exercise the powers of paying commissions conferred by sub section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
 - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 35) The Company may pay a reasonable sum for brokerage.

CALLS ON SHARES

- 36)
- i. Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share (or such other percent, determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law from the date fixed for the payment of the last preceding call.
 - ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
 - iii. A call may be revoked or postponed at the discretion of the Board.
- 37) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
- 38) The option or right to call shares shall not be given to any person except with the sanction of the Company in general meetings.
- 39) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 40)
- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment

thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine.

- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.

41)

- i. sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

42) The Board

- (a) May, if it thinks fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him beyond the sums actually called for, and upon the amount 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, as the member paying such sum in advance and the Board agrees upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct twelve per cent, per annum, as may be agreed upon between the Board and the member paying the sum in advance. However, the advanced monies shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (c) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

LIEN

43) The Company shall have a first and paramount lien:

- (a) upon all share/debenture (not being a fully paid up share/debenture), registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.
- (b) Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.
- (c) The fully paid-up shares shall be free from all lien and in the case of partly paid up shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.

44) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made:

- (i) Unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- (iii) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (iv) The purchaser shall be registered as the holder of the share comprised in any such transfer.
- (v) The purchaser shall not be bound to see to the application of purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the sale.
- (vi) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (vii) The residue, if any, shall, subject to a like lien for sum not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

- 45) If a member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid 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 installment as is unpaid, together with any interest which may have incurred and all expenses that may have been incurred by the Company by reason of non-payment.
- 46) The notice aforesaid shall:
 - i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - ii. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 47) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeited shall include all dividends declared in respect of forfeited shares and not actually paid before the forfeiture.
- 48) When any share has been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members; but no forfeiture shall in any manner be invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- 49) The forfeiture of a share shall involve, at the time of forfeiture, the extinction of all interest in and all claims and demands against the Company in respect of the share, and all other rights incidental thereto, except only such of those rights as by these Articles are expressly saved.
 - (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
 - (iii) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.
 - (iv) 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.
 - (v) 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;
 - (vi) The Company may receive the consideration, if any, given for the share on any sale disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;

- (vii) The transferee shall thereupon be registered as the holder of the share; and
 - (viii) (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 50) Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificates or certificates originally issued in respect of the relative share shall (unless the same shall on demand by the Company have been seen previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.
- 51) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

NON-TRANSFERABILITY OF SPECIFIED SECURITIES AND LOCK-IN

- 52) Notwithstanding anything contained in these Articles, where under any Applicable Law, or pursuant to any rules, regulations, circulars, notifications, guidelines or directions issued by any governmental, statutory or regulatory authority, including in connection with any public issue, private placement, preferential issue, further issue, allotment or transfer of securities of the Company, any Securities of the Company are required to be locked-in or held as non-transferable for any specified period, the Company shall be entitled and is hereby authorised to record and mark such Securities as “non-transferable” in the records of the Company and, where applicable, in the records of the Depository for the duration of such lock-in period.
- 53) The Company may intimate such lock-in and non-transferability to the concerned Depository, Registrar and Transfer Agent, lender, pledgee, investor or any other person or authority, as may be required under Applicable Law.
- 54) The Board or the Company shall decline to register, and shall not give effect to, any transfer, transmission or other dealing in respect of such Securities during the subsistence of the lock-in period, except to the extent and in the manner permitted under Applicable Law.
- 55) Nothing contained in this Article shall restrict the Company from giving effect to any transfer or other dealing which is expressly permitted by Applicable Law notwithstanding the subsistence of any lock-in.
- 56) The provisions of this Article shall apply mutatis mutandis to Securities held in physical form as well as Securities held in dematerialised form.

TRANSFER AND TRANSMISSION OF SHARES

- 57) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- 58) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 59) The instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- 60) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration. Certificate of Death or Marriage, Power of Attorney or similar another document.
- 60) The Board may, subject to the right of appeal conferred by section 58 decline to register.
- (i) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (ii) any transfer of shares on which the Company has a lien.

RESTRICTION ON TRANSFER UNDER APPLICABLE LAW

- 61) Without prejudice to the provisions of Article 60, the Board may refuse to register any transfer of Securities where such transfer is prohibited, restricted, suspended or otherwise not permissible under any Applicable Law, order, direction, notification, circular or requirement of any competent governmental, statutory,

regulatory, judicial or other authority.

- 62) The Board may require such documents, declarations, undertakings, approvals, consents, confirmations or other evidence as it may reasonably consider necessary to establish that the proposed transfer is in compliance with Applicable Law.
- 63) The provisions of this Article shall not restrict any statutory right of appeal or remedy available to any person under Applicable Law.
- 64) The Board may decline to recognize any instrument of transfer unless:
- i. the instrument of transfer is in the form as prescribed in rules made under sub- Section (1) of section 56;
 - ii. the instrument of transfer accompanied by the certificates of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - iii. The instrument of transfer is in respect of only one class of shares.
- 65) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- (i) On the death of member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.
 - (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
 - (iii) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:
 - (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made
 - (iv) The Board shall, in either case, have the same right to decline or suspended registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
 - (v) A person becoming entitled to a share in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board of Directors (which the Board shall not be bound to give), and upon producing such evidence as the Board of Directors may think sufficient to prove his title thereto, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.
 - (vi) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - (vii) All the Limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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.
- 66) A person becoming entitled to share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantage to which he would be entitled if he was the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.
- 67) No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.

- 68) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the share and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).
- 69) The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent Legal owner thereof (as shown or appearing in the Register of Members) to be the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book of the Company and the Company shall not be bound or required to regard to attend or give effect to any notice which be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may been entered or referred to in some book of the company shall nevertheless be at liberty to regard and attend to any such notice given effect thereto, if the Board of Directors shall so think fit.
- 70) Subject to the provisions of Section 59 of the Act, these Articles, and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES

- 71) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered Owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
- 72) Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.
- 73) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

NOMINATION

- 74) Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act or under depositories act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.
- 75) Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
- 76) Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become

entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

- 77) Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to be Company entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

- 78) Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request on payment of rupee one hundred for each copy.

BORROWING POWER

- 79) The Board may, from time to time at its discretion subject to the provisions of Sections 179 and other applicable provisions of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
- 80) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
- 81) Any debentures, debenture-stock, bonds or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution in accordance with provisions of the Act.
- 82) Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
- 83) If the Board refuses to register transfer of any debentures the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.
- 84) The Board shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they are required to be complied with by the Company
- 85) The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

- 86) Subject to the provisions of section 61, the Company in a General Meeting, by passing an ordinary resolution, may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstance will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.
- Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- 87) 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 meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- 88) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in these Articles shall include "stock" and "stock-holder" respectively.
- 89) The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law:
 - a. its share capital;
 - b. any capital redemption reserve account; or
 - c. any share premium account.
 - d. Any other reserve as may be permitted in accordance with the extant law for the time being in force.

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, (a) cancel paid up share capital which is lost or is unrepresented by available assets; or (b) 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.

MEETINGS OF MEMBERS

- 90) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine month from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(I) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register shall be open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and submit the same to the Registrar in accordance with Section 92 and 137 of the Act. The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.
- 91) The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
- 92) 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.
- 93) Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisitionists.

- 94) Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty five days from the date of receipt of such requisition. The requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.
- 95) Any reasonable expenses incurred by the requisitionists in calling an extraordinary meeting shall be reimbursed to the requisitionists by the Company and the sum so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.
- 96) Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.
- 97) A general meeting of the Company may be called by giving not less than clear twenty-one days' notice either in writing or through electronic mode in such manner as may be prescribed.

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode as prescribed under Section 101 of the Act.

Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.

- 98) A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:
 - (i) The nature of concern or interest, financial or otherwise, if any, in respect of each item of
 - a) Every director and the manager, if any;
 - b) Every other key managerial personnel; and
 - c) Relatives of the persons mentioned in sub-clause (a) and (b) hereinabove;
 - d) Interest of related party shareholders
 - (ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- 99) In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:
 - (i) The consideration of the financial statements, and the report of the Board of Directors and auditors.
 - (ii) The declaration of any dividend.
 - (iii) The appointment of Directors in place of those retiring.
 - (iv) The appointment of, and fixing of the remuneration of, the auditors:

and in case of any other meeting, all business shall be deemed to be special.

Provided, that where any item of special business to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.

- 100) Any accidental omission to give notice to or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
- 101) Where any item of business refers to any document which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement.
- 102) The notice of every meeting of the Company shall be given to:
 - (i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;
 - (ii) The auditor or auditors of the Company; and
 - (iii) every director of the Company.
- 103) No General Meeting. Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

- 104) A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.
- 105) If, at the quorum is not present within half-an- hour for the time appointed for holding a meeting of the Company
- (i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or
 - (ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the Company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

- 106) The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their members to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. 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 sub-section (1) of section 104 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.
- 107) No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.
- 108) The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 109) When meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- 110) 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 AND PROXY

- 111) No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has and has exercised any right of lien. A member may on any business to be transacted at a General meeting exercise their votes through e-voting or through postal ballot, in case if it is provided by the Company.
- 112) Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, how-ever if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.
- 113) On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.

- 114) Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
- 115) Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- 116) Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.
- 117) An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.
- 118) A member present by proxy shall be entitled to vote only on a poll.
- 119) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 120) At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:
- i. by the Chairman of the Meeting; or
 - ii. by the member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution being not less than one tenth of the total voting power in respect of the Resolution; or
 - iii. by any Member or Members present in person or by proxy and holding shares in the Company on which as aggregate sum of Five Lakh Rupees has been paid up; or
 - iv. by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

- 121) In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.
- 122) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of poll shall be sole judge of the validity of every vote tendered at poll.
- 123) If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
- 124) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to time. Once the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared

to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from each removal or from any other cause.

- 125) The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 126) If there be joint holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.
- 127) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.
- 128) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 129)
- i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
- 130) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 131) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 132) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principle or the revocation of the proxy or any power of attorney under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.
 - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose.
 - (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
 - (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - (v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.
 - (vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:
 - a) is or could reasonably be regarded, as defamatory of any person; or
 - b) is irrelevant or immaterial to the proceeding; or

- c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- (vii) Any such minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the directors determine, to the inspection of any member without charge.

BOARD OF DIRECTORS

133)

- i. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the Company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors.
- Provided, that the Company in General Meeting by passing a special resolution, may increase the number of directors but not more than fifteen.
- ii. The following are the first Directors of the Company:
- a. Mr. Jyothi Kumar Nannat
- b. Ms. Sunitha J Kumar

- 134) A Director of the Company shall not be bound to hold any Qualification Shares in the Company. If at any time the Company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called "the institution") or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwriters the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors on the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the Company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.

If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.

- 135) If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.
- 136) The Company shall have at least one director who has stays in India for total period of not less than one hundred and eighty two days during the financial year.
- 136) The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

- 137) Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.
- 138) Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re appointment for one more term of five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- 139) Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- 140) The Board of Directors of the Company may, by resolution passed by the Company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the Company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.

Provided that 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.

Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.

Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

- 141) Subject to the provisions of Section 149, 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
- 142) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 143) Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.
- 144) Subject to the provisions of Sections 161, 152 and 169(7) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

- 145)
- i. Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to-approval by a resolution at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule. Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.
 - ii. Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:
 - a) by way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way or partly by another way;

b) the sitting fee payable to a Director, for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors.

- 146) The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.
- 147) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 148) The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.
- 149) The office of a Director shall ipso facto be vacated if:
- i. he incurs any of the disqualifications specified in section 164 of the Act, 2013;
 - ii. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
 - iii. he act in contravention of the provisions of Section 184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;
 - iv. he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;
 - v. he becomes disqualified by an order of a court or the tribunal;
 - vi. he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months. Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
 - vii. he has been removed in pursuance of the provisions of the Act;
 - viii. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.
- 150) Company shall not enter into any contract or arrangements with a related party except with the consent of the Board of Directors (including its committees thereof) with respect to:
- i. sale, purchase or supply of any goods or materials
 - ii. selling or otherwise disposing of, or buying property of any kind;
 - iii. leasing of property of any kind;
 - iv. availing or rendering of any services;
 - v. appointment of any agent for purchase or sale of goods, materials, services or property;
 - vi. such related party's appointment to any or place of profit in the Company, its subsidiary company or associate company; and
 - vii. underwriting the subscription of any securities or derivatives thereof, of the Company.

Provided that no contract or arrangement shall be entered into by the Company in excess of the limit prescribed under, Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the Company by a resolution.

Provided further that no member of the Company shall vote on such resolution, to approve any contract or arrangements which may be entered into by the Company, if such member is a related party

Provided also that nothing in these Articles shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis

- 151) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting, and if it is not ratified by the Board - or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or as the case may be as shareholders, and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the Company against any loss incurred by it.
- 152) Without prejudice to above, it shall be open to the Company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.
- 153) Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.
- 154) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid up share capital in any such other company.

- 155) A contract or arrangement entered into by the Company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the Company.
- 156) A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the registered office of the Company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company Secretary or any other person as authorized by the Board.
- 157) No Director shall as direct to take any part in the discussion of or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:
- (i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the Company;
 - (ii) apply to any contract or arrangement entered into or to be entered into between two companies, or between one or more companies and one or more bodies corporate, where any of the Directors of one company or body corporate, or two or more of them together, holds or hold not more than two per cent of the paid-up share capital in the other company or body corporate.
- 158) The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.

The Register aforesaid shall also specify, in relation to each director of the Company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at

- the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken there from and copies thereof as may be required by any members of the Company. shall be furnished by the Company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly
- 159) Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.
- 160) At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.
- 161) Subject to Section 152 of the Act, the Directors to retire by rotation under Article 130 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but 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.
- 162) At the Annual General Meeting at which a director retires under Article 154, the Company may fill up the vacancy by appointing the retiring director or some other person thereto.
- 163) A director may resign from his office by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the Company. The Company shall follow the provisions of Section 168 of the Act.

Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

- (i) the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.
 - (ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:
 - a. at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;
 - b. the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
 - c. he is not qualified or is disqualified for appointment;
 - d. a resolution whether special or ordinary, is required for the appointment or re appointment by virtue of any provisions of the Act; or
 - e. the provisions of Section 162 of the Act is applicable to the case.
- 164)
- i. No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.
 - ii. Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act Signifying his candidature for the office of Director) proposed as candidate for the office of Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.

Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.

- iii. A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

165) The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

166) Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the Company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

REMOVAL OF DIRECTORS

167)

- i. The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.
- ii. Special notice as provided by Section 115 of the Act shall be given for any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.
- iii. On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director, whether or not he is a member of the Company, shall be entitled to be heard on the resolution at the meeting.
- iv. Where notice has been given of a resolution to remove a Director under this Article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so:
 - a. in the notice of the resolutions given to members of the Company, state the fact of the representations having been made, and
 - b. send a copy of the representations to every member of the Company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting, provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the Company's cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

- v. A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is remove,

Provided special notice of the intended appointment has been given.

A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

- vi. If the vacancy is not filled, it may filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable

Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors

vii. Nothing contained in this Article shall be taken:

- a. as depriving a person removed under these Articles of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as director; or
- b. as derogating from any power to remove a Director under other provisions of the Act.

MANAGING DIRECTOR

168) The Company shall not appoint or employ at the same time a managing director and a manager.

169) The Company shall appoint or re-appoint any person as its managing director, whole time director or manager for term not exceeding five years at a time;

Provided that no re-appointment shall be made earlier than one year before the expiry of his term

170) Subject to the provisions of the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of the Schedule V of the Act.

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest of a Director or Directors in such appointments, if any.

171) The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

- i. is below the age of twenty-one years or has attained the age of seventy years;
- ii. Provided that appointment of a person "who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such notion shall indicate the justification for appointing such person;
- iii. is an undischarged insolvent; or has at any time been adjudged as an insolvent;
- iv. has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or
- v. has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

172) Subject to the provisions of the Act, where an appointment of managing director, whole time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

173) The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the Company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and or shareholders in General Meeting and also approved by the Central Government.

174) Notwithstanding anything contained under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, and unless otherwise provided by article No. 174, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of members of the Company.

175) The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman is not present and determine the period for which he shall hold office.

176) All meeting of the Directors shall be presided over by the chairman if present, but if at any meetings of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to

preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice-Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Articles, the Directors shall choose one of the Directors then present to preside at the meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

177) The Directors may meet together as a Board for the conduct of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit

180) The participation of directors in a meeting of the Board may be either in person or through video conferencing of other audio-visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting along with date and time.

181) The Secretary or any Director or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.

Provided that a meeting of the Board may be called at 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;

Provided further that 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.

182) The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting.

183) The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum is not present within thirty minutes from the time appointed for holding a meeting of the Board, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other date, time and place as the Directors may determine.

184) A Meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.

185) Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

186) the Board shall exercise the following powers on behalf of the Company by means of resolution passed at the meetings of the Board, namely:

- i. to make calls on shareholders in respect of money unpaid on the shares;
- ii. to authorise buy-back of securities under section 68 of the Act;
- iii. to issue securities, including debentures, whether in or outside India;
- iv. to borrow monies:
- v. to invest the funds of the Company:
- vi. to grant loans or give guarantee or provide security in respect of loans;
- vii. to approve financial statements and the Board's Report;
- viii. to diversity the business of the Company;
- ix. to approve amalgamation, merger or reconstruction:
- x. to take over a company or acquire a controlling or substantial stake in another company;
- xi. any other matter which may be prescribed under Companies (Meetings of Board and its Powers) Rules, 2014

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the Company or in case of a branch office of the Company, the principal officer of the branch office, the power specified in clause (iv) to (vi) on such conditions as it may specify

Provided further that, if any subject not considered above and subject to provisions of the Act, the Board may transact the business by passing resolution on circulation pursuant to Section 175 of the Act.

- 187) The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far, the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.
- 188) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof. for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
- 189) Save in those case where a resolution is required by Sections 161, 179, 188, 203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a Meeting of the Board or committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the members of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.
- 190) All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.
- 191) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.
- i. Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - ii. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.
 - iii. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - iv. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings
 - v. The minutes shall also contain:
 - a. The name of the Directors present at the meeting; and
 - b. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
 - vi. Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;
 - a. is, or could reasonably be regarded as defamatory of any person;
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non- inclusion of any matter in the minutes on the grounds specified in this sub clause.

- vii. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

192) The Board may exercise all such power of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the Company by a special resolution in General Meeting, namely:

- (i) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking.
- (ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.
- (iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.
- (iv) to remit, or give time for the repayment of any debt from a director.
- (v) Contribute to bona fide charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

193) Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power:

- i. to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- ii. to pay any charge to the capital amount of the Company and Commission or interest lawfully payable there out under the provisions of the Act;
- iii. subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors any believe or may be advised to a reasonably satisfactory;
- iv. at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- v. to secure the fulfillment of any contract or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;
- vi. to accept from any members, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;
- vii. to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and

things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

- viii. to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;
- ix. to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- x. to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.
- xi. subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any monies of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's Own name;
- xii. to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principle or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;
- xiii. to determine from time to time who shall be entitled to sign, on the Company's behalf: bills, notes, receipts, acceptances, endorsements, cheques, promissory notes, drafts, dividends, warrants, releases, contracts, documents, hundis, bills of exchange and other negotiable instruments and to give the necessary authority for such purpose
- xiv. to distribute dividends to the shareholders and distribute by way of bonus amongst the staff of the Company, issue bonus share or shares from the free reserves or share premium account or the capital redemption reserve account of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- xv. to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility or otherwise;
- xvi. Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to depreciation fund, or to an Insurance Fund, or as a Reserve Fund, or sinking fund or any special fund to meet contingencies or to repay debentures or Debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital monies of the

Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation, fund, in the business of the Company or in the purchase or re-payment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;

- xvii. to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also, from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub clause shall be without prejudice to the general powers conferred by this sub-clause;
- xviii. to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;
- xix. from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;
- xx. subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- xxi. at any time and from time to time by power of Attorney, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, Directors, nominees. or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- xxii. subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;
- xxiii. from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY OR CHIEF FINANCE OFFICER

194) Subject to the provisions of the Act:

- i. A chief executive officer, manager, Company Secretary or chief financial officer that 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.
- 195) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, Company Secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of chief executive officer, manager, Company Secretary or chief financial officer.

DIVIDENDS AND RESERVES

- 196) The Company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the Company in general meeting may declare a smaller dividend.
- 197) Subject to the provisions of section 123 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.
- 198) No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II of the Act, or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that schedule and remaining undistributed, or out of both, provided that;
- (i) The Company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the Company;
 - (ii) Where owing to inadequacy or absence of profits in any financial year, the Company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the Company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.
 - (iii) No dividend shall be declared or paid by the Company from its reserves other than free reserves.
- 199) The Board of Directors of the Company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend:
- Provided that in case the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the Company during the immediately preceding three financial years.
- 200) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
 - (ii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
 - (iii) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque

or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

- (iv) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (v) No dividend shall be paid by the Company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.

Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

- 201) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 202) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- 203) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account". The Company shall transfer any money transferred to the unpaid dividend account of a Company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The Company shall comply with the provisions the Act in respect of all unclaimed or unpaid dividend.
- 204) No dividend shall bear interest against the Company, irrespective of the reason for which such dividend has remained unpaid, except to the extent interest is expressly required to be paid by the Company under Applicable Law.
- 205) No unpaid or unclaimed dividend shall be forfeited by the Company before the claim to such dividend becomes barred or otherwise ceases to be recoverable under Applicable Law. Nothing contained in this Article shall prevent the Company from transferring unpaid or unclaimed dividend or shares to the Investor Education and Protection Fund in accordance with Applicable Law.

UNPAID OR UNCLAIMED DIVIDEND

- 206) Where the Company has declared any dividend which has not been paid or claimed within thirty days from the date of declaration, the Company shall, within the period prescribed under the Act, 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 a scheduled bank in accordance with the provisions of the Act.
- 207) The Company shall, within the period prescribed under the Act, prepare a statement containing the names, last known addresses and the amount of unpaid dividend payable to each person and shall place such statement on the website of the Company, if any, and on such other website as may be prescribed.
- 208) In the event of any default in transferring the amount referred to in this Article to the unpaid dividend account, the Company shall comply with all applicable provisions relating to payment of interest and other consequences under the Act.
- 209) Any amount transferred to the unpaid dividend account which remains unpaid or unclaimed for the period prescribed under the Act shall be transferred by the Company to the Investor Education and Protection Fund established under Section 125 of the Act, together with such statements, returns and other particulars as may be prescribed.
- 210) All shares in respect of which dividend has remained unpaid or unclaimed for the period prescribed under the Act shall be transferred by the Company in accordance with the provisions of the Act and the rules made thereunder.

- 211) No unpaid or unclaimed dividend shall be forfeited by the Company except to the extent and in the manner expressly permitted under Applicable Law.

CAPITALISATION OF PROFITS

- 204) The Company in general meeting may, upon the recommendation of the Board, resolve:
- i. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - ii. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:

- a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- c. partly in the way specified in sub-clause (a) and partly in that specified in sub clause (b);

A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- b. generally do all acts and things required to give effect thereto.
 - (i) The Board shall have power:
 - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - (ii) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

- 205) The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 of the Act.
- 206) Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing given the full address of that other place.
- 207) The Company may keep the books the accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.
- 208) The Company shall preserve in good order the Books of Accounts relating to a period of not less than eight years immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.
- 209) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized return made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Account are kept as aforesaid.
- 210) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers

- shall be open to inspection by any Directors during business hours.
- 211) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors.
 - 212) No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.
 - 213) The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the Company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.
 - 214) A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

AUDIT

- 215) Auditors shall be appointed and their rights and duties regulated in accordance with Section to 145 of the Act.
- 216) The first Auditor or auditors of the Company shall be appointed by the board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:
 Provided that the Company may, at a General Meeting remove such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nominated notice has been given to the members of the Company not less than fourteen days before the date of the meeting,
 Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors
 Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.
 Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act
 Provided also that the Company shall inform the auditor concerned of his or its appointment and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

DOCUMENTS AND NOTICES

- 217) A document or notice may be served or given by the Company to any member either personally or sending its by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents of notice on him.
- 218) Where a documents or notice is sent by post, services of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice.
 Provided that where a member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall be in the manner so intimated by the member
 Such service shall be deemed to have been effected in the case of Notice of meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.
- 219) A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.
- 220) A document or notice may be served or given by the Company on or given to the joint holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of embers in respect of the share.
- 221) A document or notice may be served or given by the Company on or to the person 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 of representatives of the deceased or assignee of the insolvent

- or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
- 222) Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company
 - 223) Every person whom by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he derives his title to such share.
 - 224) Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.
 - 225) All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode

RECONSTRUCTION

- 226) On any sale of the undertaking of the Company the Board or the Liquidators on a Winding - up may, if authorized by a Special Resolution accept fully paid or partly paid shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation to the course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.

THE SEAL

- 227)
 - (i) The Board shall provide the safe custody of the seal.
 - (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf and except in the presence of at least two Directors and or the secretary or such other person as the Board may appoint for the purpose: and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company so affixed in their presence.

WINDING UP

- 228) Subject to the provisions of Chapter XX of the Act and rules made thereunder:
 - (i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - (iii) The liquidator may, with the like sanction, vest the Whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILITY

- 229) Subject to the provisions of the Act and any other Applicable Law, every Director, officer and Key Managerial Personnel of the Company shall be indemnified out of the assets of the Company against any liability incurred by him or her in defending any proceedings, whether civil, criminal, regulatory or otherwise, in which judgment is given in his or her favour, or in which he or she is acquitted, or in which

- relief is granted to him or her by the Court, Tribunal or other competent authority.
- 212) The Company may, to the extent permitted by Applicable Law, indemnify any Director, officer, Key Managerial Personnel or other officer of the Company against any liability incurred by him or her in connection with the affairs of the Company.
- 213) No person shall be entitled to indemnification under this Article in respect of any matter arising from his or her fraud, wilful misconduct, gross negligence or any act or omission for which indemnification is prohibited under Applicable Law.
- 214) The indemnity provided under this Article shall, to the extent permitted by Applicable Law, continue to apply after such person has ceased to hold office in respect of acts, matters or proceedings relating to the period during which he or she held such office.

SECRECY

- 215) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account 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 Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

GENERAL AUTHORITY

- 216) 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 authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

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SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts and documents which have been entered 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 and Prospectus which will be filed with the RoC. The copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. IST and 5 p.m. IST on all Working Days from date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Issue Agreement dated September 08, 2026 entered into between our Company and the BRLM.
2. Registrar Agreement dated September 08, 2026 entered into between our Company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated [•] entered into amongst our Company, the Registrar to the Issue, the BRLM, Banker(s) to the Issue and the Syndicate Member.
4. Market Making Agreement dated [•] amongst our Company, the BRLM and Market Maker.
5. Syndicate Agreement dated [•] entered into amongst our Company, the BRLM, Registrar to the Issue and the Syndicate Members.
6. Underwriting Agreement dated [•] entered into amongst our Company, the BRLM as Underwriters.
7. Tripartite Agreement dated May 15, 2026 among our Company, NSDL and the Registrar to the Issue.
8. Tripartite Agreement dated June 17, 2026 among our Company, CDSL and the Registrar to the Issue.

Material Documents

1. Certified copies of Memorandum of Association and Articles of Association of the Company, as amended until date.
2. Certificate of incorporation dated in the name of “*Nexa Defence (I) Private Limited*” March 07, 2025 issued by the Registrar of Companies, Central registration Centre.
3. Fresh certificate of incorporation dated February 06, 2026 issued upon conversion from Private Company to Public Company and consequent upon change in name of the Company from “*Nexa Defence (I) Private Limited*” to “*Nexa Defence (I) Limited*” issued by the Registrar of Companies, Central Processing Centre.
4. Resolution of the Board of Directors of the Company dated August 12, 2026 approving the Issue and other related matters.
5. Resolution of the Shareholders of the Company dated August 28, 2026 approving the Issue and other related matters.
6. Resolution of the Board of Directors of the Company dated September 22, 2026 approving the Draft Red Herring Prospectus and draft abridged prospectus for filing with the Stock Exchange.
7. Resolution dated September 21, 2026 passed by the Audit Committee approving the KPIs for disclosure.
8. Written consent dated September 21, 2026 from YKC and Company, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditors, and for inclusion of their examination report dated September 01, 2026 on examination of Restated Financial Statements of the Company and the Statement of Possible Special Tax Benefits in the form and context in which it appears in this Red Herring Prospectus.
9. Written consent dated September 21, 2026 from Garg and Associates, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Chartered Engineer.

10. Written consent dated September 15, 2026 from S. Vaibhav & Co., Practicing Company Secretaries, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to 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.
11. Examination Report dated September 01, 2026 of the Statutory Auditors on the Restated Financial Statements.
12. Copies of annual reports/Audited financial statements of the Company for period ended June 30, 2026, and the Financial Years ended as on March 31, 2026 and March 31, 2025.
13. Copies of Audited financial statements as per Income Tax Act of Proprietorship concern “Nexa Mumbai” for Financial Years ended March 2025 and March 2024.
14. Copies of Restated Financial Statements of our Company for the period June 30, 2026 and Financial Years ended, i.e., March 2026, March 2025. Further Restated Financial Statements of Proprietorship concern “Nexa Mumbai” for the Financial Years ended, i.e. March 2026 (before BTA adjustment), March 2025 and March 2024.
15. Business Transfer Agreement dated February 09, 2026 executed between our company and “Nexa Mumbai”.
16. Statement of Possible Special Tax Benefits dated September 21, 2026 from the Statutory Auditors included in this Draft Red Herring Prospectus.
17. Consents of the BRLM, the Registrar to the Issue, the Syndicate Members, Market Maker, Bankers to the Company, Escrow Collection Bank(s), Public Issue Account Bank(s), Refund Bank(s) and Sponsor Bank(s), the legal counsel to the Issue, Promoter, our Directors, Senior Management Personnel and the Company Secretary and Compliance Officer, to act in their respective capacities.
18. In- principle approval letter dated [•] from NSE.
19. Due diligence certificate dated September 22, 2026 and issued by Book Running Lead Manager along with Site Visit Report
20. Non-Compete and Non-Solicit Agreement dated July 08, 2026, entered into between our Company and ESOI Enterprises Private Limited.
21. Non-Compete and Non-Solicit Agreement dated July 08, 2026, entered into between our Company and Nexa Mumbai Aviation LLP.
22. Non-Compete and Non-Solicit Agreement dated July 08, 2026, entered into between our Company and Nexa Mumbai.

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 the Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

The Material Documents mentioned above have been made available for inspection on the website of the Company – <https://nexaindia.com/>

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Mr. Jyothi Kumar Nannat
Chairman and Managing Director
Place: Mumbai
Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Ms. Sunitha J Kumar

Whole-Time Director

Place: Mumbai

Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Mr. Vinod Kumar Cheruvatham Kandy

Non-Executive Director

Place: Mumbai

Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Mr. Vinod Kumar Karikkat

Independent Director

Place: Mumbai

Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF THE COMPANY

Mr. Piyush Parasmal Jain
Non-Executive Independent Director
Place: Mumbai
Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY

Mr. Abhay Jain

Chief Financial Officer

Place: Mumbai

Date: September 22, 2026

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules made thereunder, guidelines and regulations issued by the Government of India and the 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 made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY

Ms. Sonam Sharma

Company Secretary and Compliance Officer

Place: Mumbai

Date: September 22, 2026