

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “**Risk Factors**”, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Financial Information of the Company**” beginning on page 28, 108, and 152. respectively of the Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each and the Offer Price is 14.2 times of the face value at the lower end of the price band and 15 times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- a) In-house manufacturing facilities
- b) Diverse Customer base
- c) Wide Geographical reach
- d) Stringent quality control mechanism ensuring standardized product quality

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “**Our Business**” beginning on page 108 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled “**Financial Information of the Company**” on page 152 of this Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating 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	Basis & Diluted (₹)	Weights
1.	Financial Year ended March 31, 2025	8.67	3
2	Financial Year ended March 31, 2024	5.14	2
3.	Financial Year ended March 31, 2023	2.36	1
	Weighted Average	6.44	6
	For 6 months period ended September 30, 2025	6.13	

**Figures for the period is not annualised*

Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
 - ii. The face value of each Equity Share is ₹10.00.
 - iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
 - iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
 - v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
 - vi. 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/ period.
- 2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 142 to ₹ 150 per Equity Share of Face Value of ₹ 10/- each fully paid up:**

Particulars	(P/E) Ratio at the Floor Price (Rs. 142)	(P/E) Ratio at the Cap Price (Rs. 150)
P/E ratio based on the Basic & Diluted EPS, as restated for period ending March 31, 2025	16.38	17.31
P/E ratio based on the Weighted Average EPS, as restated.	22.05	23.30

Industry P/E Ratio*	(P/E) Ratio
Highest	39.22
Lowest	20.17
Industry Average	29.70

**We have mentioned listed peer which falls in the similar line of business as of our Company for broad comparison purpose, however there is a distinction in the product portfolio between our company and those of our selected peers i.e. Nitin Casting Limited and Pritika Engineering Components Limited.*

Note:

- The P/E ratio of peers has been computed by dividing Market price as on 07th November, 2025 with EPS for the F.Y. 2024- 25.

3. Return on Net worth (RoNW)

Sr. No	Period	RONW	Weights
1.	Financial Year ended March 31, 2025	35.51%	3
2.	Financial Year ended March 31, 2024	28.98%	2
3.	Financial Year ended March 31, 2023	18.64%	1
	Weighted Average	30.52%	6
	For 6 months period ended September 30, 2025	20.08%	

Note:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year
- 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:

Sr. No	NAV Per Equity Share	(Amount in ₹)
1.	As at March 31, 2023	12.67
2.	As at March 31, 2024	17.72
3.	As at March 31, 2025	24.40
4.	As at September 30, 2025	30.54
5.	NAV per Equity Share after the Issue:	
	At the Floor Price	59.87
	At the Cap Price	61.97
6.	Issue Price*	[●]

**The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.*

** Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

Notes:

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- NAV per share=Restated Net worth at the end of the year divided by weighted average number of equity shares outstanding at the end of the year
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- 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 Industry Peers

Name of Company	Current Market Price (₹)	Face Value	EPS (Basic/Diluted)	PE	RoNW (%)	Book Value (₹)	Total Revenue (₹ In lakhs)
Gallard Steel Limited	[●]	10	8.67	[●]	35.51%	24.40	5,352.40
Peer Group							
Nitin Casting Limited	490.85	5	24.14	20.33	15.03%	160.63	15,447.84
Pritika Engineering Components Limited	85.50	5	2.18	39.22	12.63%	17.25	11,765.96

* We have mentioned listed peer which falls in the similar line of business as of our Company for broad comparison purpose, however there is a distinction in the product portfolio between our company and those of our selected peers, i.e. Nitin Casting Limited and Pritika Engineering Components Limited.

Notes:

- Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated November 07, 2025, to compute the corresponding financial ratios.
- For our Company, we have taken Current Market Price as the issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- The EPS, NAV, RoNW and total Revenue of our Company are taken as per Restated Financial Statement for the F.Y. 2024-25.
- NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2025.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

6. Key Performance Indicators

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 28, 2025 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 Red Herring Prospectus. Further, the KPIs herein have been certified by Chartered Accountants, by their certificate dated October 17, 2025.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 108 and 220 respectively. We have described and defined the KPIs as applicable in “Definitions and Abbreviations” on page 14 of this RHP.

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 utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key performance indicators of our Company:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	For Apr.’25 to September’25	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations ⁽¹⁾	3,156.02	5,331.80	2682.44	2059.06
EBITDA ⁽²⁾	742.46	1247.17	506.53	189.69
EBITDA (%) Margin ⁽³⁾	23.53%	23.39%	18.88%	9.21%

PAT ⁽⁴⁾	429.31	606.67	319.56	113.49
PAT Margin ⁽⁵⁾	13.60%	11.38%	11.91%	5.51%
ROE(%) ⁽⁶⁾	22.33%	43.16%	37.34%	20.56%
ROCE (%) ⁽⁷⁾	15.52%	26.59%	16.42%	14.23%

Notes:

⁽¹⁾Revenue from operation means revenue from sale of products & services and other operating revenues

⁽²⁾EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

⁽³⁾‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses

⁽⁵⁾‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.

⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

Explanation for KPI metrics:

KPI	Explanations
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 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.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	Gallard Steel Limited			Nitin Casting Limited			Pritika Engineering Components Limited		
	FY 2024-25	FY 2023-24	FY 2022-23	FY 2024-25	FY 2023-24	FY 2022-23	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations	5,331.80	2682.44	2059.06	15,057.38	14,874.77	13,338.03	11,738.36	8,732.39	8,232.30
EBITDA	1247.17	506.53	189.69	1,536.35	1,299.70	963.21	1,826.68	1,143.59	1,029.64
EBITDA Margin (%)	23.39%	18.88%	9.21%	10.20%	8.74%	7.22%	15.56%	13.10%	12.51%
PAT	606.67	319.56	113.49	1,241.21	1,212.86	489.17	574.44	336.01	327.65
PAT Margin (%)	11.38%	11.91%	5.51%	8.24%	8.15%	3.67%	4.90%	3.80%	4.16%
RoE (%)	43.16%	37.34%	20.56%	16.10%	18.50%	8.60%	13.48%	8.35%	11.96%
RoCE (%)	26.59%	16.42%	14.23%	43.39%	46.81%	22.93%	10.93%	8.97%	11.29%

Notes:

For peer comparison- All the financial information for the listed industry peers mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025, March 31, 2024, March 31, 2023, and stock exchange data dated November 07, 2025 to compute the corresponding financial ratios.

8. Weighted average cost of acquisition

- a) 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 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”)

There has been no such primary issuance of the Equity Shares or convertible securities of our Company during the eighteen months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- b) **Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board during the eighteen months preceding the date of filing of this 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”)**

There has been no Secondary Transactions of the Equity Shares or convertible securities of our Company during the eighteen months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c) **Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions is as below:**

Date of Transfer	Name of Transferor	Name of Transferee	No. of Equity Shares	Price per Equity shares	Nature of Consideration	Total Consideration (in Rs. Lakhs)
November 06, 2025	Zakiuddin Sujaudin	Brijraj Malani	59,000	105	Cash	61,95,000
November 06, 2025	Zakiuddin Sujaudin	Giriraj Kanhaiyalal Malani	41,000	105	Cash	43,05,000
November 06, 2025	Kaid Johar Kalabhai	Giriraj Kanhaiyalal Malani	15,000	105	Cash	15,75,000
November 06, 2025	Kaid Johar Kalabhai	Sageone- Flagship Growth OE Fund	85,000	105	Cash	89,25,000
November 06, 2025	Hakimuddin Bohra	Sageone- Flagship Growth OE Fund	80,000	105	Cash	84,00,000
			2,80,000			2,94,00,000

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Type of Transaction	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price* (i.e. ₹ 142)	Cap Price* (i.e. ₹ 150)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above	N.A.	N.A.	N.A.
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above	N.A.	N.A.	N.A.
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	105.00	0.74 times	0.70 times

* To be updated at Prospectus stage.

This is a Book Built Issue and the price band for the same shall be published 2 working days before opening of the Issue in all editions of the English national daily newspaper and all editions of “Financial Express”, a Hindi national daily newspaper and all edition of “Jansatta”, a regional newspaper of “Hamara Swaraj” each with wide circulation where the registered office of the company is situated.