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

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

# WELDOR CNC MACHINES LIMITED

CIN: U28229GJ2024PLC157041

| REGISTERED OFFICE | CONTACT PERSON | EMAIL AND TELEPHONE | WEBSITE |
|---|---|---|---|
| Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. | Paragkumar Sandipkumar Dave, Company Secretary & Compliance Officer | **E-mail:** investors@weldorcncmachines.com **Tel No:** +91-9274396173 | **Website:** https://weldorcncmachines.com/ |

| PROMOTERS OF THE COMPANY | MAHESHKUMAR GORDHANDAS VAGHELA, NIKUNJ MAHESHKUMAR VAGHELA AND MINABEN MAHESHKUMAR VAGHELA |
|---|---|

**DETAILS OF THE ISSUE**

| TYPE | FRESH ISSUE SIZE (IN ₹ LAKHS) | OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹) | TOTAL ISSUE SIZE (IN ₹ LAKHS) | ELIGIBILITY |
|---|---|---|---|---|
| Fresh Issue | Up to 23,30,000 Equity Shares aggregating to ₹ [●] Lakhs | Nil | Up to 23,30,000 Equity Shares aggregating to ₹ [●] Lakhs | This Issue is being made in terms of regulation 229(1) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. |

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

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Issue of the Issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 97 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this 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 the 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 issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 19 of this Draft Red Herring Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the 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 the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE ("BSE SME"). In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated [●] from BSE SME for using its name in the Offer Document. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

## BOOK RUNNING LEAD MANAGER TO THE ISSUE

| Name and Logo | Contact Person | Email & Telephone |
|---|---|---|
| **Seren Capital Private Limited** | Venil Mehta / Tripti Pathani | **Email:** info@serencapital.in **Tel. No.:** +91- 22- 46011058 |

## REGISTRAR TO THE ISSUE

| Name and Logo | Contact Person | Email & Telephone |
|---|---|---|
| **Maashitla Securities Private Limited** | Mukul Agrawal | **Email:** investor.ipo@maashitla.com **Tel No.:** 011- 47581432 |

## BID/ISSUE PERIOD

| ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]* | BID/ISSUE OPENS ON: [●] ** | BID/ISSUE CLOSES ON: [●] *** |
|---|---|---|

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

***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.*

****The UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Day.*

**DRAFT RED HERRING PROSPECTUS**
100% Book Built Issue
**Dated: September 30, 2026**
Please read Section 26 and 32 of the Companies Act, 2013
(This DRHP will be updated upon filing with the ROC)

# WELDOR CNC MACHINES LIMITED

**CIN:** U28229GJ2024PLC157041

Our Company was originally constituted as a partnership firm under the Partnership Act, 1932, in the name and style of "Weldor CNC Machines", pursuant to a deed of partnership dated December 01, 2015. Thereafter, pursuant to an amended partnership deed dated October 1, 2024, the partnership firm was reconstituted upon the admission of new partners. Subsequently, the partnership firm was converted into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, and was incorporated in the name of "Weldor CNC Machines Limited" pursuant to a certificate of incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U28229GJ2024PLC157041.

**Registered Office:** Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat- 360024, India.
**Contact Person:** Paragkumar Sandipkumar Dave, Company Secretary & Compliance Officer
**Tel No:** +91-9274396173; **E-mail:** investors@weldorcncmachines.com; **Website:** https://weldorcncmachines.com/
**Promoters of our Company:** Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela

## DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFER OF UP TO 23,30,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF WELDOR CNC MACHINES LIMITED ("OUR COMPANY" OR "WCML" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E., THE ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 27.96% AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND ALL EDITIONS OF [●], A REGIONAL NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF RAJKOT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE ("BSE SME") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.**

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. 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. 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 website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which 33.33% of the Anchor Investor Portion, shall be reserved, for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (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 in Life Insurance Companies and Pension Funds portion the same may be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance 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 only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the 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 QIBs. Further, the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, state that not less than 35% of the Net Issue shall be available for allocation to Individual Investors who apply 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 two lots and up to such lots as equivalent to not more than ₹ 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 shares in non-institutional investors' category the allotment to each Non-Institutional Investor 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) (Amendment) Regulations, 2025. All Potential Bidders, other than 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. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, please refer to the chapter titled "Issue Procedure" on page 304 of this Draft Red Herring Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first Issue of the Issuer, there has been no formal market for the securities of the issuer. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under ***"Basis for Issue Price"*** on page 97 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this 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 the 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 issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section ***"Risk Factors"*** beginning on page 19 of this Draft Red Herring Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the 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 BSE (BSE SME). In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received "in-principle" approval letter dated **[●]** from BSE (BSE SME) for using its name in the Issue Document. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

| BOOK RUNNING LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| **Seren Capital Private Limited**<br>**Address:** Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra – 400059, India.<br>**Tel. No.:** +91-22-46011058<br>**Email:** info@serencapital.in<br>**Investor Grievance Email:** investor@serencapital.in<br>**Website:** https://serencapital.in/<br>**Contact Person:** Venil Mehta / Tripti Pathani<br>**SEBI Regn. No.** INM000013156 | **Maashitla Securities Private Limited**<br>**Address:** 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi - 110034, India.<br>**Telephone:** 011- 47581432<br>**Email:** investor.ipo@maashitla.com<br>**Investor Grievance Email:** investor.ipo@maashitla.com<br>**Website:** http://www.maashitla.com/<br>**Contact Person:** Mukul Agrawal<br>**SEBI Registration Number:** INR000004370<br>**CIN:** U67100DL2010PTC208725 |

## BID/ISSUE PERIOD

| ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]* | BID/ISSUE OPENS ON: [●]** | BID/ISSUE CLOSES ON: [●]*** |
|---|---|---|

**The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*
***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
****The UPI mandate end time and date shall be at 5.00 p.m. on 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, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI (ICDR) Regulations, 2018, the Securities Contracts Regulation Act, 1956 ("SCRA"), the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in the sections ***"Statement of Possible Tax Benefits", "Financial Information of the Company"*** and ***"Main Provisions of the Articles of Association"*** on page 107, 185 and 333 respectively, shall have the meaning ascribed to such terms in such sections.

### General Terms

| Terms | Description |
|---|---|
| "WCML", "the Company", "our Company", "Issuer" or "Weldor CNC Machines Limited" | Unless the context otherwise indicates or implies, refers to Weldor CNC Machines Limited and, in relation to periods prior to its conversion into a company on December 13, 2024, the erstwhile partnership firm, M/s Weldor CNC Machines. |
| "we", "us" or "our" | Unless the context otherwise indicates or implies, refers to our Company. |
| "you", "your" or "yours" | Prospective investors in this Issue. |

### Company related terms

| Term | Description |
|---|---|
| AOA/ Articles/ Articles of Association | The Articles of Association of our Company, as amended from time to time. |
| Audit Committee | Audit Committee of the Board of Directors of our Company, as described in the chapter titled ***"Our Management"*** beginning on page 170 of this Draft Red Herring Prospectus. |
| Auditors/ Statutory Auditors | The current Statutory Auditors of our Company, namely Sunit M Chhatbar & Co. (Firm Registration No.- 141068W). |
| Bankers to our Company | Union Bank of India. |
| Board of Directors/ the Board/ our Board | The board of directors of our Company, as constituted from time to time. For further details of our Directors, please refer to section titled ***"Our Management"*** beginning on page 163 of this Draft Red Herring Prospectus. |
| Chief Financial Officer (CFO) | The Chief Financial Officer of our Company, namely Mr Vandankumar Mahendrabhai Dave. |
| CIN | Corporate Identification Number in this case, U28229GJ2024PLC157041. |
| Companies Act/ Act | The Companies Act, 2013 and amendments thereto and erstwhile Companies Act, 1956 as applicable. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company in accordance with the Companies Act, 2013, SEBI ICDR Regulations and the SEBI Listing Regulations, namely, Paragkumar Sandipkumar Dave. |
| Depositories | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018 as amended from time to time, being National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |

| Term | Description |
|---|---|
| Director(s) / our directors | The directors on the Board of Directors of the Company, as appointed from time to time and as described in ***"Our Management"*** on page 163 of this Draft Red Herring Prospectus. |
| DP/ Depository Participant | A depository participant as defined under the Depositories Act, 1996. |
| DP ID | Depository Participant's Identity Number. |
| Equity Shareholders/ Shareholders | Persons/ Entities holding Equity Shares of our Company. |
| Equity Shares | Equity Shares of the Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof. |
| Fugitive Economic Offender | Shall mean an individual who is declared a Fugitive Economic Offender under section 2(f) of the Fugitive Economic Offenders Act, 2018. |
| Group Companies | The group companies of our Company, identified in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and as described in the section titled ***"Our Group Companies"*** on page 265. |
| Independent Chartered Accountant | The Independent Chartered Accountant appointed by our Company, namely NGST & Associates. |
| Independent Chartered Engineer | The Independent Chartered Engineer appointed by our Company, namely, R K Patel & Co. |
| ISIN | International Securities Identification Number. In this case being INE1R3T01012. |
| Key Management Personnel (KMP) | Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013. For details, see section titled ***"Our Management"*** on page 174 of this Draft Red Herring Prospectus. |
| MOA/ Memorandum/ Memorandum of Association | The Memorandum of Association of our Company as amended from time to time. |
| MD or Managing Director | The Managing Director of our Company, Mr Maheshkumar Gordhandas Vaghela. |
| Materiality Policy | The policy adopted by our Board on July 20, 2026, for identification of Group Companies, material outstanding litigation and material outstanding dues to creditors, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations, 2018 as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Board as constituted in accordance with Section 178 of the Companies Act, 2013, and as described in the chapter titled ***"Our Management"*** beginning on page 173 of this Draft Red Herring Prospectus. |
| NRIs / Non-Resident Indians | A person resident outside India, as defined under the Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under FEMA (Non-debt Instruments) Rules, 2019. |
| Promoter(s) | Shall mean promoters of our company i.e. Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela. For further details, please refer to section titled ***"Our Promoters & Promoter Group"*** beginning on page 179 of this Draft Red Herring Prospectus. |
| Promoter Group | Includes such Persons and companies constituting our Promoter Group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the section ***"Our Promoters and Promoter Group"*** beginning on page 179 of this Draft Red Herring Prospectus. |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Reserve Bank of India Act / RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time. |
| Registered Office of our Company | The Registered Office of our Company, situated at Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. |

| Term | Description |
|---|---|
| Reserve Bank of India/ RBI | Reserve Bank of India constituted under the RBI Act, 1934. |
| Restated Financial Information/ Statements | The Restated Financial statements of our Company (including the financial information of the erstwhile partnership firm for the applicable pre-conversion periods) comprising of the Restated Statement of Assets and Liabilities as at and for the F.Y. ended on March 31, 2026, March 31, 2025 and March 31, 2024, the Restated Statement of Profit & Loss for the F.Y. ended March 31, 2026, March 31, 2025 and March 31, 2024 and the Restated Cash Flows Statement for the F.Y. ended March 31, 2026, March 31, 2025 and March 31, 2024 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| RoC/ Registrar of Companies | Unless specified otherwise, refers to ROC Ahmedabad, situated at Ministry of Corporate Affairs, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013, Gujarat, India. |
| Stakeholders' Relationship Committee | Stakeholders' relationship committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and as described in the chapter titled ***"Our Management"*** beginning on page 172 of this Draft Red Herring Prospectus. |
| Stock Exchange | Unless the context requires otherwise, refers to BSE Limited. |
| Shareholders | Shareholder(s) of our Company from time to time. |
| Subscriber to MOA | Initial Subscribers to MOA & AOA being Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela, Minaben Maheshkumar Vaghela, Sumita Girishbhai Mistry, Namrata Maheshkumar Vaghela, Hirva Sandeepbhai Vasoya and Naman Manoj Solanki. |

**Issue Related Terms**

| Terms | Description |
|---|---|
| Abridged Prospectus | Abridged prospectus means a memorandum containing such salient features of the Offer Document as may be specified by SEBI in this behalf. |
| Acknowledgement Slip | The slip or document to be issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form. |
| Allotment/Allot/Allotted | Unless the context otherwise requires, means the allotment of Equity Shares pursuant to the Fresh Issue. |
| Allotment Advice | A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Allottee | A successful applicant to whom the Equity Shares are allotted. |
| Anchor Investor(s) | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI (ICDR) Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs. |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors during the Anchor Investor Bid Period in terms of the Red Herring Prospectus and the Prospectus, which will be determined by our Company, in consultation with the BRLMs. |
| Anchor Investor Application Form | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus. |
| Anchor Investor Bid/ Issue Period | The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Managers will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed. |
| Anchor Investor Issue Price | The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be equal to or higher than the Issue Price but not higher than the Cap Price.<br>The Anchor Investor Issue Price will be determined by our Company, in consultation with the BRLMs. |

| Terms | Description |
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| Anchor Investor Portion | Up to 60% of the QIB Portion i.e. up to [●] equity shares which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations out of which 33.33% of the Anchor Investor Portion, shall be reserved, for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (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 undersubscription in Life Insurance Companies and Pension Funds portion the same may be allocated to domestic Mutual Funds. In case of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. |
| Application Supported by Block Amount (ASBA) | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include amounts blocked by the SCSB upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism. |
| ASBA Account | A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by an individual investors who applies for minimum application size, linked to a UPI ID, which will be blocked in relation to a Bid by an individual investors who applies for minimum application size Bidding through the UPI Mechanism. |
| ASBA Application Location(s)/ Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad. |
| ASBA Applicant/ ASBA Investor | Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process in terms of the Prospectus. |
| Banker to the Issue Agreement | Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar, Sponsor Bank and the Banker to the issue. |
| Bankers to the Issue / Public Issue Bank/ Sponsor Bank | Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●]. |
| Basis of Allotment | The basis on which Equity Shares will be allotted to successful Bidders under the Issue, as described in ***"Issue Procedure"*** beginning on page 298 of this Draft Red Herring Prospectus. |
| Bid (s) | An indication to make an issue during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) 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 at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "**Bidding**" shall be construed accordingly. |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and in the case of individual investors who applies for minimum application size Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such individual investors who applies for minimum application size and mentioned in the Bid cum Application Form and payable by the individual investors who applies for minimum application size or blocked in the ASBA Account upon submission of the Bid in the Issue. |
| Bid Lot | [●] equity shares of Face Value Rs 10 each and in multiples of [●] equity shares of face value Rs 10 each thereafter. |
| Bid/ Issue Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and all editions of the Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and in case of any revision, the extended Bid/ issue closing Date |

| Terms | Description |
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| | also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, 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 Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and all editions of the Regional newspaper [●] where the registered office of the company is situated, 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 any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. |
| Bidders /First Bidder/Applicant | Bidder(s) 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. |
| Bidding | The process of making a Bid. |
| Bidding Centres | Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centres for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs. |
| Book Building Process/ Book Building Method | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made. |
| BRLM / Book Running Lead Manager | Book Running Lead Manager to the Issue in this case being Seren Capital Private Limited, SEBI Registered Category-I Merchant Banker. |
| Broker Centres | Broker Centres notified by the Stock Exchanges, where the investors can submit the Bid-cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers, are available on the websites of the Stock Exchange. |
| Business Day | Monday to Friday (except public holidays). |
| BSE SME | SME Platform of BSE Limited. |
| CAN or Confirmation of Allocation Note | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date. |
| Cap Price | The higher end of the price band above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted. |
| Circular on Streamlining of Public Issues/ UPI Circular | Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. |

| Terms | Description |
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| | 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022<br>and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard. |
| Client Id | Client Identification Number maintained with one of the Depositories in relation to the Demat account. |
| Collecting Depository Participants or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of the Stock Exchanges i.e., www.bseindia.com, as updated from time to time. |
| Collecting Registrar and Share Transfer Agent | Registrars to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI. |
| Controlling Branches of the SCSBs | Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Cut Off Price | The Issue Price, which shall be any price within the Price band as finalised by our Company in consultation with the BRLM. None of the category is allowed to Bid at the Cut-off Price. |
| Demographic Details | The demographic details of the Bidders such as their Address, PAN, name of the Bidder's father/husband, investor status, occupation and Bank Account details. |
| Depository/ Depositories | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| DIN | Director Identification Number. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| Designated CDP Locations | Such locations of the CDPs where the Applicant can submit the Bid-cum-Application Forms to Collecting Depository Participants.<br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms, are available on the website of the Stock Exchange, i.e. www.bseindia.com. |
| Designated Date | The date on which relevant amounts are transferred from the ASBA 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, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus, following which Equity Shares will be Allotted in the Issue. |
| Designated Intermediaries/ Collecting Agent | In relation to ASBA Forms submitted by RIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs. |
| Designated Market Maker | [●] will act as the Market Maker and has agreed to receive or deliver 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 amendment to SEBI ICDR Regulations. |
| Designated RTA Locations | Such locations of the RTAs where Bidder can submit the Bid-Cum-Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid-Cum-Application Forms are available on the websites of the Stock Exchange i.e. www. bseindia.com. |

| Terms | Description |
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| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Application Form from the Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time. |
| Designated Stock Exchange | SME platform of BSE Limited **("BSE SME")** |
| DP/ Depository Participant | A depository participant as defined under the Depositories Act, 1996. |
| Draft Red Herring Prospectus | Draft Red Herring Prospectus dated September 30, 2026, issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulations. |
| Electronic Transfer of Funds | Refunds through NACH, NEFT, Direct Credit or RTGS as applicable. |
| Eligible FPI | FPIs that are eligible to participate in the Issue in terms of applicable law and from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid Cum Application Form and the Red Herring Prospectus constitute an invitation to subscribe to or purchase the Equity Shares. |
| Eligible NRI | A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares. |
| Eligible QFIs | 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. |
| Escrow Account(s) | The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding ASBA Bidders) will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid. |
| Escrow Collection Bank(s) | The bank(s) which are clearing members and registered with SEBI as banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended and with whom the Escrow Account(s) will be opened, in this case being [●]. |
| FII/ 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. |
| Floor Price | The lower end of the Price Band, subject to any revision(s) 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. |
| First/ Sole Applicant | The Applicant whose name appears first in the 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. |
| Fresh Issue | The fresh issue of up to 23,30,000 Equity Shares, at ₹ [●] per Equity Share (including a face value of ₹ 10 each and premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] lakhs. |
| Foreign Venture Capital Investors | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000. |
| FPI/ Foreign Portfolio Investor | A foreign portfolio investor registered with SEBI under the SEBI FPI Regulations. |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| General Corporate Purposes | Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the Issue document. Provided that any issue-related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the Issue document. |
| General Information Document (GID) | The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) |

| Terms | Description |
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| | dated March 17, 2020, and the UPI Circulars. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Manager. |
| Individual Investor(s)/ II(s)/IBs | Individual Bidders, submitting Bids, who applies for minimum application size for 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). |
| Issue Proceeds | Proceeds to be raised by our Company through this Issue; for further details, please refer to the chapter titled ***"Objects of the Issue"*** beginning on page 87 of this Draft Red Herring Prospectus. |
| Issue Agreement | The Issue Agreement dated September 19, 2026, between our Company and the Book Running Lead Manager, Seren Capital Private Limited. |
| Issue Closing Date | The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]. |
| Issue Opening Date | The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting applications for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●] |
| Issue Price | The Price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per Equity share, as determined by our Company in consultation with the BRLM. |
| Issue/ Public Issue/ Issue size/ Initial Public Offer/ Initial Public Offering/ IPO | The Initial Public Offer of up to 23,30,000 Equity shares of ₹ 10/- each at Issue price of ₹ [●]/- per Equity share, including a premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs. |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and BSE Limited. |
| LLP | Limited Liability Partnership. |
| Lot Size | [●] |
| Mandate Request | Mandate Request means a request initiated on the Individual Investors who apply for the minimum application size by the sponsor bank to authorise blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment. |
| Market Maker Reservation Portion | The reserved portion of [●] Equity Shares of ₹10 each at an Issue price of ₹ [●] each is aggregating to ₹ [●] Lakhs for the Designated Market Maker in the Public Issue of our Company. |
| Market Making Agreement | The Market Making Agreement dated [●] between our Company, the Book Running Lead Manager and the Market Maker. |
| Mutual Fund Portion | 5% of the Net QIB 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. |
| Mutual Funds | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 2026, as amended as amended from time to time. |
| Net Issue | The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares 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 fresh Issue excluding Issue-related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled ***"Objects of the Issue"*** beginning on page 87 of this Draft Red Herring Prospectus. |
| Net QIB Portion | The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors. |
| Non- Resident | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs. |

| Terms | Description |
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| Non-Institutional Bidders/ Non-Institutional Investors/ NIBs | All Bidders, including Category III Foreign Portfolio Investors, that are not Qualified Institutional Buyers or Individual Investors who apply for the minimum application size, and who Bid for Equity Shares for more than two Bid Lots (but not including NRIs other than Eligible NRIs). |
| Non-Institutional Portion | The portion of the Net Issue being not less than 15% of the Net Issue, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price, of which:<br>(a) one-third shall be reserved for applicants with an application size of more than two Bid Lots and up to such number of Bid Lots equivalent to an application size of not more than ₹10 lakhs; and<br>(b) two-thirds shall be reserved for applicants with an application size of more than ₹10 lakhs.<br>Provided that the unsubscribed portion in either of the aforesaid sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. Subject to the availability of Equity Shares in the Non-Institutional Portion, the allotment to each Non-Institutional Investor shall not be less than the minimum application size applicable to the Non-Institutional Investor category, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations. |
| Pay-in-Period | The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date. |
| Payment through electronic transfer of funds | Payment through NEFT or Direct Credit, as applicable. |
| Portion of individual investors who apply for minimum application size | The portion of the Issue being not less than 35% of the Net Issue, consisting of [●] Equity Shares, available for allocation to individual investors who apply for minimum application size. |
| Person/ Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organisation, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organisation 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 (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and all editions of Gujarati regional newspaper [●] (Gujarati being the official language of Gujarat, where our Registered Office is situated) with wide circulation at least two working days prior to the Bid / Issue Opening Date. |
| Pricing Date | The date on which our Company, in consultation with the BRLM, will finalise the Issue Price. |
| Project Report | The project report dated September 26, 2026 issued by R K Patel & Co., Chartered Engineers and Registered Valuers, in relation to the capital expenditure proposed to be funded from the Net Proceeds. |
| Prospectus | The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013, containing, inter alia, the Issue Price, size of the Issue and certain other information. |
| Public Issue Account (s) | Account to be opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date. |
| QIB Category/ 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 aggregating to ₹[●] lakhs which shall be allotted 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). |

| Terms | Description |
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| Qualified Institutional Buyers/ QIBs/ QIB Bidders | Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations. |
| Red Herring Prospectus / RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto.<br>The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date. |
| Refund Account | The 'no-lien' and 'non-interest-bearing' 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/ Refund Banker | Bank(s) which is/are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●]. |
| Refund through electronic transfer of funds | Refunds through NECS, direct credit, RTGS or NEFT, as applicable. |
| Registered Broker | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 2026, as amended, and with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate, and eligible to procure Bids in accordance with applicable SEBI circulars and the UPI Circulars. |
| Registrar Agreement | The agreement dated September 19, 2026, 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 Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI. |
| Registrar/ Registrar to the Issue/ RTA/ RTI | Registrar to the Issue, in this case being Maashitla Securities Private Limited. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. |
| Reservation Portion | The portion of the Issue reserved for a category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018. |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion. |
| Revision Form | Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Bidders can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date. |
| SCPL | Seren Capital Private Limited. |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act, 1992. |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended. |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, as amended. |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time. |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time. |
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. |

| Terms | Description |
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| SEBI (PFUTP) Regulations/ PFUTP Regulations | Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003. |
| Securities laws | Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board. |
| SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI (Venture Capital) Regulations | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time. |
| SEBI Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR) | The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time. |
| SEBI Takeover Regulations or SEBI (SAST) Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time. |
| Self-Certified Syndicate Bank(s) / SCSB(s) | The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.<br>In relation to Bids 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 (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 Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time.<br>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. |

| Terms | Description |
|---|---|
| Sub- Account | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| SME Exchange | SME Platform of the BSE i.e. BSE SME. |
| Specified Locations | Collection centres where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time. |
| Specified Securities | Equity shares issued through this Draft Red Herring Prospectus. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the category of individual investors who applies for minimum application size into the UPI. |
| Sub Syndicate Member | A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue. |
| 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 the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application. |
| Underwriter | The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. [●] being in this case. |
| Underwriting Agreement | The Agreement dated [●] entered into between the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC. |
| UPI | UPI is an instant payment system developed by the NPCI, it enables merging several banking features, seamless fund routing & merchant payment into one hood. UPI allows instant transfer of money between any two bank accounts using a payment address which uniquely identifies a person's bank account. |
| UPI Circulars | Collectively, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, the SEBI Master Circular for Registrars to an Issue and Share Transfer Agents bearing reference no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, to the extent applicable to the UPI Mechanism, the SEBI ICDR Master Circular bearing reference no. HO/49/14/14(2)2026-CFD-POD2/I/4518/2026 dated February 9, 2026, to the extent applicable, the relevant circulars issued by the Stock Exchanges in this regard, and any subsequent circulars, notifications or amendments issued by SEBI or the Stock Exchanges from time to time. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI. |
| UPI Mandate Request/ Mandate Request | A request (intimating the UPI Bidders by way of a notification on the UPI-linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. |
| UPI Mechanism | The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars |
| UPI PIN | Password to authenticate UPI transaction. |
| Venture Capital Fund/ VCF | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| Wilful Defaulter(s) | Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018. |
| Working Day | In accordance with Regulation 2(1) (mmm) of the SEBI (ICDR) Regulations, 2018, working days means all days on which commercial banks in Mumbai are open for business. |

| Terms | Description |
|---|---|
| | However, in respect of–<br>(a) announcement of Price Band; and<br>(b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business;<br>(c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange; working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI. |

**Technical and Industry Related Terms**

| Term | Description |
|---|---|
| CNC | Computer Numerical Control |
| HBD / Hybrid Series | The Company's hybrid CNC press brake series combining servo and hydraulic systems for sheet metal bending and forming operations |
| HVAC | Heating, Ventilation, and Air Conditioning |
| MS / Main Servo Series | The Company's CNC press brake series equipped with a servo motor-driven hydraulic system for controlled sheet metal bending operations. |
| NC | Numerical Control |

**Conventional terms and Abbreviations**

| Abbreviation | Full Form |
|---|---|
| Rs. /Rupees/ INR/ ₹ | Indian Rupees |
| AS / Accounting Standard | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| ASBA | Applications Supported by Blocked Amount |
| Amt. | Amount |
| AIF | Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended. |
| AY | Assessment Year |
| AOA | Articles of Association |
| Approx | Approximately |
| B. Com | Bachelor of Commerce |
| B. E | Bachelor of Engineering |
| B. Sc | Bachelor of Science |
| B. Tech | Bachelor of Technology |
| Bn | Billion |
| BG/LC | Bank Guarantee / Letter of Credit |
| BIFR | Board for Industrial and Financial Reconstruction |
| BSE | BSE Limited |
| CDSL | Central Depository Services (India) Limited |
| CAGR | Compounded Annual Growth Rate |
| CAN | Confirmation of Allocation Note |
| Companies Act, 2013 | Companies Act, 2013 to the extent in force pursuant to the notification of sections of the Companies Act, 2013 along with the relevant rules made thereunder as amended. |
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions that have ceased upon notification of the Companies Act, 2013) along with the relevant rules made thereunder. |
| CA | Chartered Accountant |
| CAIIB | Certified Associate of Indian Institute of Bankers |
| CB | Controlling Branch |
| CC | Cash Credit |
| CIN | Corporate Identification Number |

| Abbreviation | Full Form |
|---|---|
| CIT | Commissioner of Income Tax |
| CS | Company Secretary |
| CS & CO | Company Secretary & Compliance Officer |
| CFO | Chief Financial Officer |
| CSR | Corporate Social Responsibility |
| C.P.C. | Code of Civil Procedure, 1908 |
| CrPC | Code of Criminal Procedure, 1973 |
| CPI | Consumer Price Index |
| CST | Central Sales Tax |
| CWA/ICWA | Cost and Works Accountant |
| MD | Managing Director |
| CY | Calendar Year |
| DIN | Director Identification Number |
| DP | Depository Participant |
| EBITDA | Earnings Before Interest, Taxes, Depreciation & Amortisation |
| ECS | Electronic Clearing System |
| ESIC | Employee's State Insurance Corporation |
| EPFA | Employees' Provident Funds and Miscellaneous Provisions Act,1952 |
| EMI | Equated Monthly Instalment |
| EPS | Earnings Per Share |
| EGM /EOGM | Extraordinary General Meeting |
| ESOP | Employee Stock Option Plan |
| EXIM/ EXIM Policy | Export – Import Policy |
| FCNR Account | Foreign Currency Non-Resident Account |
| FIPB | Foreign Investment Promotion Board |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| FEMA | Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed thereunder. |
| FDI | Foreign Direct Investment |
| FIs | Financial Institutions |
| FIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FPIs | "Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992 |
| FTA | Foreign Trade Agreement |
| FVCI | Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000. |
| FEMA Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| Finance Act | Finance Act, 1994 |
| Fraudulent Borrower | A fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations. |
| FV | Face Value |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| GoI/Government | Government of India |
| GDP | Gross Domestic Product |
| GIR Number | General Index Registry Number |
| GST | Goods and Services Tax |
| GVA | Gross Value Added |
| HUF | Hindu Undivided Family |

| Abbreviation | Full Form |
|---|---|
| HNI | High Net Worth Individual |
| IBC | The Insolvency and Bankruptcy Code, 2016 |
| ICA | Independent Chartered Accountant |
| ICAI | The Institute of Chartered Accountants of India |
| ICE | Independent Chartered Engineer |
| ISIN | International Securities Identification Number |
| IST | Indian Standard Time |
| ICWAI | The Institute of Cost Accountants of India |
| IMF | International Monetary Fund |
| IIP | Index of Industrial Production |
| IPO | Initial Public Offer |
| ICSI | The Institute of Company Secretaries of India |
| IT | Information Technology |
| IFRS | International Financial Reporting Standards |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| IT Authorities | Income Tax Authorities |
| IT Rules | Income Tax Rules, 1962, as amended, except as stated otherwise |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Ind AS | Indian Accounting Standards as referred to in and notified by the Ind AS Rules |
| Ind AS Rules | The Companies (Indian Accounting Standard) Rules, 2015 |
| IRDAI | Insurance Regulatory and Development Authority of India |
| JV/ Joint Venture | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities. |
| KMP | Key Managerial Personnel |
| KPI | Key Performance Indicators |
| LLB | Bachelor of Law |
| BRLM | Book Running Lead Manager |
| Ltd. | Limited |
| LLP | Limited Liability Partnership |
| MAT | Minimum Alternate Tax |
| MoF | Ministry of Finance, Government of India |
| MoU | Memorandum of Understanding |
| M. A | Master of Arts |
| MCA | Ministry of Corporate Affairs, Government of India |
| M. B. A | Master of Business Administration |
| M. Com | Master of Commerce |
| Mn | Million |
| M. E | Master of Engineering |
| M. Tech | Master of Technology |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MSME | Micro, Small and Medium Enterprises |
| MAPIN | Market Participants and Investors Database |
| NA | Not Applicable |
| NCLT | National Company Law Tribunal |
| Net worth | The aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. |
| NACH | National Automated Clearing House |
| NEFT | National Electronic Funds Transfer |
| NECS | National Electronic Clearing System |
| NAV | Net Asset Value |
| NCT | National Capital Territory |

| Abbreviation | Full Form |
|---|---|
| NPV | Net Present Value |
| NRIs | Non-Resident Indians |
| NRE Account | Non-Resident External Account |
| NRO Account | Non-Resident Ordinary Account |
| NSE | National Stock Exchange of India Limited |
| NOC | No Objection Certificate |
| NSDL | National Securities Depository Limited |
| OCB or Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue. |
| P.A. | Per Annum |
| PF | Provident Fund |
| PG | Postgraduate |
| PGDBA | Post Graduate Diploma in Business Administration |
| PLR | Prime Lending Rate |
| PAC | Persons Acting in Concert |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PGeMBA | Postgraduate in e- Management and Business Administration Programme |
| P.O. | Purchase Order |
| PBT | Profit Before Tax |
| PLI | Postal Life Insurance |
| POA | Power of Attorney |
| PSU | Public Sector Undertaking(s) |
| Pvt. | Private |
| Q.C. | Quality Control |
| RoC | Registrar of Companies |
| RBI | The Reserve Bank of India |
| Registration Act | Registration Act, 1908 |
| ROE | Return on Equity |
| R&D | Research & Development |
| RONW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SMP | Senior Management Personnel |
| SME | Small and Medium Enterprises |
| SCSB | Self-Certified Syndicate Banks |
| STT | Securities Transaction Tax |
| Sub-Account | Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Sec. | Section |
| SPV | Special Purpose Vehicle |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| Trademarks Act | Trademarks Act, 1999 |
| TIN | Taxpayers Identification Number |
| UIN | Unique Identification Number |
| U.N. | United Nations |
| US/United States | United States of America |

| Abbreviation | Full Form |
|---|---|
| USD/ US$/ $ | United States Dollar, the official currency of the United States of America |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| VAT | Value Added Tax |
| VCF/ Venture Capital Fund | Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| Wilful Defaulter(s) | Company or person categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such and as defined under Regulation 2(1)(lll) of the SEBI (ICDR) Regulations, 2018. |
| WDV | Written Down Value |
| WPI | Wholesale Price Index |
| WTD | Whole Time Director |
| w.e.f. | With effect from |
| -, (₹) | represent Outflow |

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in ***"Main Provisions of the Articles of Association"***, ***"Statement of Possible Tax Benefits"***, ***"Industry Overview"***, ***"Regulations and Policies in India"***, ***"Financial Information of the Company"***, ***"Outstanding Litigations*** and ***Material Developments"*** and ***"Issue Procedure"*** will have the meaning ascribed to such terms in these respective sections.

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

### Certain Conventions

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

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding off. 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.

### Use of Financial Data

Unless stated otherwise, throughout this Draft Red Herring Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated financial information prepared for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled ***"Financial Information of the Company"*** beginning on page 185 of this Draft Red Herring Prospectus.

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

Any percentage amounts, as set forth in ***"Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** and elsewhere in the Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditors, set out in section titled ***"Financial Information of the Company"*** beginning on page 185 of this Draft Red Herring Prospectus. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

For additional definitions used in this Draft Red Herring Prospectus, see the section ***"Definitions and Abbreviations"*** on page 1 of this Draft Red Herring Prospectus. In the section titled ***"Main Provisions of the Articles of Association",*** on page 333 of the Draft Red Herring Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Our Company was incorporated upon conversion of the erstwhile partnership firm, M/s Weldor CNC Machines, with effect from December 13, 2024. Accordingly, the financial information for Fiscal 2024 and the period prior to such conversion in Fiscal 2025 relates to the erstwhile partnership firm and has been included in the Restated Financial Information in accordance with the applicable requirements of the SEBI ICDR Regulations and the relevant accounting and reporting framework.

### Use of Industry & Market Data

Unless otherwise indicated or unless the context requires otherwise, industry and market data used in this Draft Red Herring Prospectus, where indicated, have been derived from the industry report titled "Engineering and Capital Goods Industry", dated August 27, 2026 (the "Infomerics Report" or Report"), prepared and issued by

Infomerics Analytics and Research Private Limited exclusively for the purpose of this issue, and commissioned and paid for by our Company. Infomerics has stated in its report that the Report has been prepared based on information available in Infomerics Analytics & Research 's proprietary database, and other sources considered by Infomerics Analytics & Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of Infomerics Analytics & Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever. All forecasts in this report are based on assumptions considered to be reasonable by Infomerics Analytics & Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

As such, a blanket, generic use of the derived results or the methodology is not encouraged. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Infomerics assumptions are correct or will not change and, accordingly, our position in the market may differ, favorably or unfavorably, from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company.

Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions. For risks in relation to commissioned reports, see "Risk Factors –Internal Risks – Certain sections of this Draft Red Herring Prospectus disclose information from industry report commissioned and paid for by us and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 49 of this DRHP.

In accordance with the SEBI (ICDR) Regulations, 2018 the section titles ***"Basis for Issue Price"*** on page 100 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.

**Disclaimer of Infomerics**

This report is prepared by Infomerics Analytics & Research Private Limited. Infomerics Analytics & Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in Infomerics Analytics & Research's proprietary database and other sources considered by Infomerics Analytics & Research as accurate and reliable, including the information in the public domain. The views and opinions expressed herein do not constitute the opinion of Infomerics Analytics & Research to buy or invest in this industry, sector, or companies operating in this sector or industry and are also not recommended to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by Infomerics Analytics & Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable of or intended to create any legally binding obligations on the sender or Infomerics Analytics & Research, which accepts no responsibility whatsoever for loss or damage from the use of the said information. Infomerics Analytics & Research is also not responsible for any transmission errors and specifically states that it, or its directors, employees, parent company – Infomerics Valuation & Rating, or its directors, employees, do not have any financial liabilities whatsoever to the subscribers/users of this report. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of Infomerics Analytics & Research Private Limited.

Infomerics Analytics & Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on

such information. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLM, or any of their respective affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation.

Data from these sources may also not be comparable. 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section '***Risk Factors***' on page 22 of this DRHP.

Accordingly, investors should not place undue reliance on or base their investment decision on this information. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

**Currency of Financial Presentation**

All references to "Rupees" or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***"Industry Overview"*** throughout the Draft Red Herring Prospectus. All figures have been expressed in Indian Rupees and in lakhs, unless otherwise indicated.

Any percentage amounts, as set forth in ***"Risk Factors"***, ***"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations"*** on page 22, 131 and 234 respectively of this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our restated financial statements prepared in accordance with Indian GAAP.

The Draft Red Herring Prospectus contains conversion of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus includes certain "forward-looking statements". We have included statements in the Draft Red Herring Prospectus which contain words or phrases such as "will", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in customer demand, capital expenditure plans, capacity expansion requirements and procurement decisions;
3. Any change in government policies resulting in increases in taxes payable by us;
4. Our ability to retain our key management personnel and other employees;
5. Changes in laws and regulations that apply to the industries in which we operate;
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
9. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
10. Our Company's ability to successfully implement its growth strategy and expansion plans;
11. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
12. Inability to successfully obtain registrations in a timely manner or at all;
13. Occurrence of Environmental Problems & Uninsured Losses;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties;
15. Any adverse outcome in the legal proceedings in which we are involved;
16. Concentration of ownership among our Promoter;
17. The performance of the financial markets in India and globally;
18. Global distress due to pandemic, war or by any other reason.
19. Timely implementation and commissioning of the proposed Plot No. 3 facility;
20. Ability to achieve expected capacity utilisation after expansion;
21. Timely procurement/import/installation of key machinery, including imported equipment;
22. Foreign-exchange and input-cost movements;
23. Ability to manage working-capital requirements and collect receivables;
24. Continued access to promoter-leased manufacturing premises.

For further discussion of factors that could cause our actual results to differ, see the Section titled ***"Risk Factors", "Our Business"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** beginning on page 22, 131 and 234 respectively of the Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

Neither our Company nor our directors or our Officers or Book Running Lead Manager or Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition, except as required under applicable law, the SEBI ICDR Regulations or by any regulatory authority.

## SECTION II: RISK FACTORS

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Draft Red Herring Prospectus, particularly the* ***"Financial Information of the Company"*** *and the related notes,* ***"Our Business"*** *and* ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** *on page* 185, 131 and 234 *respectively of this Draft Red Herring Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.*

*The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate, and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

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

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from the report titled "Engineering and Capital Goods Industry" dated August 27, 2026 (the "Infomerics Report") prepared by Infomerics Analytics & Research Private Limited and such report has been commissioned and paid for by our Company vide engagement letter dated July 24, 2026 exclusively in relation to the Issue. A copy of the Infomerics Report is available on the website of our Company at https://weldorcncmachines.com/. 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.*

***Materiality***

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

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

***Note:***

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in* ***"Risk Factors"*** *on page* 22 *and* ***"Management Discussion and Analysis of Financial Condition and Results of Operations"*** *on page* 234 *of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the* ***"Restated Financial Statements"****.*

## INTERNAL RISK FACTORS

1. ***We derive a significant portion of our revenue from the sale of our key product, namely CNC Press Brakes Machines. Any decline in the sales of our key product could have an adverse effect on our business, results of operations and financial condition.***

We derive a significant portion of our revenue from the sale of CNC Press Brakes, which constitute a key product category of our Company. Revenue from the sale of this product category accounted for 73.03%, 81.57% and 88.97% of our revenue from operations for Fiscals 2026, 2025 and 2024, respectively. Accordingly, despite the diversification of our product portfolio, our revenues continue to be significantly dependent on the demand for this particular product category. For further details relating to our products, please refer to the section titled ***"Our Business – Our Products"*** on page 136 of this Draft Red Herring Prospectus.

CNC Press Brakes Machines are used for controlled bending and forming of sheet metal into required angles and profiles and are deployed across various metalworking and fabrication applications. Demand for such machines is influenced by, among other factors, customer capital expenditure and procurement plans, technical and performance requirements, technological developments, competitive conditions and general activity levels across the industries served by us.

The following table sets forth our product-wise revenue contribution for the periods indicated:

***(₹ in lakhs)***

| Particulars | FY 25-26 | % of Revenue from operations | FY 24-25 | % of Revenue from operations | FY 23-24 | % of Revenue from operations |
|---|---|---|---|---|---|---|
| CNC Press Brake Machines | 1,848.84 | 73.03% | 1,142.00 | 81.57% | 930.65 | 88.97% |
| Shearing Machine | 174.05 | 6.88% | 8.99 | 0.64% | - | 0.00% |
| CNC Punch Press | 165.00 | 6.52% | 112.60 | 8.04% | - | 0.00% |
| CNC/ NC Rolling Machines | 118.40 | 4.68% | 15.00 | 1.07% | - | 0.00% |
| Accessories | 101.08 | 3.99% | 51.46 | 3.68% | 35.47 | 3.39% |
| CNC Grooving Machines | 34.50 | 1.36% | 22.81 | 1.63% | 37.51 | 3.59% |
| Others* | 89.58 | 3.54% | 47.15 | 3.37% | 42.37 | 4.05% |
| **Grand Total** | **2,531.44** | **100.00%** | **1,400.01** | **100.00%** | **1,046.00** | **100.00%** |

**Others includes revenue from sale of machines that do not fall under the principal product categories and revenue from ancillary services.*

Any reduction, deferment or cancellation of customer orders for CNC Press Brakes, or any adverse change in the factors affecting demand for such machines, may result in lower order inflows, reduced sales and pressure on pricing and margins. Further, changes in customer requirements or technological developments may require us to modify or upgrade our offerings in order to remain commercially relevant.

Given the significant contribution of CNC Press Brakes to our revenue from operations, any material decline in demand or sales may have a disproportionate impact on our revenues and profitability. There can be no assurance that we will be able to offset any such decline through increased sales of other products in our portfolio within a reasonable period or at all. Accordingly, any material adverse development affecting the demand for or sale of such machines may adversely affect our business, financial condition, results of operations and cash flows.

2. ***A significant portion of our revenue from operations is derived from a limited number of customers. Any loss of, or reduction in orders from, such customers may adversely affect our business, financial condition, results of operations and cash flows.***

A significant portion of our revenue from operations is derived from a limited number of customers operating across various sectors, including steel and metal processing and fabrication, electrical and electronics, automotive and heavy equipment, railways, aerospace, refrigeration and HVAC/ventilation, storage and display systems, solar and energy, and general engineering. Our top 10 customers accounted for ₹1,476.34 lakhs, ₹737.89 lakhs and ₹573.56 lakhs, representing 58.32%, 52.71% and 54.83% of our revenue from operations for Fiscals 2026, 2025 and 2024, respectively.

The contribution of our top 10 customers as a percentage of revenue from operations for Fiscal 2026, 2025 and 2024 is disclosed hereunder:

**Top 10 customers for period ended 31st March, 2026:**

***(Rs in lakh)***

| Sr. No. | Customer Name | Sector | Amount | % of Revenue from Operations |
|---|---|---|---|---|
| 1 | Riddhi Display Equipment's Limited# | Storage and Display Systems | 429.00 | 16.95% |
| 2 | Customer 2 | Steel and Metal Processing / Fabrication | 175.00 | 6.91% |
| 3 | Customer 3 | Steel and Metal Processing / Fabrication | 170.40 | 6.73% |
| 4 | Customer 4 | Electrical and Electronics | 145.66 | 5.75% |
| 5 | Customer 5 | Steel and Metal Processing / Fabrication | 124.40 | 4.91% |
| 6 | Customer 6 | Automotive and Heavy Equipment / Railways | 116.00 | 4.58% |
| 7 | Customer 7 | Railways | 100.00 | 3.95% |
| 8 | Customer 8 | Aerospace | 80.17 | 3.17% |
| 9 | Customer 9 | Automotive and Heavy Equipment | 75.14 | 2.97% |
| 10 | Customer 10* | General Engineering | 60.56 | 2.39% |
| | **Total of Top 10 Customers** | | **1,476.34** | **58.32%** |
| | | | **2,531.44** | **100.00%** |

**This customer is a related party*

*# The names of such customers have been disclosed pursuant to receipt of no-objection certificates ("NOCs") from the respective customers.*

**Top 10 customers for period ended 31st March, 2025:**

***(Rs in lakh)***

| Sr. No. | Customer Name | Sector | Amount | % of Revenue from Operations |
|---|---|---|---|---|
| 1 | Customer 1 | General engineering | 168.48 | 12.03% |
| 2 | Customer 2 | Electrical and Electronics | 125.00 | 8.93% |
| 3 | Customer 3 | Refrigeration and HVAC / Ventilation | 71.95 | 5.14% |
| 4 | Customer 4 | Electrical and electronics | 68.50 | 4.89% |
| 5 | Customer 5 | Automotive and Heavy equipment / Railways | 67.00 | 4.79% |
| 6 | Customer 6 | Refrigeration and HVAC / ventilation | 58.50 | 4.18% |
| 7 | Riddhi Display Equipments Limited# | Storage and display systems | 52.20 | 3.73% |
| 8 | Customer 8 | Steel and Metal Processing / Fabrication | 48.50 | 3.46% |
| 9 | Customer 9 | General Engineering | 39.25 | 2.80% |
| 10 | Customer 10 | General Engineering | 38.51 | 2.75% |
| | **Total of Top 10 Customers** | | **737.89** | **52.71%** |
| | **Revenue from operations** | | **1,400.01** | **100.00%** |

*# The names of such customers have been disclosed pursuant to receipt of no-objection certificates ("NOCs") from the respective customers.*

**Top 10 customers for period ended 31st March, 2024:**

***(Rs in lakh)***

| Sr. No. | Customer Name | Sector | Amount | % of Revenue from Operations |
|---|---|---|---|---|
| 1 | Customer 1 | Electrical and Electronics | 120.10 | 11.48% |
| 2 | Customer 2 | Automotive and Heavy equipment | 78.50 | 7.50% |
| 3 | Customer 3 | Automotive and Heavy equipment / Railways | 65.50 | 6.26% |
| 4 | Customer 4 | Steel and Metal Processing / Fabrication | 55.00 | 5.26% |
| 5 | Customer 5 | Solar and Energy | 46.75 | 4.47% |
| 6 | Customer 6 | General Engineering | 46.58 | 4.45% |
| 7 | Customer 7 | Electrical and Electronics | 44.75 | 4.28% |
| 8 | Customer 8 | General Engineering | 41.00 | 3.92% |
| 9 | Customer 9 | Automotive and Heavy equipment | 38.89 | 3.72% |
| 10 | Customer 10 | Electrical and Electronics | 36.50 | 3.49% |
| | **Total of Top 10 Customers** | | **573.56** | **54.83%** |
| | **Revenue from operations** | | **1,046.00** | **100.00%** |

Our customers place orders based on their business requirements, capital expenditure plans, capacity expansion requirements, procurement schedules, pricing, technical specifications, delivery requirements and other commercial considerations. Accordingly, the volume and frequency of orders received from individual customers may vary from period to period, and our customers may reduce, defer or cancel their procurement requirements or procure machinery from alternate suppliers. There can be no assurance that our significant customers will continue to place orders with us at historical levels, on similar commercial terms or at all. Further, we may be required to offer competitive pricing or other commercial terms to retain existing customers or secure new orders, which may place pressure on our margins.

Given the concentration of our revenue among a limited number of customers, any loss of one or more significant customers, material reduction or delay in orders from such customers, or our inability to replace such business with orders from existing or new customers within a reasonable period or on comparable commercial terms may result in lower order inflows and revenue and may adversely affect our business, financial condition, results of operations and cash flows.

3. ***We are significantly dependent on a limited number of suppliers for procurement of our raw materials, with which we do not have any long-term agreements and any disruption in supply or volatility in raw material prices may adversely affect our business, financial condition, results of operations and cash flows.***

The manufacture of our products requires various raw materials and components, including mild steel sheets, plates and pipes, electrical and electronic components, hydraulic components, motors, servo motors and drives, control system components, linear motion components, fasteners, tooling and other mechanical components, which we procure from suppliers. Our cost of raw materials consumed for Fiscals 2026, 2025 and 2024 amounted to ₹1,612.47 lakhs, ₹937.03 lakhs and ₹666.52 lakhs, respectively, representing 63.70%, 66.93% and 63.72% of our revenue from operations for the corresponding periods. For further details relating to our raw materials and sourcing arrangements, please refer to the section titled ***"Our Business – Raw Materials"*** on page 143 of this Draft Red Herring Prospectus.

Our purchases from our top suppliers constitute a significant portion of our overall purchases. Details of purchases from our top one, top three, top five and top ten suppliers for Fiscals 2026, 2025 and 2024 are set forth below:

**Our top suppliers for fiscal 2026:**

| S. No | Name of Suppliers | Amount (₹ in Lakhs) | % of purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 285.17 | 15.82% |
| 2. | Top 3 Supplier | 629.1 | 34.89% |
| 3. | Top 5 Supplier | 864.38 | 47.94% |
| 4. | Top 10 Supplier | 1,164.78 | 64.61% |

*As certified by Sunit M Chhatbar & Co., Chartered accountants, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

**Our top suppliers for fiscal 2025:**

| S. No | Name of Suppliers | Amount (₹ in Lakhs) | % of purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 155.53 | 16.93% |
| 2. | Top 3 Supplier | 362.26 | 39.44% |
| 3. | Top 5 Supplier | 499.16 | 54.35% |
| 4. | Top 10 Supplier | 693.11 | 75.44% |

*As certified by Sunit M Chhatbar & Co., Chartered accountants, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

**Our top suppliers for fiscal 2024:**

| S. No | Name of Suppliers | Amount (₹ in Lakhs) | % of purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 148.28 | 19.09% |
| 2. | Top 3 Supplier | 300.35 | 38.66% |
| 3. | Top 5 Supplier | 427.79 | 55.06% |
| 4. | Top 10 Supplier | 564.44 | 72.66% |

*As certified by Sunit M Chhatbar & Co., Chartered accountants, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

The prices and availability of our principal raw materials and components are subject to fluctuations arising from changes in demand and supply conditions, commodity prices, input costs, foreign exchange movements, transportation costs, availability of components and other market conditions. Any material increase in the prices of steel, electrical, electronic, hydraulic or other components used in our manufacturing operations may increase our cost of production. We may not be able to pass on such increases to our customers in a timely manner or at all, which may adversely affect our margins and profitability.

Further, certain components used in our products are required to meet specific technical and performance requirements. Any inability of our existing suppliers to supply the required raw materials or components in sufficient quantities, within required timelines or at commercially acceptable prices may affect our manufacturing schedules and our ability to fulfil customer orders. We do not have long-term supply arrangements with our suppliers and generally procure raw materials and components based on our business requirements. Accordingly, there can be no assurance that our existing suppliers will continue to supply the required raw materials and components in the required quantities, within the required timelines or on commercially acceptable terms.

Any delay or interruption in procurement, increase in input costs, shortage of critical raw materials or components, or additional time required to identify and qualify alternate suppliers may disrupt our manufacturing operations, delay execution of customer orders and adversely affect our business, financial condition, results of operations and cash flows.

4. ***Our Company operates in the machine tools industry, which is dependent on industrial activity and capital expenditure by customers. Any slowdown in industrial activity or reduction or deferment in capital expenditure by our customers may adversely affect demand for our products and our business, financial condition, results of operations and cash flows.***

Our Company is engaged in the manufacture and supply of machine tools used across metalworking and fabrication processes, including CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines. The machine tools industry forms part of the broader engineering and capital goods industry, and demand for our products is influenced by the level of industrial activity, capacity expansion and capital expenditure undertaken by customers across the end-user industries catered to by us.

During periods of economic or industrial slowdown, uncertainty in business conditions, constraints in the availability or cost of financing or moderation in capital expenditure, our existing and prospective customers may defer, reduce or cancel their plans for capacity expansion or procurement of machinery. This may result in lower order inflows, longer sales cycles, deferment or cancellation of orders and increased pricing pressure.

Further, changes in interest rates, availability of credit, input costs, business confidence and investment activity across the manufacturing sectors catered to by us may affect demand for our products. Any sustained slowdown

in the machine tools industry or in the end-user industries catered to by us may adversely affect our business, financial condition, results of operations and cash flows.

5. ***We require certain approvals, licenses, registrations and permits to operate our business and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. As mentioned in the chapter titled ***"Government and Other Statutory Approvals"***, we believe that we have obtained requisite permits and licenses which are adequate to run our business, however we cannot assure that there is no other statutory/regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

As on the date of this Draft Red Herring Prospectus, our Company has certain applications pending before various statutory and regulatory authorities, including, an application with the Central Ground Water Authority for obtaining a no objection certificate for groundwater abstraction; an application with the Gondal Municipality for obtaining a Fire NOC for Manufacturing Unit; an application with the Industrial Safety and Health Department, Rajkot, for amendment of the address of Manufacturing Unit; applications with the Regional Provident Fund Commissioner, Rajkot, for rectification of the ownership type and updation of the address in our provident fund records; Form TM-M filed with the Registrar of Trade Marks for correction of the registered address in respect of Trademark Application Nos. 7756068 (Class 35) and 7756067 (Class 7); and an application with the Labour Welfare Department for rectification of the name of our Company in the relevant receipt. For further details regarding pending approvals, please refer to the section titled ***"Government and Other Statutory Approvals- Applications made by our company but pending approval"*** beginning on page 264 of this Draft Red Herring Prospectus.

Any failure to obtain, renew or update the required approvals in a timely manner, or any suspension, revocation or adverse regulatory action in relation to such approvals, may result in operational disruptions, monetary penalties or other regulatory consequences, which could adversely affect our business, financial condition and results of operations. Further, the net Proceeds of the Issue will not be utilized for the settlement of any penalties, fines or liabilities arising out of such non-compliance.

Further, certain applications and regulatory intimations relating to our existing manufacturing operations, including applications for Fire NOC and groundwater abstraction and the intimation under White Category to the Gujarat Pollution Control Board, have been made recently. In the event any regulatory authority determines that any such approval, permission or intimation was required for any earlier period, we may be subject to regulatory action, penalties or other consequences in respect of our past operations.

We cannot assure you that the approvals, licenses, registrations and permits already issued to us will not be suspended or revoked in the event of non-compliance with any terms or conditions thereof or pursuant to any regulatory action. Any denial, suspension or revocation of such approvals may adversely affect our business and results of operations. For further details regarding material approvals which have not been obtained or are pending, see ***"Government and Other Statutory Approvals"*** on page 259 of this Draft Red Herring Prospectus.

6. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects financial condition and results of operations.***

Our ability to achieve and maintain optimal capacity utilisation at our manufacturing facility depends on several factors, including the availability of raw materials and components, customer demand and order inflows, availability of skilled manpower, production scheduling, maintenance requirements and uninterrupted operation of our machinery and equipment. Our manufacturing operations are undertaken at our facility located at Survey No. 240, Veraval (Shapar), Rajkot, Gujarat. Our capacity utilisation may vary from period to period depending on customer requirements, product mix, order execution schedules and other operational considerations, and there can be no assurance that we will be able to achieve or maintain optimal levels of capacity utilisation in the future.

Further, we propose to augment our manufacturing capacity through the setting up of a new manufacturing facility. There can be no assurance that the additional capacity created pursuant to such expansion will be utilised at the anticipated levels or within the expected timeframe. Utilisation of such additional capacity will depend, among other factors, on customer demand, order inflows, successful ramp-up of operations and our ability to efficiently integrate the expanded manufacturing operations. Any lower-than-anticipated utilisation of the additional capacity may increase the proportion of fixed costs relative to production volumes and adversely affect our operating efficiencies, margins and profitability.

Any prolonged underutilization of our existing or proposed manufacturing capacity may adversely affect the returns generated from our manufacturing assets, profitability and cash flows.

The installed capacity and capacity utilization for these units for the Fiscals 2026, 2025 and 2024, as certified by the Chartered Engineer, are set out below:

***Manufacturing Unit: Plot No.6/b, 6/a, Revenue Survey No. 240p, of village Veraval (Shapar), Taluka Kotda Shangani, District: Rajkot, Gujarat, 360024***

| Particulars | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|---|---|---|---|
| Installed Capacity per annum (No. of Machines) | 74 | 77 | 110 |
| Actual Production per annum (No. of Machines) | 37 | 57 | 90 |
| Capacity utilization (in %) | 50% | 74.02% | 81.82% |

*As certified by R K Patel & Co., Chartered Engineer, through certificate dated September 26, 2026*

***7. Our Group Company and certain Promoter Group entities are engaged in businesses similar to those undertaken by our Company, which may give rise to potential conflicts of interest.***

Our Group Company, Weldor Engineering Pvt Ltd., and certain Promoter Group entities, namely Weldor Appliances Private Limited, Weldor Enterprise, a partnership firm, and Kiran Engineers, a partnership firm, are engaged in businesses similar to those undertaken by our Company. The presence of entities within our Group and Promoter Group carrying on similar business activities may give rise to potential conflicts of interest, including in relation to business opportunities, customers, suppliers, personnel and other commercial matters. Brief particulars of such entities are set out below:

| Entity Name | Nature of Business | Similarities |
|---|---|---|
| Weldor Engineering Pvt Ltd (Group Company & Promoter Group Entity) | Engaged in the operations relating to mechanical press brakes, hydraulic press brakes, mechanical and hydraulic shearing machines, power presses and iron works, CNC machines. | Engaged in same industry and product line. |
| Weldor Appliances Private Limited (Promoter Group Entity) | Engaged in the business of manufacturing and dealing in steel and sheet metal processing machinery, including press brakes, shearing machines, welding equipment, tooling, fixtures, special purpose machines and CNC/NC machines. | |
| Weldor enterprise (Promoter Group Entity) | Engaged in the manufacture and sale of sheet metal machinery, machine tools and steel fabricated items, along with related activities. | |
| Kiran Engineers (Promoter Group Entity) | Engaged in the manufacturing, purchasing and distribution of machinery and its spare parts. | |

We have not entered into any non-compete agreement or arrangement with our Group Company or any of our Promoter Group entities, and there is no contractual restriction on them undertaking business that competes with ours. Accordingly, there can be no assurance that our Group Company or Promoter Group entities will not compete with us, pursue the same customers, or divert business opportunities away from our Company, which could adversely affect our business, results of operations and financial condition.

8. ***Our existing manufacturing facility and the land on which our proposed manufacturing facility is being established are owned by our Promoter and occupied by our Company under lease/rental arrangements. Any termination, non-renewal or dispute in relation to such arrangements may adversely affect our manufacturing operations and the implementation of our proposed expansion.***

Our existing manufacturing operations are undertaken from premises situated at Plot No. 6/A and Plot No. 6/B, Revenue Survey No. 240/P, Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat, admeasuring approximately 2,772.72 square metres in aggregate. The said premises are owned by our Promoter, Maheshkumar Gordhandas Vaghela, and have been taken on rent by our Company pursuant to a rent agreement for a period of nine years commencing from December 16, 2024 and ending on December 15, 2033. As on the date of this Draft Red Herring Prospectus, the monthly rent payable for such premises is ₹1.00 lakh, subject to an annual escalation of 5%, with electricity charges payable separately.

Further, our proposed manufacturing facility is being established at Revenue Survey No. 240/P, Plot No. 3, Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat, admeasuring approximately 2,336.17 square metres. This land is also owned by our Promoter, Maheshkumar Gordhandas Vaghela, and has been leased to our Company pursuant to a registered lease deed dated July 31, 2026 for a period of ten years commencing from July 1, 2026 and ending on June 30, 2036, at a monthly rent of ₹0.90 lakh, excluding electricity, water and sanitation charges. A rectification/amendment deed dated September 14, 2026 has also been executed in relation to such lease.

We propose to undertake civil construction and install plant and machinery at Plot No. 3 as part of the proposed expansion, including capital expenditure proposed to be funded from the Net Proceeds of the Issue. Accordingly, our ability to derive the anticipated benefits from such capital expenditure is dependent, among other things, on our continued right to occupy and use the said leased premises during the term of the lease and thereafter, if required.

There can be no assurance that the aforesaid rental or lease arrangements will be renewed upon expiry on terms acceptable to us or at all. Further, any termination, dispute, breach of the applicable arrangements, inability to continue occupying either the existing manufacturing premises or Plot No. 3, or any failure to renew such arrangements upon expiry may require us to identify alternate premises and, where applicable, relocate our manufacturing operations or proposed manufacturing infrastructure.

Any such relocation may involve significant expenditure and operational challenges, including identification and development of suitable alternate premises, dismantling, shifting and re-installation of plant and machinery, undertaking construction and infrastructure works, obtaining fresh or amended statutory and regulatory approvals and utility connections and disruption to our manufacturing and dispatch schedules. In the case of the proposed facility, such circumstances may also delay implementation of the proposed expansion or affect our ability to realise the anticipated benefits from the capital expenditure incurred thereon.

There can be no assurance that suitable alternate premises with the required infrastructure, location and manufacturing capabilities will be available within the required timeframe or on commercially acceptable terms. Accordingly, any adverse development in relation to our occupation of the aforesaid promoter-owned premises may adversely affect our business, implementation of our expansion plans, financial condition, results of operations and cash flows.

9. ***Any disruption, breakdown or shutdown of our Manufacturing Unit may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We undertake our manufacturing operations from our facility located at Survey No. 240, Veraval (Shapar), Rajkot, Gujarat. We are dependent on this manufacturing facility for the manufacture of our products, and any disruption or interruption at such facility may adversely affect our manufacturing operations and our ability to fulfil customer orders within agreed timelines.

Our business is dependent upon our ability to effectively manage our facility, which is subject to various operating risks, including those beyond our control, such as the machinery breakdown, failure of equipment or industrial accidents, labor disputes, severe weather conditions, fire, power interruption, natural disasters etc. While there

have been no such instances Fiscals 2026, 2025 and 2024, any significant malfunction or breakdown of our machinery, our equipment, our production setup, our IT systems or any other part of our manufacturing processes or systems may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair or properly maintain manufacturing assets in a timely manner or at all, our operations may need to be suspended until we repair or replace them and there can be no assurance that the new manufacturing assets will be repaired, procured and/or integrated in a timely manner.

We also require substantial electricity for our facility which is sourced from state electricity board. In case the supply is not available for any reason, our production schedule may be hampered or if our electricity suppliers increase the price for electricity, our cost of production and profitability would be materially adversely affected. Further, natural disasters or adverse conditions may occur in the geographical areas in which we operate including severe weather, tropical storms, floods, excessive rainfalls as well as other events beyond our control. If for any reason electricity is not available, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns; increased costs associated with restarting production and the loss of production in progress. While there have been no significant electricity disruptions during the Fiscals 2026, 2025 and 2024, however, we cannot assure you that there will not be any electricity disruption in the future.

Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted and timely supply of our products is critical to our business. While we seek to ensure a continuous supply of our products to our customers, our customer relationships, business and financial results may be adversely affected by any disruption of operations at our manufacturing facility due to any of the factors mentioned above. While we have not experienced any material instances of such disruptions, including those arising from shutdowns or breakdowns, in the past, there can be no assurance that such events will not occur in the future.

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

Our Company is required to comply with applicable statutory payment obligations, including contributions towards employees' provident fund under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, payment of goods and services tax ("GST") and professional tax. Further, in accordance with the applicable provisions of the Income-tax Act, our Company is required to deduct and deposit taxes at source at the prescribed rates.

In the past, there have been certain instances of delays in payment and/or remittance of statutory dues by our Company, including GST, Provident Fund ("PF") and Professional Tax. Delays in respect of GST pertained to certain months during Financial Years 2023-24, 2024-25 and 2025-26.

The delays in remittance of Provident Fund ("PF") dues during Financial Year 2024-25 occurred during January 2025, February 2025 and March 2025, pertaining to 20 to 22 employees, with delays ranging from 2 days to 26 days. During Financial Year 2025-26, such delays occurred during April 2025, May 2025, October 2025 and February 2026, pertaining to 21 to 36 employees, with delays ranging from 4 days to 30 days.

The delays in payment of Professional Tax ("PT") during Financial Year 2024-25 occurred during January 2025, February 2025 and March 2025, pertaining to 18 to 20 employees, with delays of 35 days. During Financial Year 2025-26, such delays occurred during April 2025 to March 2026, pertaining to 20 to 40 employees, with delays ranging from 1 day to 291 days.

Further, ESIC is not applicable to our Company since the area in which our Company is situated does not fall within the notified ESIC implementation area. Accordingly, there were no delays in remittance of ESIC dues during the periods under consideration.

All such amounts were subsequently remitted along with applicable interest and/or late fees and have since been regularized in accordance with applicable laws. The details of such delays are set out below:

**GST Returns Delay Filings:**

| Financial Year | Month | Number of Days Delay (Company) | Delaying Number of Days (Partnership Firm) | Amount (Rs in lakhs) |
|---|---|---|---|---|
| 2023-24 | May | N.A. | 21 | 21.47 |
| | June | N.A. | 9 | 0.23 |
| | July | N.A. | 8 | 0.01 |
| | August | N.A. | 20 | 0.00 |
| | September | N.A. | 18 | 0.10 |
| | October | N.A. | 18 | 0.13 |
| | November | N.A. | 16 | 0.01 |
| | December | N.A. | 18 | 0.01 |
| | January | N.A. | 20 | 0.01 |
| | March | N.A. | 7 | 2.93 |
| 2024-25 | April | N.A. | 11 | 0.02 |
| | January | - | 4 | 0.04 |
| | February | - | 6 | 0.00 |
| | March | 11 | 3 | 37.51 |
| 2025-26 | April | 17 | 22 | 0.24 |
| | May | 1 | 1 | 0.50 |
| | December | 1 | - | 0.09 |
| | March | 30 | 1 | 27.62 |

***Note: -*** *The GST payment delays disclosed above relate to the Erstwhile Partnership Firm as well. The Erstwhile Partnership Firm was converted into the Company on December 13, 2024. However, the GST registration and PAN of the Erstwhile Partnership Firm had not been surrendered/cancelled during the relevant periods. Accordingly, the delays pertaining to the Erstwhile Partnership Firm have been disclosed in the above table. As on the date of this Draft Red Herring Prospectus, the GST registration of the Erstwhile Partnership Firm has been surrendered/cancelled.*

**EPF Returns:**

| Financial Year | Month | Delay Days | No. of Employees | Amount |
|---|---|---|---|---|
| 2024-25 | January | 26 | 20 | 0.68 |
| | February | 20 | 20 | 0.68 |
| | March | 02 | 22 | 0.76 |
| 2025-26 | April | 14 | 21 | 0.75 |
| | May | 05 | 28 | 0.98 |
| | October | 30 | 29 | 1.03 |
| | February | 4 | 36 | 1.31 |

**PT Delays:**

| Month | Delay in Payment (Days) | | | | | |
|---|---|---|---|---|---|---|
| | FY 2025-26 | No. of Employees | FY 2024-25 | No. of Employees | FY 2023-24 | No. of Employees |
| April | 5 | 20 | N.A. | - | N.A. | - |
| May | 1 | 26 | N.A. | - | N.A. | - |
| June | 291 | 30 | N.A. | - | N.A. | - |
| July | 260 | 32 | N.A. | - | N.A. | - |
| August | 229 | 34 | N.A. | - | N.A. | - |
| September | 199 | 33 | N.A. | - | N.A. | - |
| October | 168 | 32 | N.A. | - | N.A. | - |
| November | 138 | 32 | N.A. | - | N.A. | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| December | 107 | 29 | N.A. | - | N.A. | - |
| January | 76 | 33 | 35 | 18 | N.A. | - |
| February | 48 | 36 | 35 | 18 | N.A. | - |
| March | 17 | 40 | 35 | 20 | N.A. | - |

***11. There have been delays in making statutory filings with the Registrar of Companies ("RoC") under the provisions of the Companies Act, 2013 and the rules made thereunder, which may expose our Company in default to regulatory action.***

Our Company has experienced delays in making statutory filings required with the Registrar of Companies ("RoC"), in Form PAS-6 and Form MGT-14, under the Companies Act, 2013 and the rules made thereunder. Such delays may result in payment of additional filing fees and may also expose our Company in default to penalties, adjudication proceedings or other regulatory action under the applicable provisions of the Companies Act, 2013.

Further, there can be no assurance that similar delays or inadvertent non-compliances will not occur in the future. Any delay or non-compliance in making statutory filings within the prescribed timelines may expose our Company to additional costs, regulatory scrutiny or other consequences under applicable law. Any such regulatory action or non-compliance may adversely affect our reputation and may have an adverse effect on our business and financial condition.

***12. We intend to utilize a portion of the Net Proceeds for funding our capital expenditure requirements. While we have shortlisted vendors and obtained quotations from them; however, we are yet to place orders or enter into definitive agreements with such vendors in relation to such proposed capital expenditure.***

Our Company is engaged in the manufacture and supply of machinery used across metalworking and fabrication processes, with our manufacturing operations currently undertaken at our existing facility located at Survey No. 240, Veraval, (Shapar), Rajkot, Gujarat. In order to augment our manufacturing capacity and strengthen our manufacturing capabilities, we propose to establish a new manufacturing facility involving civil construction and related development works, along with the procurement and installation of plant and machinery. A portion of the Net Proceeds of the Issue is proposed to be utilized towards funding such capital expenditure. For further details, please refer to the section titled ***"Objects of the Issue"*** beginning on page **87** of this Draft Red Herring Prospectus.

The proposed expansion involves capital expenditure prior to the realization of anticipated benefits and is subject to risks inherent in the implementation of construction and expansion projects. Such risks include cost overruns, delays in project execution, increases in material or equipment costs, delays or deficiencies in the supply, installation or commissioning of machinery, design or construction-related issues, shortage of skilled personnel, delays in obtaining applicable statutory or regulatory approvals and other unforeseen circumstances. There can be no assurance that the proposed facility will be completed within the estimated timelines or budgeted costs, or that the anticipated operational efficiencies and economic benefits will be achieved.

The expansion will require certain statutory approvals and/or amendments to existing approvals. Any delay in obtaining such approvals may affect the implementation schedule of the project.

Our long-term capital requirements may increase in connection with the proposed expansion and future growth plans. Our ability to raise additional capital, whether through debt or equity, will depend on various factors, including prevailing economic conditions, availability of credit, investor confidence and our operational performance. If we raise funds through equity or equity-linked instruments, it may result in dilution of shareholding. If we raise funds through debt, it may increase our interest obligations and subject us to additional restrictive covenants. Further, the proposed expansion may lead to an increase in finance costs, depreciation and other related expenses in the near term, which may affect our profitability and cash flows.

In addition, the proposed expansion and anticipated growth may place additional demands on our managerial, operational and financial resources. Our ability to manage such growth will depend on timely strengthening of our operational systems, financial controls and human resources. Any inability to implement the expansion efficiently or to generate adequate returns from such investment may adversely affect our business, financial condition, cash flows and results of operations.

***13. We rely on outsourcing a certain proportion of our production processes and activities to third-parties, without exclusivity arrangements. Any inability to obtain sufficient quantities of processed material of the requisite***

***quality in a timely manner and at acceptable prices, or a slowdown, shutdown or disruption in such third parties' operations and performance, could adversely affect our business, results of operations and financial condition.***

As part of our manufacturing operations, we outsource certain processes and activities, including grinding, blackening, fabrication and certain assembly-related activities, to third-party job workers. We rely on such third parties to undertake these activities in accordance with our required specifications, quality standards and delivery schedules. Our ability to complete the manufacturing of our products within agreed timelines is, to an extent, dependent on the timely and satisfactory performance of such job workers.

We have limited control over the operations of third-party job workers. Their ability to provide services to us may be affected by factors including availability of labour, capacity constraints, equipment breakdowns, interruptions in power supply, delays in procurement of inputs, industrial accidents, regulatory restrictions, labour disputes, natural calamities or other operational disruptions. Any delay or interruption in their operations may affect our manufacturing schedules and, consequently, our ability to complete and dispatch products within agreed customer timelines.

If any of our existing job workers are unable or unwilling to continue providing services to us, increase their charges or fail to meet our quality or delivery requirements, we may be required to identify and engage alternate service providers. There can be no assurance that suitable alternate job workers having the required technical capabilities and capacity will be available within the required timeframe or on commercially acceptable terms.

Accordingly, any material disruption in the operations of our third-party job workers, deterioration in the quality of services provided by them, delay in completion of outsourced activities or increase in job-work costs may adversely affect our manufacturing operations, delivery schedules, customer relationships, business, financial condition, results of operations and cash flows.

14. ***Our products are required to meet prescribed quality, performance and technical specifications, and any failure to meet such requirements may result in rejection of products, cancellation of orders, warranty or other claims, loss of customers and reputational harm, which may adversely affect our business, financial condition, results of operations and cash flows.***

Our products are required to meet prescribed quality, performance and technical specifications, including customer-specific requirements, as applicable. The quality and performance of our machines depend on various factors, including the quality of raw materials and components, fabrication and machining accuracy, assembly, integration and functioning of mechanical, electrical, hydraulic and control systems, and adherence to specified operating parameters.

As part of our quality control process, our machines are subject to inspection and testing with respect to various technical and operating parameters prior to dispatch. However, there can be no assurance that our inspection and testing processes will identify all defects, deficiencies or performance-related issues. Any failure to supply products in accordance with agreed specifications or performance requirements may result in rejection of machines, cancellation of existing or future orders, rework, repair or replacement requirements, warranty or service-related claims, delays in installation or commissioning and loss of existing or prospective customers.

Further, defects in our products or failure of our machines to perform as expected may result in damage to customer property, disruption to customer operations or claims alleging losses arising from the use or performance of our products. In such circumstances, we may be required to incur costs towards rectification, replacement, servicing, transportation, components, manpower or other remedial measures and may also become subject to contractual disputes, claims or legal proceedings.

Any significant or recurring quality or performance-related issue may adversely affect customer confidence, our reputation and our ability to secure repeat or future orders. Accordingly, any failure to maintain the required quality and performance standards or comply with agreed customer specifications may adversely affect our business, financial condition, results of operations and cash flows.

15. ***There are outstanding legal proceedings involving our Company. Any adverse decision could impact our cash flows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.***

There are outstanding legal proceedings involving our Company. For details, see ***"Outstanding Litigation and Material Developments"*** beginning on page 256 of this Draft Red Herring Prospectus.

**Litigations involving the Company**:

***(Rs. In Lakhs)***

| Nature of cases | No. of Outstanding cases | Amount in dispute/demanded to the extent ascertainable |
|---|---|---|
| Criminal proceedings filed by the Company | Nil | Nil |
| **Tax proceedings/matters** | | |
| Direct Tax | 1 | 0.04 |
| Indirect tax | Nil | |
| Other Pending material litigation against the company | Nil | |
| **Total** | 1 | 0.04 |

**Litigations involving the Promoters & Directors:**

***(Rs. In Lakhs)***

| Nature of cases | No. of Outstanding cases | Amount in dispute/demanded to the extent ascertainable |
|---|---|---|
| Criminal proceedings filed by the Promoters & Directors | Nil | Nil |
| **Tax proceedings/matters** | | Nil |
| Direct Tax | Nil | Nil |
| Indirect tax | Nil | Nil |
| Other Pending material litigation against the company | Nil | Nil |
| **Total** | Nil | Nil |

****Note:***

*Our Company was incorporated upon conversion of the partnership firm Weldor CNC Machines under Part I of Chapter XXI of the Companies Act, 2013. The PAN and TAN have not been cancelled yet and a TDS defaults aggregating ₹0.04 Lakhs is reflected on the TRACES portal, comprising ₹0.03 Lakhs for FY 2023-24 (being interest on payments default under Section 201 of ₹0.03 Lakhs and late filing fee under Section 234E of ₹0.002 Lakhs) and ₹0.003 Lakhs for prior years (being interest on payments default under Section 201 of ₹0.002 Lakhs and interest under Section 220(2) of ₹0.001 Lakhs) for the said partnership firm.*

For further details of certain material legal proceedings involving our Company, our Promoters, or our directors, see **"*Outstanding Litigations and Material Developments*"** beginning on page 256 of this Draft Red Herring Prospectus.

***16. We may not be able to maintain historical levels of orders from our existing customers or secure repeat orders, including through tenders based procurement by government organizations and public sector undertakings. Any reduction in order volumes may adversely affect our business, financial condition, results of operations and cash flows.***

Our ability to generate business from existing customers and secure repeat orders depends on several factors, including the quality and performance of our products, technical specifications, pricing, customization capabilities, delivery timelines, after-sales support, customer requirements and overall competitive conditions. Further, as the machinery supplied by us generally forms part of the capital expenditure requirements of our customers, the frequency and value of repeat orders may vary depending on their capacity expansion plans, replacement requirements, investment decisions and procurement schedules. Accordingly, there can be no assurance that customers who have purchased our products in the past will continue to place orders with us at historical levels or at all.

In the case of government organizations and public sector undertakings, procurement may be undertaken through tender-based processes involving prescribed eligibility criteria, technical specifications, commercial terms and competitive bidding. Our past supply of products to any such customer does not assure us of future orders, and our ability to secure repeat business may depend on the issuance of new tenders, satisfaction of applicable eligibility and technical requirements and successful participation in the relevant bidding process. Any inability to qualify for or secure such tenders may result in loss of potential business opportunities.

In the case of other customers, order volumes may vary depending on their capital expenditure plans, capacity expansion or replacement requirements, financial position and procurement schedules. Any change in such requirements may result in lower order volumes, deferment or cancellation of orders or longer sales cycles.

Our revenue from repeat customers for Fiscals 2026, 2025 and 2024 is set forth below:

***(₹ in lakhs)***

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Revenue from operations | 2,531.44 | 1,400.01 | 1,046.00 |
| Revenue from repeat customers | 984.65 | 264.72 | 95.87 |
| Percentage of revenue from operations from Repeat Customers (%) * | 38.90% | 18.91% | 9.17% |

** Repeat Customers are defined as customers who were invoiced during the particular fiscal year or period as well as in the immediately preceding financial year.*

There can be no assurance that we will be able to maintain the level of business generated from our existing customers or secure new orders sufficient to offset any reduction in repeat orders. Any loss of existing customers, reduction or deferment in their procurement requirements, inability to secure repeat tenders or failure to generate adequate orders from new customers may result in lower order inflows and revenues and may adversely affect our business, financial condition, results of operations and cash flows.

***17. The cancellation of the PAN and TAN of our Erstwhile Partnership Firm is pending and certain legacy tax demands continue to be reflected on the TRACES portal. Any delay in resolution of such matters or any additional liabilities arising therefrom may adversely affect our business, financial condition and results of operations.***

Our Company was incorporated pursuant to the conversion of the partnership firm, namely Weldor CNC Machines ("Erstwhile Partnership Firm"), into a company under Part I of Chapter XXI of the Companies Act, 2013. Pursuant to such conversion, the assets, liabilities and obligations of the Erstwhile Partnership Firm were transferred to and vested in our Company by operation of law.

As of the date of this Draft Red Herring Prospectus, while there are no outstanding income-tax return filing or related compliance obligations in respect of the Erstwhile Partnership Firm, the cancellation of its Permanent Account Number ("PAN") and Tax Deduction and Collection Account Number ("TAN") is pending. Further, certain legacy tax demands continue to be reflected on the TRACES portal in the name of the Erstwhile Partnership Firm. We are in the process of addressing such demands and completing the cancellation of the aforesaid PAN and TAN. However, there can be no assurance that such demands will be resolved in our favour or that the cancellation process will be completed within the expected timelines. For further details in relation to such tax demands, see ***"Outstanding Litigation and Material Developments"*** on page 256.

Further, pursuant to the application filed for cancellation of the GST registration of the Erstwhile Partnership Firm, the GST registration has been cancelled with effect from August 28, 2026. Notwithstanding such cancellation, there can be no assurance that notices, demands, interest, penalties or other proceedings will not be initiated under applicable GST laws in respect of the period during which the GST registration of the Erstwhile Partnership Firm was in effect.

Any delay or failure in completing the cancellation of the PAN, TAN or GST registration, or in resolving the aforesaid legacy tax demands, may result in additional tax liabilities, interest, penalties or regulatory proceedings, which may adversely affect our business, financial condition, results of operations and cash flows.

***18. Inventories and trade receivables form a major part of our current assets, and ineffective management of the same could adversely affect our business, cash flows, profitability and liquidity.***

Our business requires us to maintain inventories of raw materials, components, work-in-progress and finished goods to support our manufacturing operations and fulfil customer orders. Effective inventory management requires us to appropriately estimate our production requirements, procurement lead times, customer requirements and anticipated order volumes. Any mismatch between our inventory levels and actual requirements, delays in execution of customer orders or changes in customer requirements may result in accumulation of raw materials, components, work-in-progress or finished goods, leading to higher inventory holding costs, price fluctuations, potential obsolescence and increased working capital requirements. Conversely, inadequate availability of required raw materials or components may affect our manufacturing schedules and ability to fulfil customer orders within agreed timelines. Our inventories

stood at ₹898.10 lakhs, ₹384.00 lakhs and ₹315.55 lakhs as at March 31, 2026, March 31, 2025 and March 31, 2024, respectively.

We also extend credit to certain customers in the ordinary course of our business. The timing of collection of trade receivables may depend on agreed commercial terms, completion of delivery, installation or commissioning requirements, acceptance by customers and other contractual conditions, as applicable. Any delay in realization of receivables may increase our working capital requirements and adversely affect our liquidity and cash flows.

Our trade receivables stood at ₹707.49 lakhs, ₹310.38 lakhs and ₹70.12 lakhs as at March 31, 2026, March 31, 2025 and March 31, 2024, respectively. A portion of our trade receivables relates to supplies made to government and public sector customers, where realization of payments may be subject to prescribed procedures, including inspection and acceptance of machinery, submission and verification of requisite documentation, internal approvals and other administrative processes. Any delay in completion of such procedures, or any delay or default by our customers in making payments when due, may increase our working capital requirements and adversely affect our liquidity and cash flows.

Accordingly, any inability to effectively manage our inventories and receivables may result in higher working capital requirements, increased finance costs and adversely affect our business, financial condition, results of operations and cash flows.

***19. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.***

Our business operation requires significant working capital specifically for raw materials, and finished goods to undertake manufacturing operations. The working capital requirements of our Company are as under:

***(Rs. in lakhs)***

| Particulars | Fiscal 2024 | Fiscal 2025 | Fiscal 2026 |
|---|---|---|---|
| Current Assets (excluding cash and cash equivalents) | 440.38 | 777.69 | 1,852.59 |
| Current Liabilities (excluding short-term borrowings) | 475.33 | 801.11 | 1,041.22 |
| **Working Capital** | **(34.95)** | **(23.43)** | **811.37** |

Our growing scale and expansion may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

***20. Our manufacturing operations are subject to operational risks and potential industrial accidents, which may result in personal injury or loss of life, damage to property and consequent civil or criminal liabilities.***

Our manufacturing operations involve various activities, including fabrication, machining, assembly, handling and movement of heavy machine components, electrical and hydraulic integration, testing, painting and finishing. These activities involve the use of plant and machinery, tools, electrical systems, hydraulic equipment and material handling equipment and may expose our employees, workers and other personnel to risks of accidents, bodily injury, burns, electrical hazards, equipment malfunction, falls, fire and other occupational hazards.

Any failure of machinery or equipment, improper handling of heavy components, failure to follow prescribed operating or safety procedures or occurrence of any other industrial accident may result in injury or loss of life, damage to plant and machinery, inventory or other property, interruption of manufacturing activities and delays in production and dispatch schedules. We may also be subject to claims, litigation, penalties or other liabilities arising from injuries sustained by employees, workers, contractors or other persons at our manufacturing facility.

While we undertake safety measures and maintain procedures intended to mitigate risks associated with our manufacturing operations, there can be no assurance that such measures will be sufficient to prevent industrial accidents or occupational injuries. Further, while there have been no instances of fatal injuries at our manufacturing facility during Fiscals 2026, 2025 and 2024 there can be no assurance that such incidents will not occur in the future.

We maintain insurance coverage in relation to certain risks associated with our employees and manufacturing operations. However, there can be no assurance that such insurance coverage will be adequate to cover all losses, claims or liabilities arising from any industrial accident or occupational injury. Any liability exceeding the available insurance coverage, or any material accident or safety-related incident, may result in additional costs,

disruption of our manufacturing operations, claims, litigation, penalties or other liabilities and may adversely affect our reputation, business, financial condition, results of operations and cash flows.

***21. Our growth depends on our ability to effectively manage the expansion of our operations, introduce new products, adapt to technological developments and strengthen our operational capabilities. Any inability to do so may adversely affect our business, financial condition, results of operations and cash flows.***

Our future growth depends, among other factors, on our ability to efficiently manage our manufacturing operations, supply chain, sales and marketing activities, customer support capabilities and other operational requirements as the scale of our business increases. Growth in our operations may require us to manage higher procurement requirements, manufacturing volumes, customer orders, working capital requirements and delivery obligations, which may increase the scale and complexity of our operations.

In the ordinary course of our business, we may undertake modifications and technical improvements to our machinery to address operational requirements, technological developments and customer specifications. Such activities may involve changes to machine specifications, configuration of mechanical, electrical, hydraulic and control-system components, testing and related technical adjustments. Evolving technology, industry requirements and customer preferences may require us to periodically modify or enhance our products and manufacturing processes.

As part of our business strategy, we intend to broaden our product portfolio by introducing CNC Panel Bending Machines. The development and introduction of new machinery may involve technical and commercial uncertainties and may require design and engineering activities, testing and modifications, procurement and integration of suitable components and development of the requisite manufacturing capabilities prior to commercial introduction. We may also be required to deploy additional financial, technical and human resources and incur additional expenditure in connection with such activities. There can be no assurance that such machinery will be introduced within the anticipated timelines or costs, achieve the intended technical specifications and performance parameters or receive the anticipated level of customer acceptance. For further details, please refer to the section titled ***"Our Business – Our Business Strategies"*** on page 134 of this Draft Red Herring Prospectus.

Further, expansion of our operations and product portfolio may require us to enhance our manufacturing capabilities, infrastructure, technology, systems, processes and internal controls and deploy additional managerial, technical and human resources. Such expansion may place additional demands on our existing personnel, infrastructure, operational processes and management resources. There can be no assurance that our existing systems, procedures and resources, or measures undertaken to strengthen them, will be adequate to support the increased scale and complexity of our operations.

Any delay or inability to introduce new product, improve our existing products and processes, adapt our technical capabilities to evolving industry and customer requirements or effectively manage the increased scale and complexity of our operations may affect our ability to cater to existing and prospective customers, expand across applications and end-user industries and implement our growth strategies. Accordingly, any failure to effectively manage our growth and product development initiatives may adversely affect our business, financial condition, results of operations and cash flows.

***22. We have secured and unsecured borrowings, including certain unsecured loans from our Directors and/or their relatives which are repayable on demand. Any demand for repayment of such loans or inability to refinance our borrowings on commercially acceptable terms may adversely affect our liquidity, cash flows and financial condition.***

As on August 31, 2026, our aggregate borrowings amounted to ₹677.20 lakh, comprising secured cash credit facilities from banks aggregating to ₹535.16 lakh and unsecured loans from our Directors and/or their relatives aggregating to ₹142.04 lakh. Both the secured cash credit facilities and the aforesaid unsecured loans are repayable on demand.

Accordingly, the lenders in respect of such repayable-on-demand loans may require us to repay all or a portion of the outstanding amounts at short notice. In the event of any such demand, we may be required to utilise our internal cash accruals, available banking facilities or arrange alternative sources of financing.

There can be no assurance that we will have sufficient internal resources to repay such amounts at the relevant time or that alternative financing will be available to us within the required timeframe or on commercially acceptable terms. Any significant repayment obligation, deterioration in our ability to access financing, increase in financing

costs or requirement to divert funds from our working capital or capital expenditure requirements may adversely affect our liquidity, manufacturing operations, growth plans, business, financial condition, results of operations and cash flows.

For further details of our borrowings, please refer to the section titled **"Statement of Financial Indebtedness"** beginning on page 230 of this Draft Red Herring Prospectus.

***23. Our business operations are concentrated at a single location in Rajkot, Gujarat and any disruption or adverse developments affecting such location may materially and adversely affect our business, financial condition and results of operations.***

We currently undertake our manufacturing operations at our facility located at Survey No. 240, Veraval, (Shapar), Rajkot, Gujarat. For further details, please refer to the section titled ***"Our Business – Property"*** on page 145 of this Draft Red Herring Prospectus. Due to the geographical concentration of our manufacturing operations at a single location, our operations are susceptible to local and regional factors, including natural disasters, adverse weather conditions, fire, accidents, labour disruptions, civil disturbances, infrastructure or utility disruptions, transportation constraints, regulatory restrictions and other unforeseen events and circumstances.

Any material disruption at our manufacturing facility may result in suspension or interruption of manufacturing activities, damage to plant and machinery or inventory, delays in procurement of raw materials and components, and delays in production or dispatch of our products. Since we currently do not have an alternate manufacturing facility, any prolonged disruption at our existing facility may affect our ability to fulfil customer orders within agreed timelines and may adversely affect our customer relationships and business operations.

In Fiscal 2026, a significant portion of our domestic revenue was derived from customers located in Gujarat and Maharashtra. The following table sets forth the geographical bifurcation of our revenue from operations for Fiscals 2026, 2025 and 2024:

***(Rs in Lakhs)***

| Sr No | Particular | FY 2025-26 | % of Revenue | FY 2024-25 | % of Revenue | FY 2023-24 | % of Revenue |
|---|---|---|---|---|---|---|---|
| 1 | Gujarat | 1,077.10 | 42.55% | 509.67 | 36.40% | 221.62 | 21.19% |
| 2 | Maharashtra | 729.83 | 28.83% | 521.52 | 37.25% | 199.36 | 19.06% |
| 3 | West Bengal | 213.75 | 8.44% | - | - | - | - |
| 4 | Karnataka | 176.38 | 6.97% | 119.06 | 8.50% | 230.35 | 22.02% |
| 5 | Uttar Pradesh | 132.76 | 5.24% | 51.70 | 3.69% | 33.75 | 3.23% |
| 6 | Tamil Nadu | 109.35 | 4.32% | 15.72 | 1.12% | - | - |
| 7 | Goa | 25.00 | 0.99% | 25.48 | 1.82% | - | - |
| 8 | Delhi | 22.50 | 0.89% | - | 0.00% | - | - |
| 9 | Haryana | 18.00 | 0.71% | 37.15 | 2.65% | 141.88 | 13.56% |
| 10 | Uttarakhand | 17.50 | 0.69% | - | - | 77.28 | 7.39% |
| 11 | Kerala | 8.50 | 0.34% | - | - | - | - |
| 12 | Madhya Pradesh | 0.78 | 0.03% | 13.93 | 1.00% | 57.89 | 5.53% |
| 13 | Andhra Pradesh | - | - | 28.55 | 2.04% | 0.34 | 0.03% |
| 14 | Chandigarh | - | - | - | - | 0.27 | 0.03% |
| 15 | Chhattisgarh | - | - | - | - | 0.04 | 0.00% |
| 16 | Dadra And Nagar Haveli | - | - | - | - | 0.28 | 0.03% |
| 17 | Jharkhand | - | - | - | - | 11.76 | 1.12% |
| 18 | Rajasthan | - | - | 17.49 | 1.25% | 36.19 | 3.46% |
| 19 | Telangana | - | - | 59.75 | 4.27% | 34.99 | 3.35% |
| **Total Revenue from Operations** | | **2,531.44** | **100.00%** | **1,400.01** | **100.00%** | **1,046.00** | **100.00%** |

Such geographical concentration of our revenue exposes us to developments affecting industrial activity, customer demand, investment and procurement decisions, competitive conditions and the economic or regulatory environment in such region. Any adverse developments in such region may affect order inflows and revenue derived from customers located therein. Accordingly, any material disruption at our manufacturing facility or adverse

developments in regions from which we derive a significant portion of our revenue may adversely affect our business, financial condition, results of operations and cash flows.

***24. Our trademark applications are pending registration, and any inability to obtain registration or adequately protect our intellectual property rights may adversely affect our business, reputation and competitive position.***

Our Company has filed applications for registration of its trademarks under Classes 7 and 35 with the Registrar of Trade Marks, which are pending registration as on the date of this Draft Red Herring Prospectus. Until such registrations are granted, we do not enjoy the statutory protections available to registered proprietors in respect of such trademarks and logos. There can be no assurance that the applications will be registered in our favour in a timely manner or at all, or that objections, oppositions or other claims will not be raised by third parties in relation thereto.

The details of our trademark applications are set out below:

| Sr. No | Brand Name/ Logo/ Trademark | Class | Application Number and date | Type | Current Status |
|---|---|---|---|---|---|
| 1. | WCM WELDOR CNC MACHINES LTD | 35 | 7756068 May 29, 2026 | Device | Ready for Examination |
| 2. | WCM WELDOR CNC MACHINES LTD | 7 | 7756067 May 29, 2026 | Device | Ready for Examination |

If we are unable to obtain registration of such trademarks or adequately protect our intellectual property rights, our brand identity, reputation and competitive position may be adversely affected. We may also be required to incur costs in pursuing registration, responding to objections or oppositions, or initiating or defending proceedings relating to our intellectual property rights. Any such proceedings may be time-consuming and costly, and the outcome thereof cannot be assured.

Further, any unauthorised use, imitation or infringement of our trademarks, logos or other intellectual property may not be detected or prevented in a timely manner. Any inability to adequately protect or enforce our intellectual property rights may adversely affect our business, financial condition, results of operations and reputation. For further details, see ***"Our Business – Intellectual Property"*** on page 145 of this Draft Red Herring Prospectus.

***25. We rely on third-party logistics and transportation providers for procurement of raw materials and components and dispatch of our products, and any disruption in such services may adversely affect our business, financial condition, results of operations and cash flows.***

In the ordinary course of our operations, we procure raw materials and bought out components, including metal sheets, plates, pipes, electrical components, hydraulic components, motors, control systems and other mechanical and electrical components, for use in our manufacturing operations. Such materials and components are required to be transported from supplier locations to our manufacturing facility.

We also rely on third-party logistics and transportation service providers for transportation of raw materials, components, finished machines and other operational materials, including dispatch of our products to customer

locations. Our dependence on external logistics providers exposes us to risks beyond our control, including delays due to adverse weather conditions, road blockages, vehicle shortages, fuel price fluctuations, labour unrest, regulatory restrictions, accidents, strikes and other unforeseen events.

Any delay or disruption in transportation may result in delays in procurement of raw materials or components, interruption or rescheduling of manufacturing activities, delays in dispatch or delivery of finished products and inability to meet agreed customer delivery timelines. Further, any increase in freight charges or inability to obtain transportation services on commercially acceptable terms may increase our operating costs and adversely affect our margins.

Our ability to ensure timely transportation is dependent on the availability and service levels of third-party logistics and transportation providers. There can be no assurance that such services, or suitable alternate service providers, will be available when required or on commercially acceptable terms.

Any material disruption, delay or increase in the cost of logistics and transportation services may adversely affect our procurement, manufacturing and delivery schedules, customer relationships, business, financial condition, results of operations and cash flows.

***26. We operate in a competitive industry, and increased competition may adversely affect our ability to secure customers and orders, which may result in reduced revenues, lower margins or loss of market share.***

The industry in which we operate is competitive and comprises domestic and international manufacturers and suppliers of CNC and other metal forming machinery used across metalworking and fabrication processes. Our competitors may include established domestic and international manufacturers, regional machinery manufacturers and suppliers operating in similar product categories. Certain of our competitors may have longer operating histories, greater financial and technical resources, wider product portfolios, larger manufacturing capacities, stronger distribution and service networks, established customer relationships or greater ability to absorb pricing pressures.

Competition in our industry is based on various factors, including product quality, machine performance, technical specifications, level of automation, precision, pricing, customization capabilities, delivery timelines, after-sales service and customer relationships. Customers may shift their procurement to alternate suppliers based on these factors or other commercial considerations. Further, existing competitors may introduce new products or technologies, expand their manufacturing capabilities or strengthen their sales and service networks. Such competitive developments may result in pricing pressure, reduced margins, lower order volumes and may affect our ability to secure repeat orders or expand our customer base.

If we are unable to respond effectively to competitive pressures or differentiate our products and capabilities from those of our competitors, our ability to secure new orders, retain existing customers and expand our customer base may be adversely affected. This may result in lower order inflows, reduced revenues and margins and loss of market share, which may adversely affect our business, financial condition, results of operations and cash flows.

***27. Any negative publicity regarding our Company, brand or products, whether substantiated or not, could adversely affect our reputation, consumer relationships and demand of our products, which may materially affect our business, financial condition and results of operations.***

Our business is dependent on the quality, reliability, performance and technical specifications of the machines manufactured and supplied by us. Any actual or perceived issues relating to product quality or performance, including defects in components, fabrication or assembly, inaccuracies in machine operation, malfunction of hydraulic, electrical or control systems, or failure of a machine to perform in accordance with agreed specifications, may adversely affect our reputation and customer confidence.

Defects or inconsistencies arising during our manufacturing, assembly, testing, installation or commissioning processes may not always be identified or rectified prior to delivery or during initial testing. Any such issues may result in customer complaints, rejection or return of machines, repair or replacement requirements, warranty or service-related costs, delays in commissioning, claims or disputes with customers and may adversely affect our relationships with existing and prospective customers.

Further, any adverse publicity relating to the quality, performance, reliability or safety of our machines, whether arising from customer complaints, service issues, digital platforms or other sources, may adversely affect the perception of our Company and our products among existing and prospective customers. Any failure to address such concerns in a

timely and satisfactory manner may affect customer relationships, repeat business and future order generation, and could adversely affect our business, financial condition, results of operations and cash flows.

28. ***Our failure to identify and adapt to evolving industry trends and technological developments and changing customer requirements may materially and adversely affect our business, financial condition, results of operations and cash flows.***

Our ability to remain competitive depends on our ability to identify and respond to evolving trends and technological developments relating to machinery used across metalworking and fabrication processes, including changes in customer requirements relating to machine capacity, automation, precision, control systems, productivity and other technical specifications. Our continued growth is also dependent on our ability to adapt and expand our product portfolio in line with changing industry requirements, technological developments and evolving customer expectations.

Such developments may require us to modify machine specifications, control systems, automation features, performance parameters or other technical aspects of our products. There can be no assurance that we will be able to identify or respond to such developments in a timely manner or that any modifications, upgrades or new products introduced by us will achieve the anticipated level of customer acceptance. Further, rapid technological developments may render certain features, specifications or technologies incorporated in our existing products less relevant or suitable to evolving customer requirements.

Any inability to keep our products aligned with prevailing technological and industry requirements may result in reduced demand for our products, loss of existing or prospective customers, loss of business opportunities or increased competitive pressure, which may adversely affect our business, financial condition, results of operations and cash flows.

29. ***Our Company has experienced negative cash flows in the past and may experience negative cash flows in the future, which may adversely affect our business, results of operations, cash flows and financial condition.***

Our Company has experienced negative cash flows in certain financial periods. The details of our cash flows from operating and investing activities for the relevant periods are set out below:

***(Rs. In lakhs)***

| Particulars | Fiscal 2026 | Fiscal 2025 | Fiscal 2024 |
|---|---|---|---|
| Net Cash Generated from Operating Activities | (213.13) | 250.78 | 232.85 |

Negative cash flows from operating activities in certain periods may arise due to factors such as increase in working capital requirements, delays in receipt of payments from customers, capital expenditure or other operational requirements. Sustained negative cash flows may require us to rely on external sources of financing, including borrowings, to fund our operations and capital expenditure requirements. There can be no assurance that we will not experience negative cash flows in the future. Any sustained negative cash flow may adversely affect our liquidity, financial condition and ability to fund our operations and growth plans.

*For further details, please refer to the sections titled "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 185 and 234 respectively of this Draft Red Herring Prospectus.*

30. ***Our business is dependent on the experience and expertise of our Promoters, Key Managerial Personnel and Senior Management Personnel for the management and operation of our business. Further, we have experienced employee attrition in the past, and any inability to retain personnel or manage employee attrition may adversely affect our business, financial condition, results of operations and cash flows.***

Our business operations depend significantly on the experience, technical knowledge and managerial capabilities of our Promoters, Key Managerial Personnel and Senior Management Personnel. These personnel are involved in strategic decision-making, manufacturing operations, customer relationships, business development and the overall management of our operations. For details pertaining to the profile of our Directors, please refer to heading titled ***'Brief Profile of our Directors'*** in chapter ***'Our Management'*** on page 165 of this Draft Red Herring Prospectus and for details pertaining to the Key Management Personnel and Senior Management Personnel of our Company and their respective functions, please refer to chapter ***"Our Management"*** on page 174 and 175 respectively of this Draft Red Herring Prospectus.

In the event, any of our Promoters or one or more members of our Key Managerial Personnel and Senior Management Personnel are unable or unwilling to continue in their present positions, it would be challenging for us to replace such person in a timely and cost-effective manner or at all. There can be no assurance that we will be able to retain or replace these personnel. The loss of any of such personnel or our inability to replace them may restrict our growth prospects, affect our ability to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our business, results of operations, financial position and cash flows.

In addition, our employee attrition rate has fluctuated during the periods under consideration and stood at 35.48%, 145.45% and 28.57% in Fiscal 2026, Fiscal 2025 and Fiscal 2024, respectively. Such levels of employee attrition may affect our productivity, increase recruitment and training costs and disrupt operational efficiency. Further, replacing skilled personnel may involve additional costs, which could affect our ability to execute our business strategies and manage our operations effectively. Accordingly, any significant employee attrition may adversely affect our business, financial condition, results of operations and cash flows.

The following table outlines the attrition rate of employees for the specified periods:

| **Particulars** | **2023-24** | **2024-25** | **2025-26** |
|---|---|---|---|
| Attrition Rate* | 28.57% | 145.45% | 35.48% |

** Calculated as the number of employees who left during the period divided by the average of the opening and closing number of employees for the respective financial year/period*.

***31. The Promoters (including promoter group) and Directors hold 99.93% of the Equity Shares of our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Maheshkumar Gordhandas Vaghela, our Chairman and Managing Director, Nikunj Maheshkumar Vaghela, our Whole-Time Director, and Minaben Maheshkumar Vaghela, our Non-Executive Director, each of whom is also a Promoter of our Company, have interests in our Company, in addition to receiving remuneration, properties given by them on lease/rental basis, to the extent of their respective shareholding, dividend entitlements and other benefits derived from their positions as Directors. There can be no assurance that our Promoters will exercise their rights as shareholders in a manner that is in the best interests of our Company or our minority shareholders. Further, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. For further information, please refer to the chapters/section titled ***"Our Business"***, ***"Our Promoters and Promoter Group"*** and ***"Annexure-30 - Related Party Transactions"***, beginning on pages 131, 179 and 222 respectively of this Draft Red Herring Prospectus.

***32. Our Promoters or directors (except for an Independent Director) do not possess experience in managing publicly listed companies.***

Our Independent Directors, namely Mahipal Singh Chouhan and Tushar Rai Sharma, currently serve as Independent Directors on the boards of listed companies, while Arun Dash, our Independent Director, has previously served on the board of a listed company. However, except for such board-level experience of our Independent Directors, our Promoters and other Directors do not have prior experience in managing the operations of a listed company. While our Promoters and other Directors have experience in managing the operations of public company, the regulatory and compliance requirements applicable to a listed entity, including shareholder relations, periodic and event-based disclosures and compliance with applicable SEBI regulations and stock exchange requirements, may pose additional challenges. This lack of prior exposure could impact our company's ability to effectively meet these demands, potentially affecting investor confidence and may attract notices, fines or penalties from regulatory authorities which may divert the Management's attention and may have an adverse impact on the financial performance of the Company.

***33. We have in the past entered into related party transactions and may continue to do so in the future.***

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members/entities. These transactions, inter-alia includes, rent, sales, purchase, remuneration, loans and advances etc. For details, please refer to ***"Annexure 30- Related Party Transactions"*** under Section titled ***"Financial Information of the Company"*** and Chapter titled ***"Capital Structure"*** beginning on page 222 and 74 respectively of this Draft Red Herring Prospectus.

While our Company believe that all such transactions have been conducted on an arm's length basis and are accounted as per AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Our Company has entered into such transactions due to easy proximity and quick execution.

Although all related-party transactions that we may enter into in the future are subject to approval by Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions are not entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

***34. Our industry is labour intensive, and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive, is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled / unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, however there can be no assurance that we will not experience any such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

***35. We are exposed to credit risk in respect of amounts receivable from our customers, and any delay or default in payment may adversely affect our working capital, liquidity and cash flows.***

In the ordinary course of our business, we extend credit to certain customers for the sale of CNC Press Brakes, CNC/NC Rolling Machines and other products forming part of our product portfolio. Accordingly, we are exposed to the risk of delayed payments, defaults or deterioration in the financial condition or creditworthiness of our customers. Our ability to realise receivables in a timely manner depends, among other factors, on the financial condition, liquidity and payment practices of our customers, which may be affected by factors beyond our control.

Any significant delay in the collection of receivables or failure by our customers to make payments when due may increase our working capital requirements and adversely affect our liquidity and cash flows. Further, if any customer experiences financial difficulties, becomes insolvent or otherwise fails to discharge its payment obligations, we may be required to make provisions for doubtful receivables, write off amounts due or incur additional costs in pursuing recovery.

While we monitor outstanding receivables and follow internal procedures for collection and recovery, there can be no assurance that such measures will be effective in preventing payment delays or defaults. Accordingly, any material delay or default in payment by our customers may adversely affect our business, financial condition, results of operations and cash flows.

***36. Our insurance coverage may not be adequate to protect us against certain operating hazards, and this may have a material adverse effect on our business.***

Our manufacturing operations are subject to various operational risks and hazards, including equipment failure, industrial accidents, fire, natural calamities such as earthquakes and floods, explosions and other events beyond our control. The occurrence of any such event may result in injury or loss of life, damage to or destruction of our property, plant and equipment or inventories, disruption of our manufacturing operations and other liabilities, which may adversely affect our business, financial condition, results of operations and cash flows.

Our Company maintains insurance policies in relation to certain risks associated with our operations, including coverage in respect of, among other things, fire, building and other structures, finished and unfinished stocks and employee compensation. Although our Company has not filed any insurance claim during Fiscals 2026, 2025 and 2024, there can be no assurance that we will not suffer losses or incur liabilities in the future that may not be adequately covered under our existing insurance policies.

Our insurance coverage may not be sufficient to cover all risks and economic losses associated with our operations. There can be no assurance that losses incurred by us will be fully covered under our existing insurance policies, that claims made by us will be accepted or settled in full or in a timely manner, or that adequate insurance coverage will continue to be available in the future on commercially reasonable terms. Further, one or more significant claims may exceed the limits of our existing insurance coverage.

Accordingly, any significant uninsured or inadequately insured loss, rejection or delay in settlement of an insurance claim, or loss exceeding our available insurance coverage may result in additional expenditure and disruption to our operations and may adversely affect our business, financial condition, results of operations and cash flows. For further details, please refer to the section titled ***"Our Business – Insurance"*** on page 146 of this Draft Red Herring Prospectus.

***37. Our operations are dependent on the adequate availability of power, water and other utilities at our manufacturing facility. Any interruption or disruption in the availability of such utilities may adversely affect our manufacturing operations and dispatch schedules.***

Our manufacturing operations depend on the adequate availability of power, water and other utilities for carrying out various manufacturing activities, including fabrication, machining, assembly, testing, finishing and other related operations at our manufacturing facility.

Any interruption, shortage, fluctuation or disruption in the supply of power, water or other utilities may affect the operations of our plant and machinery, result in production downtime, reduce manufacturing efficiency and delay production and dispatch schedules. Power outrages or fluctuations may also result in increased maintenance requirements, disruption of manufacturing processes and additional operating costs.

Further, any prolonged disruption in the availability of utilities may affect our ability to manufacture and test machines in accordance with customer specifications and fulfil customer orders within agreed timelines. While we may undertake measures to mitigate the impact of such disruptions, there can be no assurance that alternative arrangements or backup utility sources will be available at all times or will be sufficient to meet our operational requirements.

Accordingly, any material or prolonged interruption in the availability of power, water or other utilities at our manufacturing facility may adversely affect our manufacturing operations, delivery schedules, customer relationships, business, financial condition, results of operations and cash flows.

***38. We have incurred significant indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.***

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flow, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt. As on August 31, 2026, our total outstanding indebtedness was ₹ 1,189.86 lakhs.

Our significant indebtedness in future may result in a substantial amount of debt service obligations which could lead to:

1. Increasing our vulnerability to general adverse economic, industry and competitive conditions;
2. Limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
3. Affecting our credit rating;
4. Limiting our ability to borrow more money both now and in the future; and

5. Increasing our interest expenditure and adversely affecting our profitability.

The occurrence of these events may have an adverse effect on our cash flow and financial conditions of the company. For further details regarding our indebtedness, see ***"Statement of Financial Indebtedness"*** on page 230 of this Draft Red Herring Prospectus.

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

Our Directors, Mr. Maheshkumar Gordhandas Vaghela, Mr. Nikunj Maheshkumar Vaghela and Ms. Minaben Maheshkumar Vagghela have provided personal guarantee to secure a significant portion of our existing borrowings taken from the banks and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by the aforesaid may be invoked which could negatively impact their reputation and net worth. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer ***"Statement of Financial Indebtedness"*** on page 230 of this Draft Red Herring Prospectus.

***40. One of our Promoters, Minaben Maheshkumar Vaghela, has not been able to provide documentary evidence in support of her educational qualification, which may expose our Company to regulatory scrutiny or reputational risk.***

Our Promoter, Minaben Maheshkumar Vaghela, has represented through an affidavit that she has studied up to Grade IX. However, documentary evidence, including the relevant marksheet or school records, in support of such educational qualification is presently not available with her and, accordingly, we have been unable to independently verify the same from documentary records.

There can be no assurance that the affidavit provided by her will be regarded as sufficient evidence of such educational qualification by investors or other stakeholders. In the event of any inconsistency, query, challenge or adverse observation in relation to the aforesaid disclosure, our Company may be required to provide further clarification or supporting information, which may adversely affect our reputation and stakeholder confidence.

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

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory part/components loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the recent past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Notwithstanding the insurance coverage maintained by us, any loss arising from theft, fire, damage to inventory or other insured events may not be fully recoverable under our insurance policies and could adversely affect our results of operations and financial condition.

***42. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected. While we have not experienced any such instance in the recent past, there can be no assurance that we will not experience any such adverse event in future.

***43. Any shortfall or delay in the availability of the Net Proceeds or increase in our funding requirements may require us to arrange funds through internal accruals, borrowings or other sources, which may not be available within the required timeframe or on commercially acceptable terms and may delay implementation of our proposed plans.***

We propose to utilise the Net Proceeds of the Issue, inter alia, towards funding capital expenditure for establishment of our proposed manufacturing facility and funding a portion of our working capital requirements. The proposed capital expenditure to be funded from the Net Proceeds is ₹2,155.14 lakh, while a contingency amount of ₹107.76 lakh is proposed to be funded through internal accruals. We also propose to utilise ₹300.00 lakh of the Net Proceeds towards our working capital requirements, with the balance working capital requirements proposed to be met through banking facilities and internal accruals.

The actual amount of Net Proceeds available to us will depend on, among other factors, the final Issue Price, Issue-related expenses and the final size of the Issue. Further, our actual funding requirements may differ from our present estimates on account of changes in project costs, vendor prices, foreign exchange movements, transportation and installation costs, regulatory requirements, working capital requirements, implementation timelines or other factors.

In the event that the Net Proceeds are lower than the amounts contemplated for the relevant objects, or there is an increase in the actual cost of implementation or our working capital requirements, we may be required to utilise additional internal accruals, existing or additional banking facilities, unsecured borrowings or other permissible sources of finance.

There can be no assurance that sufficient internal accruals will be available or that additional financing will be available to us within the required timeframe or on commercially acceptable terms. Any additional borrowing may also result in increased finance costs, repayment obligations, security requirements or restrictive covenants.

Any inability or delay in arranging the required funding may result in deferment, modification or scaling down of our proposed capital expenditure or working capital plans and may adversely affect the implementation of our expansion plans, manufacturing capabilities, growth prospects, business, financial condition, results of operations and cash flows.

For further details, please refer to the section titled **"Objects of the Issue"** beginning on page 87 of this Draft Red Herring Prospectus.

***44. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.***

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, management, changes in fixed assets, creation of any other charge, undertake any guaranteed obligation etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see ***"Statement of Financial Indebtedness"*** on page 230 of the Draft Red Herring Prospectus.

***45. The Objects of the Issue for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency***

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled ***"Objects of the Issue"***. The fund requirement and deployment, as mentioned in the ***"Objects of the Issue"*** on page 87 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter ***"Objects of the Issue"*** is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter ***"Objects of the Issue"*** will not vary from the estimated costs or schedule of implementation. Any such variance may be on account

of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

***46. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to utilise the Net Issue Proceeds towards: (a) funding of capital expenditure towards set up of a new manufacturing facility; (b) funding of working capital requirements and (c) general corporate purposes. For further details of the proposed objects of the Issue, see ***"Objects of the Issue – Details of Utilization of Net Proceeds"*** on page 88 of this Draft Red Herring Prospectus.

At this stage, we cannot determine with any certainty if we would require Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval by way of a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

***47. Information relating to our installed production capacity and capacity utilisation is based on the methodology, assumptions and technical assessment adopted by the Chartered Engineer, and our actual production and capacity utilisation may differ from the disclosed figures.***

The information relating to our installed production capacity and historical capacity utilisation included in this Draft Red Herring Prospectus is based on the Chartered Engineer's Report dated September 26, 2026 issued by R K Patel & Co., Chartered Engineers and Registered Valuers. Based on the methodology adopted in such report, our installed production capacity for Fiscals 2024, 2025 and 2026 was assessed at 74 machines, 77 machines and 110 machines per annum, respectively, and our corresponding capacity utilisation was 50.00%, 74.02% and 81.82%, respectively.

The determination of installed capacity for our business is not based solely on the rated output of any single machine or manufacturing line. It involves a technical assessment of various factors and assumptions, including the manufacturing process, identified bottleneck operations, available machining capacity, operating hours, product mix, average machine weight, configuration and specifications of machines manufactured and other operating parameters adopted by the Chartered Engineer.

Accordingly, the disclosed capacity represents a technical estimate based on the methodology and assumptions considered appropriate for our manufacturing operations and should not be regarded as a guarantee of the actual number of machines that may be manufactured in any particular period.

Our actual production and utilisation may vary depending on, among other factors, product mix, machine size and complexity, customer specifications, availability of raw materials and bought-out components, availability and performance of plant and machinery, labour availability, outsourcing requirements, planned or unplanned maintenance, order flows, production schedules and other operational factors.

Further, any increase in installed capacity pursuant to our proposed expansion does not assure a corresponding increase in production, sales or revenues. There can be no assurance that we will receive sufficient customer orders to utilise our existing or proposed manufacturing capacities at anticipated levels.

Any significant under-utilisation of our manufacturing capacity or inability to achieve the anticipated production levels following our proposed expansion may result in lower absorption of fixed costs and may adversely affect our operating margins, profitability, business, financial condition and results of operations.

For further details, please refer to **"Our Business – Installed Capacity and Capacity Utilisation"** beginning on page 141 of this Draft Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the Section ***"Dividend Policy"*** on page 184 of the Draft Red Herring Prospectus.

***49. Certain key performance indicators for certain listed industry peers, included in this Draft Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.***

Pursuant to the requirements of the SEBI ICDR Regulations, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the ***"Basis for Issue Price"*** beginning on page 100 of the Draft Red Herring Prospectus. Although this information is sourced from and relied upon on the consolidated audited financial statements of the relevant listed industry peers as available on the websites of the Stock Exchanges, including the annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There may be different methodologies and formulas used to compute various ratios.

***50. There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹5,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

***51. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.***

Our Promoters average cost of acquisition of Equity Shares in our company is lower than the Issue Price as may be decided by the company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter ***"Capital Structure"*** beginning on pages 74 of this Draft Red Herring Prospectus

***52. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoter along with the promoter group will continue to hold collectively [●] % of the post issue paid up share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the

ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

***53. There is no guarantee that the Equity Shares of our Company will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with applicable Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Issue and until the Allotment of Equity Shares pursuant to this Issue. In accordance with current regulations and circulars issued of SEBI, our Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares

***54. Certain sections of this Draft Red Herring Prospectus disclose information from industry report commissioned and paid for by us and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

This Draft Red Herring Prospectus includes industry-related information that is derived from the industry report titled *"Engineering and Capital Goods Industry"* issued on August 27, 2026 ("the Infomerics Report"), prepared and issued by Infomerics Analytics & Research Private Limited, appointed by our Company exclusively for the purpose of the Issue. We commissioned and paid for this report for the purpose of confirming our understanding of the industry exclusively for the purpose of the Issue. The Infomerics Report shall be available on the website of our Company at https://weldorcncmachines.com/ compliance with applicable laws. Our Company, our Promoters, and our directors are not related to Infomerics Analytics & Research Private Limited in any manner whatsoever.

Infomerics Analytics has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics, and research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the BRLM, or any of their respective affiliates. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section ***"Risk Factors"*** on page 22.

Accordingly, investors should not place undue reliance on or base their investment decision on this information. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

***55. 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 the Equity Shares and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under ***"Basis for the Issue Price"*** on page 100 and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the

Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges, strategic actions by us or our competitors, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price, or at all. There has been significant volatility in the Indian stock markets in the recent past and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

***EXTERNAL RISK FACTORS***

***56. A slowdown in economic growth in India, or adverse global economic and financial developments, could materially and adversely affect our business, results of operations, financial condition and the price of our Equity Shares.***

Our Company is incorporated in India and our operations are conducted primarily in India. Accordingly, our business and financial performance are influenced by prevailing economic conditions, industrial activity and capital expenditure trends in India. Any slowdown in economic growth, reduction or deferment of capital expenditure by manufacturing and industrial enterprises, or adverse conditions in industries requiring metal forming and bending machinery may adversely affect demand for our products. Further, changes in customer investment plans, capacity expansion decisions or procurement schedules may result in lower order volumes, deferment or cancellation of orders, or longer sales cycles for our products. Any such developments could adversely affect our revenue, profitability, results of operations and cash flows.

The Indian economy and securities markets are also influenced by economic developments and volatility in securities markets in other countries. Investors' responses to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Adverse developments in global financial markets, including tightening of global liquidity, increased risk aversion, credit market disruptions, or adverse macroeconomic developments in major economies, may affect capital flows into India and could contribute to increased volatility in Indian financial markets.

Further, adverse macroeconomic trends, including changes in interest rates, inflation levels, exchange rates, global commodity cycles and energy prices may impact India's economic environment and could adversely affect our input costs, working capital requirements and overall operating environment. Any significant disruption in financial markets could also restrict access to capital or increase cost of capital for corporate borrowers in India. Any of these factors could materially and adversely affect our business, financial condition, results of operations, cash flows and the trading price of our Equity Shares.

***57. Natural disasters, pandemics, geopolitical conflicts, terrorism, civil unrest and other force majeure events could materially and adversely affect our business and profitability.***

Our business operations may be affected by events beyond our control, including natural disasters (such as earthquakes, floods, fires, cyclones and other extreme weather events), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other force majeure events. Such events may cause disruption to manufacturing operations, availability of labour, transportation and logistics, supply of raw materials and delivery of finished products, and may also adversely affect the operations and procurement schedules of our customers.

India has in the past experienced disruptions arising from public health events and may be exposed to similar risks in the future. During such periods, governmental authorities may impose restrictions on movement of goods and people, operational limitations, inspection requirements or other measures that could impact manufacturing operations and supply chains. Such disruptions may adversely affect our ability to operate efficiently, procure raw materials, dispatch finished goods, and collect receivables.

Further, certain regions in India have witnessed terrorist attacks and civil disturbances, and it is possible that future terrorist attacks, civil unrest or other adverse social, economic and political events in India could have a negative effect on business activity and investor confidence. Transportation facilities and supply chain infrastructure may also be impacted by such events, which may lead to increased insurance costs, security costs and logistics costs.

In addition, geopolitical tensions and conflicts in various regions may result in sustained instability across global financial markets, induce volatility in commodity prices, increase logistics time and costs and contribute to inflationary pressures and increased borrowing costs. Any escalation or continuation of such events may adversely affect economic activity in India and the environment in which we operate. If we are unable to respond effectively to such disruptions, our business, financial condition, cashflows and results of operations may be materially and adversely affected.

***58. Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future issuance of Equity Shares or equity-linked securities by our Company may result in dilution of existing shareholders' ownership interests. Any additional equity issuance could also affect earnings per share and other financial indicators and may adversely affect the market price of the Equity Shares.

In addition, any sale of substantial Equity Shares in the public market after completion of the Issue, including by our major shareholders, or the perception that such sales may occur, could adversely affect the market price of the Equity Shares. Increased supply of Equity Shares in the market could result in downward pressure on the trading price of the Equity Shares and could also adversely affect market sentiment regarding our Company. We cannot predict the effect, if any, that future sales of Equity Shares by our major shareholders or the availability of Equity Shares for future sale will have on the market price of Equity Shares.

***59. Financial instability in other countries may cause increased volatility in Indian financial markets and adversely affect our business and the price of our Equity Shares.***

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions vary across jurisdictions, investor reactions to developments in one country may have an adverse effect on securities markets in other countries, including India. Any loss of investor confidence in the financial systems of other emerging markets or developed markets may cause increased volatility in Indian financial markets and indirectly affect economic activity in India.

Global financial instability may arise from various factors, including credit market disruptions, banking sector instability, sovereign debt concerns, abrupt changes in global interest rates, currency volatility, or significant changes in commodity prices. Such instability may lead to capital outflows from emerging markets, including India, and could result in depreciation of the Indian Rupee, increased interest rates and reduced market liquidity.

Such developments may adversely impact the Indian economy and may also result in increased volatility in the trading price and liquidity of securities listed in India, including the Equity Shares. Any prolonged period of global financial instability may materially and adversely affect our business, financial condition, results of operations and the trading price of the Equity Shares.

***60. The Equity Shares have never been publicly traded and, after the Issue, the Equity Shares may experience price and volume fluctuations and an active trading market for the Equity Shares may not develop or be sustained.***

Prior to the Issue, there has been no public market for the Equity Shares. Although the Equity Shares are proposed to be listed on the Stock Exchanges, listing does not guarantee that an active or liquid trading market will develop or be sustained. The Issue Price is proposed to be determined through the book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading or at any time thereafter.

The market price of the Equity Shares may be subject to significant fluctuations due to various factors, including variations in our operating results, changes in our financial condition, developments in the industry in which we operate, changes in laws and regulations, changes in interest rates, general market conditions in India and globally, and volatility in securities markets in other jurisdictions. In addition, fluctuations in commodity prices, changes in customer procurement patterns and macroeconomic conditions may affect our operating results, which could adversely affect investor perception.

Further, trading volume in our Equity Shares may be limited, particularly in the initial period after listing, and investors may face difficulty in selling their Equity Shares at desired prices or at all. Investors may be unable to resell the Equity Shares at or above the Issue Price. Any decline in the market price of the Equity Shares after listing may adversely affect the value of an investment in the Equity Shares.

***61. Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business is subject to various laws and regulations in India, including those relating to manufacturing operations, labour and employment, taxation, environmental and safety compliance and corporate governance. The regulatory and policy environment in India is evolving and subject to changes. Any adverse modifications to, or changes in interpretations of, existing laws, rules or regulations, or the introduction of new statutes, rules or regulations that apply to our operations could increase our compliance obligations and costs and could adversely affect our business, financial condition and results of operations.

Uncertainty or changes in the enforcement of laws, or changes in regulations governing manufacturing operations, labour, environment, health and safety may also have an adverse effect on business operations. Any alleged non-compliance, whether or not ultimately determined to be valid, may result in inquiries, notices, penalties or other regulatory actions, which may adversely affect our business and reputation.

Additionally, taxation laws in India are subject to amendments and changes in interpretation. Any adverse change in tax laws, tax rates, or interpretation of tax provisions, or any disputes with tax authorities, may adversely affect our business, financial condition and results of operations.

***62. Increase in inflation, interest rate fluctuations and currency movements in India may lead to increased costs and a decline in profits.***

India has experienced inflationary pressures in the past. Inflation may increase costs relating to raw materials, transportation, labour, utilities and other operational expenses. In particular, inflationary trends may increase the prices of MS steel and other metal-based raw materials, as well as bought-out components used in our manufacturing operations. Inflation may also increase costs associated with freight and logistics, packaging, repairs and maintenance and other overheads.

High inflation may lead to higher interest rates and tighter credit conditions. Increased interest rates may raise borrowing costs and may also reduce overall economic activity, which could negatively impact demand for products supplied to infrastructure and industrial customers. In addition, inflationary pressures may make it more difficult for us to forecast and manage costs and may adversely affect our margins, particularly in circumstances where we are unable to pass on increased costs to customers in a timely manner.

Further, fluctuations in exchange rates may affect prices of imported raw materials or inputs, or influence commodity-linked pricing for metals. Any sustained inflationary environment, interest rate increases or adverse currency movements may materially and adversely affect our business, financial condition, results of operations and cash flows.

***63. Volatile conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

The Indian securities markets have experienced significant volatility from time to time. The regulation and monitoring of Indian securities markets and activities of investors, brokers and other participants may differ from those in other countries. Instability in global financial markets has negatively affected the Indian economy in the past and may again cause increased volatility in Indian financial markets and, directly or indirectly, adversely affect the Indian economy and capital markets.

The market price of the Equity Shares may be affected by factors beyond our control, including changes in domestic and global economic conditions, changes in interest rates and inflation, geopolitical events, changes in Government policies, and investor sentiment. Such volatility may affect trading volume and liquidity of the Equity Shares, irrespective of our operating performance.

Any sustained volatility in Indian securities markets may adversely affect the market price of the Equity Shares and investors may not be able to sell the Equity Shares at prices they desire or at all.

## SECTION III – INTRODUCTION

## THE ISSUE

| PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS | |
|---|---|
| **Equity Shares issued through Public Issue** [(1) (2)] | Issue of up to 23,30,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs. |
| ***Out of which:*** | |
| **Issue Reserved for the Market Makers** | Up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| **Net Issue to the Public** | Up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| ***Out of which**** | |
| A. QIB Portion[(4)] | Not more than [●] Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs . |
| ***Of Which*** | |
| Anchor Investor | Upto [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| Net QIB Portion (assuming Anchor Investor Portion is fully subscribed) | Up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| ***Of Which*** | |
| Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | Up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| Balance of QIB Portion for all QIBs including Mutual Funds | Up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| B. Non-Institutional Portion | Not less than [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹[●] per Equity Share) per share aggregating to ₹ [●] Lakhs |
| ***Of Which*** | |
| (a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs | Up to [●] Equity Shares of ₹10/- each aggregating up to ₹ [●] Lakhs |
| (b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 10 Lakh | Up to [●] Equity Shares of ₹10/- each aggregating up to ₹ [●] Lakhs |
| C. Individual investors Portion who applies for minimum application size | Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs |
| **Pre and Post – Issue Equity Shares** | |
| **Equity Shares outstanding prior to the Issue** | 60,02,492 Equity Shares of face value of ₹ 10 each |
| **Equity Shares outstanding after the Issue** | Upto [●] Equity Shares of face value ₹ 10 each |

| | |
|---|---|
| **Use of Net Proceeds by our Company** | Please see the chapter titled ***"Objects of the Issue"*** on page 87 of this Draft Red Herring Prospectus. |

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

*Notes:*

(1) *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(1) 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 issued to the public for subscription.*

(2) *The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on August 31, 2026, and by our Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General meeting held on September 16, 2026.*

(3) *The SEBI ICDR Regulation, 2018 as amended from time to time, 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 two lots and up to such lots as equivalent to not more than ₹ 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 shares in 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 read with SEBI ICDR (Amendment) Regulations, 2025. 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.*

(4) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Investors at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

Our Company, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which 33.33% of the Anchor Investor Portion, shall be reserved, for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (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 undersubscription in Life Insurance Companies and Pension Funds portion the same may be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the 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 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 further details, please refer section titled "***Issue Procedure***" beginning on page 298 of this Draft Red Herring Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

## RESTATED FINANCIAL STATEMENTS OF ASSETS AND LIABILITIES

*(₹ In Lakhs)*

| Particulars | Annexure | As at March 31, | | |
|---|---|---|---|---|
| | | 2026 | 2025 | 2024 |
| **I. EQUITY AND LIABILITIES** | | | | |
| **1. Shareholder's Fund** | | | | |
| a) Share Capital/Partner's Capital | 5 | 150.06 | 150.06 | 1.52 |
| b) Reserve and Surplus | 6 | 717.81 | 218.25 | - |
| | | | | |
| **2. Non-current liabilities** | | | | |
| a) Long Term Borrowings | 7 | 76.47 | - | 29.89 |
| b) Deferred Tax Liabilities (net) | | - | - | - |
| c) Other Non-Current Liabilities | | - | - | - |
| d) Long Term Provision | 8 | 15.43 | 9.48 | 7.24 |
| | | | | |
| **3. Current liabilities** | | | | |
| a) Short Term Borrowings | 9 | 743.74 | 255.58 | 436.55 |
| b) Trade Payable | 10 | | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | - | - | - |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 721.90 | 424.32 | 340.83 |
| c) Other Current Liabilities | 11 | 140.80 | 268.97 | 50.54 |
| d) Short Term Provision | 12 | 178.53 | 107.83 | 83.96 |
| **Total** | | **2,744.74** | **1,434.50** | **950.53** |
| | | | | |
| **II. ASSETS** | | | | |
| **1. Non-current assets** | | | | |
| a) Property, Plant and Equipment and Intangible Assets | | | | |
| (i) Property, Plant and Equipment | 13 | 529.52 | 182.51 | 158.40 |
| (ii) Intangible Assets | 13 | 2.30 | 0.24 | 0.26 |
| b) Non-Current Investments | | - | - | - |
| c) Deferred Tax Assets (net) | 14 | 8.75 | 7.16 | 5.37 |
| d) Long Term Loans & Advances | 15 | 276.03 | 172.75 | 172.75 |
| e) Other Non-Current Assets | 16 | 35.41 | 85.73 | 65.16 |
| | | | | |
| **2. Current Assets** | | | | |
| a) Current Investments | | - | - | - |
| b) Inventories | 17 | 898.10 | 384.00 | 315.55 |
| c) Trade Receivables | 18 | 707.49 | 310.38 | 70.12 |
| d) Cash and Bank Balances | 19 | 40.13 | 208.42 | 108.22 |
| e) Short Term Loans and Advances | 20 | 242.76 | 82.57 | 26.20 |
| f) Other Current Assets | 21 | 4.24 | 0.74 | 28.51 |
| **Total** | | **2,744.74** | **1,434.50** | **950.53** |
| | | | | |

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial Statement (Annexure 4 to 32) are an integral part of this statement.

This is the Restated financial Statement of Assets and Liabilities referred to in our report of even date.

As per our report of even date

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

## RESTATED FINANCIAL STATEMENTS OF PROFIT AND LOSS

*(₹ In Lakhs)*

| Particulars | | Annexure | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | 2026 | 2025 | 2024 |
| I | Revenue From Operations | 22 | 2,531.44 | 1,400.01 | 1,046.00 |
| II | Other Income | 23 | 0.83 | 4.60 | 49.41 |
| **III** | **Total Income (I + II)** | | **2,532.27** | **1,404.61** | **1,095.41** |
| IV | Expenses | | | | |
| | Cost of Material Consumed | 24 | 1,612.47 | 937.03 | 666.52 |
| | Change in Inventories | 24 | -323.64 | -86.77 | -57.69 |
| | Employee Benefits Expenses | 25 | 201.30 | 78.11 | 42.47 |
| | Finance Costs | 26 | 44.20 | 14.43 | 24.05 |
| | Depreciation and Amortization Expense | 27 | 71.46 | 33.77 | 30.86 |
| | Other Expenses | 28 | 254.37 | 108.07 | 155.43 |
| | **Total Expenses** | | **1,860.16** | **1,084.64** | **861.64** |
| **V** | **Profit before Exceptional and Extraordinary Item and Tax (III- IV)** | | **672.11** | **319.96** | **233.77** |
| VI | Prior Period Item | | - | - | - |
| **VII** | **Profit before extraordinary item and tax** | | **672.11** | **319.96** | **233.77** |
| VIII | Extraordinary Items | | - | - | - |
| **IX** | **Profit before tax (VII+VIII)** | | **672.11** | **319.96** | **233.77** |
| X | Tax Expense | | | | |
| | a) Current Tax | 29 | (174.15) | (103.51) | (83.76) |
| | b) Deferred Tax Asset / (Liability) | 14 | 1.59 | 1.79 | 2.88 |
| | c) Short/Excess Provision of Last Year | | - | - | - |
| **XI** | **Profit (Loss) for the period (IX + X)** | | **499.56** | **218.25** | **152.89** |
| | Earnings per equity share | | | | |
| | Basic | 32 | 8.32 | 3.64 | 2.55 |
| | Diluted | 32 | 8.32 | 3.64 | 2.55 |

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial Statement (Annexure 4 to 32) are an integral part of this statement.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

As per our report of even date

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

## RESTATED FINANCIAL STATEMENTS OF CASH FLOW

*(₹ In Lakhs)*

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Cash flow from Operating Activities:** | | | |
| Net Profit Before tax as per Statement of Profit & Loss | 672.11 | 319.96 | 233.77 |
| **Adjustments for non-cash & non-operating items:** | | | |
| Depreciation & Amortisation Expense. | 71.46 | 33.77 | 30.86 |
| Finance Cost | 44.20 | 14.43 | 24.05 |
| Bad Debts | - | 0.30 | 1.01 |
| Interest on FD | (0.83) | (4.60) | (7.73) |
| Sundry Creditor W/off | - | - | (40.54) |
| Loss on Sale of Assets | 2.93 | - | - |
| Gratuity Expense | 6.16 | 2.28 | 3.27 |
| **Operating Profit before working capital changes** | **796.03** | **366.15** | **244.69** |
| **Adjusted for (Increase)/ Decrease in:** | | | |
| Trade Payable | 297.58 | 83.49 | 76.94 |
| Other Current Liabilities | (128.17) | 218.42 | (28.09) |
| Inventories | (514.10) | (68.44) | (168.00) |
| Other Current Assets | (3.51) | 27.77 | (12.72) |
| Trade Receivables | (397.11) | (240.56) | 74.89 |
| Short term loans and advances | (160.19) | (56.38) | 45.15 |
| **Cash Generated from Operations** | **(109.47)** | **330.46** | **232.85** |
| **Net Income Tax paid/ refunded** | (103.66) | (79.68) | - |
| **Net Cash Flow from Operating Activities (A)** | **(213.13)** | **250.78** | **232.85** |
| | | | |
| **Cash flow from Investing Activities** | | | |
| Purchase/Sale of Fixed Assets (Net) | (423.46) | (57.86) | (107.76) |
| Interest on Fixed Deposits | 0.83 | 4.60 | 7.73 |
| Long term loans and advance | (103.28) | - | (155.64) |
| Non-Current Asset | 50.33 | (20.58) | 119.65 |
| **Net Cash Flow from Investing Activities (B)** | **(475.59)** | **(73.84)** | **(136.03)** |
| | | | |
| **Cash Flow from Financing Activities** | | | |
| Addition During the Year | - | 181.10 | 12.32 |
| Withdrawal During the Year | - | -16.48 | -273.08 |
| Proceeds/ Repayment from Long Term Borrowings | 76.47 | (45.97) | (23.28) |
| Proceeds/ Repayment Short term borrowings | 488.16 | (180.96) | 253.10 |
| Finance Cost | (44.20) | (14.43) | (24.05) |
| **Net Cash Flow from Financing Activities (C)** | **520.43** | **(76.74)** | **(54.99)** |
| | | | |
| **Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)** | **(168.29)** | **100.20** | **41.83** |
| **Cash and Cash Equivalents as at Beginning of the Year** | **208.42** | **108.22** | **66.39** |
| **Cash and Cash Equivalents as at End of the Year** | **40.13** | **208.42** | **108.22** |

**Notes: -**

| Components of Cash and Cash Equivalents | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Cash In Hand** | 25.84 | 17.56 | 50.13 |
| **Balances with Bank:** | | | |
| Balances with bank in current accounts | 14.29 | 190.86 | 58.09 |
| **Cash and Cash Equivalents as per Cash Flow Statement** | **40.13** | **208.42** | **108.22** |

1.The above cash flow statement has been prepared under the "indirect method" as set out in the accounting standard 3 (AS 3),"Cash Flow Statements".

2. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial statement (Annexure 4 to 32) are integral part of this statement.

This is the restated statement of cash flow referred to in our report of even date.

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

## SUMMARY OF CONTINGENT LIABILITIES

## CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **I. Contingent Liabilities** | | | |
| (a) claims against the company not acknowledged as debt; | - | - | - |
| (b) guarantees excluding financial guarantees; and | - | - | - |
| (c) other money for which the company is contingently liable. | - | - | - |
| **II. Commitments-** | | | |
| (a) estimated amount of contracts remaining to be executed on capital account and not provided for | - | - | - |
| (b) uncalled liability on shares and other investments partly paid | - | - | - |
| (c) other commitments | - | - | - |

## SUMMARY OF RELATED PARTY TRANSACTIONS

## STATEMENT SHOWING RELATED PARTY TRANSACTION AS RESTATED

*(Amount in Lakhs)*

**Statement showing details of related party and their relation with the company:**

| No | Name Of Person | Relation With The Company |
|---|---|---|
| 1 | MAHESHKUMAR GORDHANDAS VAGHELA | Promoter & Director |
| 2 | NIKUNJ MAHESHKUMAR VAGHELA | |
| 3 | MINABEN MAHESHKUMAR VAGHELA | |
| 4 | HIRVA SANDEEPBHAI VASOYA | Spouse of Nikunj Maheshkumar Vaghela |
| 5 | NAMRATA MAHESHKUMAR VAGHELA | Daughter of Maheshkumar Gordhandas Vaghela & Minaben Maheshkumar Vaghela & Sister of Nikunj Maheshkumar Vaghela |
| 6 | SUMITA GIRISHBHAI MISTRY | Sister of Maheshkumar Gordhandas Vaghela |
| 7 | MAHESHKUMAR GORDHANDAS VAGHELA (HUF) | Director's HUF |
| 8 | ARUN DASH | Independent Director |
| 9 | MAHIPAL SINGH CHOUHAN | Independent Director |
| 10 | TUSHAR RAI SHARMA | Independent Director |
| 11 | PARAGKUMAR SANDIPKUMAR DAVE | Company secretary |
| 12 | WELDOR ENGINEERING PRIVATE LIMITED | Company in which Maheshkumar Gordhandas Vaghela (Promoter & Director) is Interested |
| 13 | VANDANKUMAR MAHENDRABHAI DAVE | Chief Financial Officer |

**Statement showing details of related party transaction:**

*(Rs in lakhs)*

| No | Particular | Nature Of Transaction | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | 2026 | 2025 | 2024 |
| 1 | MAHESHKUMAR GORDHANDAS VAGHELA | Opening balance Loan | 74.78 | 126.00 | - |
| | | Loan taken during the year | 57.92 | 1.36 | 126.00 |
| | | Loan repaid during the year | 34.65 | 52.59 | - |
| | | Closing balance- Loan Liability | 98.05 | 74.78 | 126.00 |
| | | Remuneration | 6.60 | 4.12 | - |
| | | Remuneration payable | - | 1.98 | |
| | | Rent Expenses | 12.00 | - | - |
| | | Rent Expenses payable | 2.25 | - | - |
| 2 | MAHESHKUMAR GORDHANDAS VAGHELA (HUF) | Opening balance Loan | 16.64 | 11.64 | 11.64 |
| | | Loan taken during the year | - | 5.00 | - |
| | | Loan repaid during the year | 16.64 | - | - |
| | | Closing balance- Loan Liability | 0.00 | 16.64 | 11.64 |
| 3 | NIKUNJ MAHESHKUMAR VAGHELA | Opening balance Loan | 11.22 | 30.00 | - |
| | | Loan taken during the year | 2.45 | 1.03 | 30.00 |
| | | Loan repaid during the year | 4.87 | 19.82 | - |
| | | Closing balance- Loan Liability | 8.80 | 11.22 | 30.00 |
| | | Remuneration | 15.50 | 4.12 | |
| | | Remuneration Payable | - | 1.98 | - |
| 4 | MINABEN MAHESHKUMAR VAGHELA | Opening balance Loan | 35.24 | 50.00 | 0 |
| | | Loan taken during the year | - | - | 50.00 |
| | | Loan repaid during the year | | 14.76 | - |
| | | Closing balance- Loan Liability | 35.24 | 35.24 | 50.00 |

| | | | | | |
|---|---|---|---|---|---|
| | | Remuneration | 5.76 | 1.12 | |
| | | Remuneration Payable | 0.48 | 0.48 | - |
| 5 | SUMITA GIRISHBHAI MISTRY | Opening balance Loan | - | - | - |
| | | Loan taken during the year | - | - | - |
| | | Loan repaid during the year | - | - | - |
| | | Closing balance- Loan Liability | - | - | - |
| | | Remuneration | - | 0.05 | |
| 6 | NAMRARTA VAGHELA | Opening balance Loan | - | 1.37 | - |
| | | Loan taken during the year | - | - | 1.37 |
| | | Loan repaid during the year | - | 1.37 | |
| | | Closing balance- Loan Liability | - | - | 1.37 |
| 7 | WELDOR ENGINEERING PRIVATE LIMITED | Purchase of Goods/ Assets | 17.58 | - | 9.44 |
| | | Balance Written off | - | - | 30.51 |
| | | Payment made during the year | 37.50 | 15.50 | 1.87 |
| | | Sale of Goods | 71.46 | - | |
| | | Receipts from debtors | 15.44 | - | |
| | | Sundry Creditor/ (Advances) | -60.62 | 15.31 | 30.81 |
| 8 | HIRVA SANDEEPBHAI VASOYA | Remuneration | 11.76 | - | - |
| | | Remuneration payable | 6.11 | | |
| 9 | PARAGKUMAR SANDIPKUMAR DAVE | Salary | 0.11 | - | - |
| 10 | VANDANKUMAR MAHENDRABHAI DAVE | Salary | 0.13 | - | - |

Note:

1. Remuneration to key managerial personnel does not include provision for gratuity, as it is determined on an actuarial basis for the Company as a whole and cannot be identified with individual employees.
2. All transactions are carried out on an arm's length basis.
3. The amounts disclosed above in respect of the Statement of Profit and Loss items are exclusive of indirect taxes.

## GENERAL INFORMATION

**Brief Summary:**
Our Company was originally constituted as a partnership firm under the Partnership Act, 1932, in the name and style of "Weldor CNC Machines", pursuant to a deed of partnership dated December 01, 2015. Thereafter, pursuant to an amended partnership deed dated October 1, 2024, the partnership firm was reconstituted upon the admission of new partners. Subsequently, the partnership firm was converted into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, and was incorporated in the name of "Weldor CNC Machines Limited" pursuant to a certificate of incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U28229GJ2024PLC157041.

| | |
|---|---|
| **Registered Office** | Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat- 360024, India.<br>**Tel. No.:** +91 9274396173<br>**Email**: investors@weldorcncmachines.com<br>**Website**: https://weldorcncmachines.com/<br>**CIN**: U28229GJ2024PLC157041<br>**Registration Number**: 157041 |

**Address of the ROC:**

**Registrar of Companies, Ahmedabad**
Ministry Of Corporate Affairs,
ROC Bhavan, Opp Rupal Park Society, Behind
Ankur Bus Stop, Naranpura, Ahmedabad- 380013, Gujarat, India.
**Phone**: 079-27438531
**Email:** roc.ahmedabad@mca.gov.in
**Website:** www.mca.gov.in

**Board of Directors:**

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

| Name of Director | Designation | DIN | Address |
|---|---|---|---|
| Maheshkumar Gordhandas Vaghela | Chairman and Managing Director | 01642816 | Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India. |
| Nikunj Maheshkumar Vaghela | Whole-time director | 10870838 | Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India. |
| Minaben Maheshkumar Vaghela | Non-Executive Director | 10870839 | Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India. |
| Arun Dash | Independent Director | 09657537 | 702, Surya Jangid CHS Ltd, Jangid Complex, Near Silver Park, Mira Road, East Thane, Maharashtra- 401107, India. |
| Mahipal Singh Chouhan | Independent Director | 08977710 | P.No. 413, Maharshi Gautam Rishi Colony, Jodh Mangra, Chandana Bhakar, Jodhpur, Rajasthan - 342001, India. |
| Tushar Rai Sharma | Independent Director | 09211414 | House No. 37, Ward No. 9, Dr. Gautam Gali, Sujanpur (Rural), Pathankot, Punjab – 145023, India. |

For further details in relation to our directors, please refer to chapter titled **"Our Management"** on page 163 of this Draft Red Herring Prospectus.

| Chief Financial Officer | Company Secretary and Compliance Officer |
|---|---|
| **Vandankumar Mahendrabhai Dave**<br>**Weldor CNC Machines Limited**<br>**Address:** Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat- 360024, India.<br>**Tel. No.:** +91 9274396173<br>**Email**: investors@weldorcncmachines.com | **Paragkumar Sandipkumar Dave**<br>**Weldor CNC Machines Limited**<br>**Address:** Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat- 360024, India.<br>**Tel. No.:** +91 9274396173<br>**Email:** cs@weldorcncmachines.com |

**Investor Grievances:**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM 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 and non-receipt of funds by electronic mode.**

All grievances relating to the Issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

**Details of Key Intermediaries pertaining to this Issue and Our Company:**

| Book Running Lead Manager to the Issue | Legal Advisor to the Issue |
|---|---|
| **Seren Capital Private Limited**<br>**Address:** Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra - 400059<br>**Tel No.:** +91-22-46011058<br>**Email:** info@serencapital.in<br>**Investor Grievance Email:** investor@serencapital.in<br>**Website:** https://serencapital.in/<br>**Contact Person:** Venil Mehta/Tripti Pathani<br>**SEBI Reg. No.:** INM000013156 | **ShriVara Law Offices**<br>**Address:** A-817, Spectrum Metro Mall, Phase-1, Plot No. C&D, Sector -75, Noida, Gautam Buddha Nagar-201318, Uttar Pradesh.<br>**Tel No.:** +91- 9582160897/ 0120-4528594<br>**Email:** Partners@shrivaralaw.com<br>**Contact Person:** Harshal Madan/ Jhalak Sachdeva |
| **Registrar to the Issue** | **Peer Reviewed Statutory Auditor** |
| **Maashitla Securities Private Limited**<br>**Address:** 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi -110034, India.<br>**Telephone:** 011- 47581432<br>**Email:** investor.ipo@maashitla.com<br>**Investor Grievance Email:** investor.ipo@maashitla.com<br>**Website:** http://www.maashitla.com/<br>**Contact Person:** Mr. Mukul Agrawal<br>**SEBI Registration Number:** INR000004370 | **Sunit M Chhatbar & Co.**<br>Chartered Accountants,<br>**Address:** Gokul, Govind Nagar St No 4, Gandhigram, Rajkot – 360007.<br>**Peer reviewed No -** 018746<br>**Phone:** +91 9033927693<br>**Email:** Chhatbar.sunit@gmail.com<br>**Contact Person:** CA Sunit M Chhatbar<br>**Membership No:** 166095<br>**F.R.N**.: 141068W |

| Bankers to the Company | Banker to the Issue/Refund Banker/ Sponsor Bank* |
|---|---|
| **Union Bank of India**<br>**Address:** Bankers Compound, Venus Industrial Park, Veraval Main Road, Shapar Veraval, Rajkot - 360024, Gujarat, India.<br>**Contact Person: Mukesh Kumar Das**<br>**Email:** ubin0567663@unionbankofindia.bank<br>**Phone:** +91 7992253707<br>**Website:** www.unionbankofindia.bank.in | **[●]** |
| **Syndicate Member*** | |
| [●] | |

***The Bankers to the Issue, Refund banker, Sponsor Bank and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus.*

**Designated Intermediaries:**

In accordance with the SEBI ICDR Regulations, the SEBI Master Circular for Issue of Capital and Disclosure Requirements dated February 9, 2026, the applicable SEBI master circulars relating to Registrars to an Issue and Share Transfer Agents, and other applicable circulars, guidelines and directions issued by SEBI and the Stock Exchange, as amended from time to time, Bidders may submit their ASBA Forms through the relevant Designated Intermediaries, subject to the eligibility requirements applicable to the relevant category of Bidders and the mode of application.

For the purposes of the Issue, Designated Intermediaries shall include Self-Certified Syndicate Banks ("SCSBs"), members of the Syndicate and sub-syndicate members or agents, Registered Brokers, Registrar and Share Transfer Agents eligible to accept ASBA Forms ("RTAs") and Collecting Depository Participants ("CDPs"), as applicable, in accordance with the SEBI ICDR Regulations and applicable SEBI and Stock Exchange requirements.

**Self-Certified Syndicate Banks**

The list of banks registered with SEBI and eligible to act as SCSBs for the ASBA process, together with the details of their Designated Branches, is available on the website of SEBI and may be updated from time to time. Bidders submitting ASBA Forms directly through an SCSB shall submit their ASBA Forms at the relevant Designated SCSB Branch in accordance with the applicable SEBI requirements.

**SCSBs eligible as Sponsor Banks and UPI-enabled applications**

The list of SCSBs eligible to act as Sponsor Banks and the list of banks and mobile applications enabled for the UPI Mechanism are available on the website of SEBI and/or such other website as may be prescribed by SEBI from time to time. Bidders using the UPI Mechanism shall comply with the applicable requirements prescribed under the SEBI ICDR Regulations, the applicable SEBI master circulars and directions issued by SEBI and the Stock Exchange from time to time.

**Syndicate SCSB Branches**

In relation to ASBA Forms submitted through members of the Syndicate, the relevant members of the Syndicate shall submit such forms and/or details to the designated branches of the SCSBs in accordance with the applicable SEBI and Stock Exchange framework. The list of such branches is available on the website of SEBI and/or the Stock Exchange and is updated from time to time.

**Registered Brokers**

Registered Brokers, being stock brokers registered with SEBI and eligible to accept ASBA Forms at the Broker Centres in accordance with applicable SEBI and Stock Exchange requirements, may accept ASBA Forms from eligible Bidders. The list of such Registered Brokers, Broker Centres and their contact details is available on the website of the Stock Exchange and/or SEBI, as applicable, and is updated from time to time. Recent 2026 offer documents define Broker Centres by reference to brokers eligible at centres notified by the stock exchanges, rather than saying that every exchange member automatically qualifies. Securities and Exchange Board of India

**Registrar and Share Transfer Agents**

The list of RTAs eligible to accept ASBA Forms at the Designated RTA Locations, together with their contact details and designated locations, is available on the website of SEBI and/or the Stock Exchange, as applicable, and is updated from time to time.

**Collecting Depository Participants**

The list of CDPs eligible to accept ASBA Forms at the Designated CDP Locations, together with their contact details and designated locations, is available on the website of SEBI and/or the Stock Exchange, as applicable, and is updated from time to time.

**Brokers to the Issue**

Registered Brokers, being stock brokers registered with SEBI and eligible to accept ASBA Forms at the Broker Centres in accordance with the SEBI ICDR Regulations and applicable SEBI and Stock Exchange requirements, may procure Bids in the Issue. The list of Registered Brokers eligible to accept ASBA Forms at the Broker Centres, together with their respective contact details, is available on the website of the Stock Exchange and/or SEBI, as applicable, and is updated from time to time.

**Expert Opinion**

Except for (i) the Installed Capacity and Actual Capacity Utilization Certificate issued by the Independent Chartered Engineer, (ii) the Independent Chartered Accountant certificates issued in connection with this Issue, and (iii) the certificates provided in the sections titled "***Restated Financial Statements***" and "***Statement of Possible Tax Benefits***" on pages 185 and 107 respectively, of this Draft Red Herring Prospectus by the Statutory Auditor, our Company has not obtained any expert opinions. However, the term "expert" shall not be interpreted as defined under the U.S. Securities Act of 1933.

**Inter-se Allocation of Responsibilities**

Seren Capital Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

**Appraisal and Monitoring Agency**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 5,000 Lakhs. Since the Issue size is below ₹ 5,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

**Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

**Credit Rating**

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

**IPO Grading**

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

**Trustees**

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

**Debenture Trustees**

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

**Filing of Issue Documents with the Designated Stock Exchange/SEBI/ROC**

The Draft Red Herring Prospectus has been filed with BSE Limited, Phiroze Jeejeebhoy tower, Dalal Street, Mumbai 400001, Maharashtra, India.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of 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 Issue is being made through the Book Building Process in accordance with Chapter IX of the SEBI ICDR Regulations and other applicable provisions of law. The Price Band and the Issue Price shall be determined by our Company, in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations and applicable SEBI and Stock Exchange requirements. The Price Band shall be disclosed and advertised in the manner prescribed under applicable law prior to the Bid/Issue Opening Date.

The principal parties involved in the Book Building Process are our Company, the Book Running Lead Manager, the Registrar to the Issue, the Syndicate Member(s), if any, the Bankers to the Issue, Sponsor Bank(s), Designated Intermediaries and such other intermediaries as may be appointed in accordance with applicable law.

The allocation in the Net Issue shall be made in accordance with Regulation 253 and other applicable provisions of the SEBI ICDR Regulations. Not more than 50% of the Net Issue shall be available for allocation to Qualified Institutional Buyers ("QIBs") on a proportionate basis ("QIB Portion"), subject to valid Bids being received at or above the Issue Price. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). 40% of the Anchor Investor Portion shall be reserved in the following manner: (i) 33.33% of the Anchor Investor Portion for domestic Mutual Funds; and (ii) 6.67% of the Anchor Investor Portion for Life Insurance Companies and Pension Funds, subject to valid Bids being received from such investors at or above the Anchor Investor Allocation Price. In the event of under-subscription in the portion reserved for Life Insurance Companies and Pension Funds, the unsubscribed portion may be allocated to domestic Mutual Funds in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added back 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, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available in the Mutual Fund Portion shall be added to the remaining Net QIB Portion and allocated proportionately to QIB Bidders other than Anchor Investors.

Not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Investors ("Non-Institutional Portion"), subject to valid Bids being received at or above the Issue Price. Of the Non-Institutional Portion, one-third shall be available for allocation to Bidders with an application size of more than two Bid Lots and up to such number of Bid Lots equivalent to an application size of not more than ₹10.00 lakh, and two-thirds shall be available for allocation to Bidders with an application size of more than ₹10.00 lakh. Any under-subscription in either of these two sub-categories may be allocated to Bidders in the other sub-category. Subject to the availability of Equity Shares in the Non-Institutional Portion, the Allotment to each Non-Institutional Investor shall not be less than the minimum application size applicable to the Non-Institutional Investor category, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations.

Not less than 35% of the Net Issue shall be available for allocation to Individual Investors who apply for the minimum application size ("Individual Investor Portion"), subject to valid Bids being received at or above the Issue Price. Subject to the availability of Equity Shares in the Individual Investor Portion, the Allotment to each Individual Investor shall not be less than the minimum application size applicable to the Individual Investor category, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, other than the QIB Portion, may 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 Designated Stock Exchange, subject to applicable law. Under-subscription in the QIB Portion shall not be met through spill-over from any other category.

All Bidders, other than Anchor Investors, are mandatorily required to participate in the Issue through the ASBA process. Eligible Bidders using the UPI Mechanism shall comply with the applicable requirements prescribed under the SEBI ICDR Regulations, the SEBI Master Circular for Issue of Capital and Disclosure Requirements dated February 9, 2026, and other applicable circulars, guidelines and directions issued by SEBI and the Stock Exchange, as amended from time to time. Anchor Investors shall submit their Bids and make payment in accordance with the separate mechanism applicable to Anchor Investors under the SEBI ICDR Regulations.

Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. Allocation to QIBs other than Anchor Investors shall be on a proportionate basis. Allocation to Non-Institutional Investors and Individual Investors shall be subject to the applicable minimum application/allotment requirements specified above, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis in accordance with the SEBI ICDR Regulations.

For further details regarding the Book Building Process, eligibility of Bidders, Bid Lot, minimum and maximum Bid Size, ASBA and UPI Mechanism, Bid revision and withdrawal, Basis of Allotment and other Issue procedures, please refer to the chapter titled "Issue Procedure" beginning on page 298 of this Draft Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the 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 and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled **"Issue Procedure"** on page 298 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

| Event | Indicative Dates |
|---|---|
| Bid/Issue Opening Date[(1)] | [●] |
| Bid/Issue Closing Date[(2)] | [●] |
| 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 | [●] |

*[(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 BRLM, 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 individual investors who applies for minimum application size and non-institutional Bidders. The time for applying for individual investors who applies for minimum application size on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and BSE 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 Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Further, Individual investors who apply for minimum application size can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to individual investors who applies for minimum application size, 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 Bidder, 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 Bidder, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stockbrokers, 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 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 registration of Red Herring Prospectus/ Prospectus with RoC.

**Underwriting**

Our Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter [●].

Pursuant to the terms of the Underwriting Agreement dated [●] entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter | No. of shares underwritten | Amount Underwritten (₹ in Lakhs) | % of Total Issue Size Underwritten |
|---|---|---|---|
| [●] | [●] | [●] | [●] |

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

**Change in Auditors during the last three years**:
Except as stated below, there have been no changes in our Company's auditors in the last three (3) years:

| Name of Auditor/Auditors Firm | Date of Change | Reason |
|---|---|---|
| **Sunit M Chhatbar & Co.,**<br>**Chartered Accountants,**<br>**Address:** Gokul, Govind Nagar St No 4, Gandhigram, Rajkot Raiya Road, Rajkot, Gujarat- 360007, India.<br>**Email:** Chhatbar.sunit@gmail.com<br>**Contact Person:** Sunit Chhatbar<br>**Membership No:** 166095 | December 30, 2024<br>(Date of Appointment) | Appointed as First Auditor of the company F.Y-2024-25 |
| | AGM Dated- December 31, 2025<br>(Date of Re-appointment) | Appointed as Auditor of the company for 5 consecutive financial years i.e. F.Y-2025-30 |

**Details of the Market Making arrangement for this Issue**

Our Company and the BRLM has entered into Market Making Agreement dated [●] with the following Market Maker, to fulfill the obligations of Market Making for this Issue:

| | |
|---|---|
| **Name** | [●] |
| **Correspondence Address** | [●] |
| **Tel No.** | [●] |
| **E-mail** | [●] |
| **Website** | [●] |
| **Contact Person** | [●] |
| **SEBI Registration No.** | [●] |
| **Market Maker Registration No.** | [●] |

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 BSE to fulfill 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 offered in this Issue.

[●] registered with BSE 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 fulfill the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE 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 BSE SME 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 SME platform of BSE (in this case currently the minimum trading lot size is [●] equity shares; however, the same may be changed by the SME platform of BSE from time to time).

- After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of 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, BSE 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 scrip 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 six 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 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:** BSE SME will have all margins, which are applicable on BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

- **Punitive Action in case of default by Market Makers:** BSE 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 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 Exchange from time to time. The 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 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 SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

The following spread will be applicable on the SME platform:

| S. No. | Market Price Slab (in Rs.) Proposed Spread (in % to sale price) | Market Price Slab (in Rs.) Proposed Spread (in % to sale price) |
|---|---|---|
| 1. | Up to 50 | 9 |
| 2. | 50 to 75 | 8 |
| 3. | 75 to 100 | 6 |
| 4. | Above 100 | 5 |

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

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as of the date of this Draft Red Herring Prospectus:

**(₹ in Lakhs, except share data)**

| Sr. No. | Particulars | Aggregate Value at Face Value | Aggregate Value at Issue Price |
|---|---|---|---|
| **A** | **AUTHORIZED SHARE CAPITAL**<br>1,20,00,000 Equity Shares having Face Value of ₹ 10/- each | 1,200.00 | - |
| **B** | **ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL PRIOR TO THE ISSUE**<br>60,02,492 Equity Shares having Face Value of ₹10/- each | 600.25 | - |
| **C** | **PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**<br>Up to 23,30,000 Equity Shares having Face Value of ₹ 10/- each at a price of ₹ [●] per share. (1) | 233.00 | [●] |
| | **WHICH COMPRISES OF:** | | |
| **D** | **RESERVATION FOR MARKET MAKER PORTION**<br>[●] Equity Shares of Face Value of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion | [●] | [●] |
| **E** | **NET ISSUE TO PUBLIC**<br>Net Issue to Public of [●] Equity Shares of Face Value of ₹10/- each at a price of ₹[●] per Equity Share to the Public | [●] | [●] |
| | **OF WHICH:** | | |
| | At least [●] Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to individual investors who apply for the minimum application size | [●] | [●] |
| | At least [●] Equity Shares aggregating up to ₹[●] lakhs will be available for allocation to Non-Institutional Investors | [●] | [●] |
| | Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs will be available for allocation to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds. | [●] | [●] |
| **F** | **ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE ISSUE*** | | |
| | [●] Equity Shares of face value of ₹10/- each | [●] | |
| **G** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Issue (as on the date of this Draft Red Herring Prospectus) | NIL | |
| | After the Issue | [●] | |

**To be updated upon finalisation of Issue Price.*

*(1) The Present Issue of up to 23,30,000 Equity Shares of Face Value of ₹10 in terms of this Draft Red Herring Prospectus has been authorised pursuant to a resolution of the Board of Directors dated August 31, 2026, and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting of the members held on September 16, 2026.*

**Classes of Shares:**

Our Company has only one class of share capital, i.e., Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of filing the Draft Red Herring Prospectus.

**NOTES TO THE CAPITAL STRUCTURE:**

1. **Changes in Authorised Equity Share Capital of our Company:**

| Sr. No. | Particulars | Cumulative No. of Equity Shares | Face Value of Equity Share | Cumulative Authorised Share Capital | Date of Meeting | Whether AGM/ EGM |
|---|---|---|---|---|---|---|
| 1. | On Incorporation | 15,10,000 | 10/- | 1,51,00,000 | On Incorporation | N.A. |
| 2. | Increase in Authorised Share Capital from ₹1,51,00,000 to ₹ 12,00,00,000 | 1,20,00,000 | 10/- | 12,00,00,000 | June 15, 2026 | EGM |

2. **Equity Share Capital History of our Company:**

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

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Issue Price (including Premium if applicable) (₹) | Nature of Consideration | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Securities Premium (₹) | Cumulative Paid-up Capital (₹) |
|---|---|---|---|---|---|---|---|---|
| Upon Incorporation | 15,00,623 | 10/- | 10/- | Pursuant to conversion of Partnership Firm into Public Limited Company | Subscription to MOA[(i)] | 15,00,623 | - | 1,50,06,230 |
| September 17, 2026 | 45,01,869 | 10/- | Nil | Nil | Bonus Issue [(ii)] | 60,02,492 | 0 | 6,00,24,920 |

*All the above-mentioned shares are fully paid up since the date of allotment.*

*(i) Initial Subscribers to the Memorandum of Association subscribed 15,00,623 Equity Shares of face value of ₹ 10/- each, pursuant to conversion of Partnership Firm into Public Limited Company, details of which are given below:*

| Sr. No. | Name of Subscribers | Number of Shares Subscribed |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 9,77,584 |
| 2. | Nikunj Maheshkumar Vaghela | 69,686 |
| 3. | Minaben Maheshkumar Vaghela | 4,35,657 |
| 4. | Sumita Girishbhai Mistry | 1,000 |
| 5. | Naman Manojbhai Solanki | 1,000 |
| 6. | Namrata Maheshkumar Vaghela | 14,696 |
| 7. | Hirva Sandeep Vasoya | 1,000 |
| | **Total** | **15,00,623** |

*(ii) Bonus Issue of 45,01,869 Equity Shares of face value ₹10/- each in the ratio of 3:1, i.e. Three (3) Bonus Equity Shares for every One (1) equity shares held by the shareholders.*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 29,32,752 |

| | | |
|---|---|---|
| 2. | Nikunj Maheshkumar Vaghela | 2,09,058 |
| 3. | Minaben Maheshkumar Vaghela | 13,06,971 |
| 4. | Sumita Girishbhai Mistry | 3,000 |
| 5. | Naman Manojbhai Solanki | 3,000 |
| 6. | Namrata Maheshkumar Vaghela | 44,088 |
| 7. | Hirva Sandeep Vasoya | 3,000 |
| | **Total** | **45,01,869** |

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

3. Except as mentioned below, the Company has not issued any Equity Shares in the last two years preceding the date of the Draft Red Herring Prospectus.

*(i) Initial Subscribers to the Memorandum of Association subscribed 15,00,623 Equity Shares of face value of ₹ 10/- each, pursuant to conversion of Partnership Firm into Public Limited Company, details of which are given below:*

| Sr. No. | Name of Subscribers | Number of Shares Subscribed |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 9,77,584 |
| 2. | Nikunj Maheshkumar Vaghela | 69,686 |
| 3. | Minaben Maheshkumar Vaghela | 4,35,657 |
| 4. | Sumita Girishbhai Mistry | 1,000 |
| 5. | Naman Manojbhai Solanki | 1,000 |
| 6. | Namrata Maheshkumar Vaghela | 14,696 |
| 7. | Hirva Sandeep Vasoya | 1,000 |
| | **Total** | **15,00,623** |

*(ii) Bonus Issue of 45,01,869 Equity Shares of face value ₹10/- each in the ratio of 3:1, i.e. Three (3) Bonus Equity Shares for every One (1) equity share held by the shareholders.*

| Sr. No. | Name of Allottees | Number of Shares Allotted |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 29,32,752 |
| 2. | Nikunj Maheshkumar Vaghela | 2,09,058 |
| 3. | Minaben Maheshkumar Vaghela | 13,06,971 |
| 4. | Sumita Girishbhai Mistry | 3,000 |
| 5. | Naman Manojbhai Solanki | 3,000 |
| 6. | Namrata Maheshkumar Vaghela | 44,088 |
| 7. | Hirva Sandeep Vasoya | 3,000 |
| | **Total** | **45,01,869** |

4. Issue of Equity Shares for consideration other than cash:

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

*(i) Initial Subscribers to the Memorandum of Association subscribed 15,00,623 Equity Shares of face value of ₹ 10/- each, pursuant to conversion of Partnership Firm into Public Limited Company, details of which are given below:*

| Sr. No. | Name of Subscribers | Number of Shares Subscribed |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 9,77,584 |
| 2. | Nikunj Maheshkumar Vaghela | 69,686 |
| 3. | Minaben Maheshkumar Vaghela | 4,35,657 |
| 4. | Sumita Girishbhai Mistry | 1,000 |
| 5. | Naman Manojbhai Solanki | 1,000 |
| 6. | Namrata Maheshkumar Vaghela | 14,696 |

| | | |
|---|---|---|
| 7. | Hirva Sandeep Vasoya | 1,000 |
| | **Total** | **15,00,623** |

*(ii) Bonus Issue of 45,01,869 Equity Shares of face value ₹10/- each in the ratio of 3:1, i.e. Three (3) Bonus Equity Shares for every One (1) equity share held by the shareholders.*

| Date of Allotment | Number of Equity Shares | Face Value (₹) | Issue Price (₹) | Ratio of Allotment | Benefits Accrued to our Company | Name of Allottees | No. of Shares Allotted |
|---|---|---|---|---|---|---|---|
| September 17, 2026 | 45,01,869 | 10.00 | Nil | Bonus Issue in the ratio of 3:1 | Capitalisation of Reserves & Surplus | Maheshkumar Gordhandas Vaghela | 29,32,752 |
| | | | | | | Nikunj Maheshkumar Vaghela | 2,09,058 |
| | | | | | | Minaben Maheshkumar Vaghela | 13,06,971 |
| | | | | | | Sumita Girishbhai Mistry | 3,000 |
| | | | | | | Naman Manojbhai Solanki | 3,000 |
| | | | | | | Namrata Maheshkumar Vaghela | 44,088 |
| | | | | | | Hirva Sandeep Vasoya | 3,000 |
| | | | | | | **Total** | **45,01,869** |

5. As on the date of filing the Draft Red Herring Prospectus, no Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under Sections 391-394 of the Companies Act, 1956.

6. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/Stock Appreciation Rights.

7. Except for Point 3 (ii) above, our Company has not issued Equity shares at a price below the Issue price within the last one year from the date of the Draft Red Herring Prospectus.

8. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalising any revaluation reserves.

**Shareholding Pattern of the Company**

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 this Draft Red Herring Prospectus:

**I - Our Shareholding Pattern:-**

| Category | Category of Shareholders | Nos. of shareholders | No. of fully paid-up equity shares held | No. of partly paid-up equity shares held | 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* | | | | No. of Shares Underlying Outstanding convertible | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) | Number of locked-in shares | | Number of Shares pledged or otherwise encumbered | | Number of equity shares held in dematerialised form |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No. of Voting Rights | | | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held (b) | |
| | | | | | | | | Class Equity Shares of ₹10/- each^ | Class eg: y | Total | | | | | | | | |
| I | II | III | IV | V | VI | VII = IV+V+VI | VIII | IX | | | | X | XI=VII+X | XII | | XIII | | XIV |
| (A) | Promoters & Promoter Group | 6 | 59,98,492 | - | - | 59,98,492 | 99.93 | 59,98,492 | - | 59,98,492 | 99.93 | - | 99.93 | - | | - | | 59,98,492 |
| (B) | Public | 1 | 4,000 | - | - | 4,000 | 0.07 | 4,000 | - | 4,000 | 0.07 | - | 0.07 | - | | - | | 4,000 |
| (C) | Non-Promoter Non-Public | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | | - |
| (C1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | | - |
| (C2) | Shares held by Emp. Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | | - | | - |
| | **Total** | **7** | **60,02,492** | **-** | **-** | **60,02,492** | **100** | **60,02,492** | **-** | **60,02,492** | **100** | **-** | **100** | **-** | | **-** | | **60,02,492** |

The term "Encumbrance" has the same meaning as assigned under Regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

**Notes:**

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

*^ We have only one class of Equity Shares of face value of ₹ 10/- each.*

- *We have entered into a tripartite agreement dated March 10, 2025 with NSDL.*
- *We have entered into a tripartite agreement dated March 05, 2026 with CDSL.*
- *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 BSE before commencement of trading of such Equity Shares.*

9. **List of Shareholders of the Company holding 1% or more of the paid-up Share Capital of the Company:-**

a) As on the date of filing of this Draft Red Herring Prospectus:

| Sr. No. | Names of Shareholders | Shares held (Face Value of ₹ 10 each) | % Pre-Issue paid-up Share Capital |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 39,10,336 | 65.15 |
| 2. | Minaben Maheshkumar Vaghela | 17,42,628 | 29.03 |
| 3. | Nikunj Maheshkumar Vaghela | 2,78,744 | 4.64 |
| | **Total** | **59,31,708** | **98.82%** |

b) Ten days prior to the date of filing of this Draft Red Herring Prospectus:

| Sr. No. | Names of Shareholders | Shares held (Face Value of ₹ 10 each) | % Pre-Issue paid-up Share Capital |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 39,10,336 | 65.15 |
| 2. | Minaben Maheshkumar Vaghela | 17,42,628 | 29.03 |
| 3. | Nikunj Maheshkumar Vaghela | 2,78,744 | 4.64 |
| | **Total** | **59,31,708** | **98.82%** |

c) One year prior to the date of filing of this Draft Red Herring Prospectus

| Sr. No. | Names of Shareholders | Shares held (Face Value of ₹ 10 each) | % Pre-Issue paid-up Share Capital |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 9,77,584 | 65.15 |
| 2. | Minaben Maheshkumar Vaghela | 4,35,657 | 29.03 |
| 3. | Nikunj Maheshkumar Vaghela | 69,686 | 4.64 |
| | **Total** | **14,82,927** | **98.82%** |

**Details of shares held on September 29, 2025, and percentage held have been calculated based on the paid-up capital of our Company as on September 29, 2025.*

d) Two Years* prior to the date of filing of this Draft Red Herring Prospectus:

| Sr. No. | Names of Shareholders | Shares held (Face Value of ₹ 10 each) | % Pre-Issue paid-up Share Capital |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 9,77,584 | 65.15 |
| 2. | Minaben Maheshkumar Vaghela | 4,35,657 | 29.03 |
| 3. | Nikunj Maheshkumar Vaghela | 69,686 | 4.64 |
| | **Total** | **14,82,927** | **98.82%** |

* Since our Company was incorporated on December 13, 2024 and was not in existence two years prior to the date of filing of this Draft Red Herring Prospectus, thus *details of shares held on December 13, 2024, being the date on which our Company was incorporated, and the percentage held have been calculated based on the paid-up capital of our Company as on December 13, 2024.*

10. Our Company has not made any Initial Public Issue of specified securities in the preceding two years.
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

12. Further, except for the allotment of equity shares pursuant to the issue, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/ consolidation of the denomination of Equity Shares. 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.

13. **Capital Build-up in respect of Shareholding of our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters, Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela collectively hold 59,31,708 Equity Shares of Face Value of ₹10 each in our Company.

None of the Equity Shares held by our Promoters is subject to any pledge.

Set forth below is the build-up of the shareholding of our Promoters in our Company since incorporation.

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Consideration | Nature of Issue | Pre-Issue Shareholding % | Post-Issue Shareholding % |
|---|---|---|---|---|---|---|---|
| **MAHESHKUMAR GORDHANDAS VAGHELA** | | | | | | | |
| Incorporation | 9,77,584 | 10 | 10 | Pursuant to Conversion of Partnership Firm into Public Limited Company | Subscriber to MoA | 16.29 | [●] |
| September 17, 2026 | 29,32,752 | 10 | 0 | Nil | Bonus Issue | 48.86 | [●] |
| **Total (A)** | **39,10,336** | | | | | **65.15** | [●] |
| **MINABEN MAHESHKUMAR VAGHELA** | | | | | | | |
| Incorporation | 4,35,657 | 10 | 10 | Pursuant to Conversion of Partnership Firm into Public Limited Company | Subscriber to MoA | 7.26 | [●] |
| September 17, 2026 | 13,06,971 | 10 | 0 | Nil | Bonus Issue | 21.77 | [●] |

| Date of Allotment and made fully paid up/ Transfer | No. of Equity Shares | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Consideration | Nature of Issue | Pre-Issue Shareholding % | Post-Issue Shareholding % |
|---|---|---|---|---|---|---|---|
| **Total (B)** | **17,42,628** | | | | | **29.03** | [●] |
| **NIKUNJ MAHESHKUMAR VAGHELA** | | | | | | | |
| Incorporation | 69,686 | 10 | 10 | Pursuant to Conversion of Partnership Firm into Public Limited Company | Subscriber to MoA | 1.16 | [●] |
| September 17, 2026 | 2,09,058 | 10 | 0 | Nil | Bonus Issue | 3.48 | [●] |
| **TOTAL (C)** | **2,78,744** | | | | | **4.64** | [●] |
| **TOTAL (A+B+C)** | **59,31,708** | | | | | **98.82** | [●] |

14. **The average cost of acquisition or subscription of shares by our Promoters is set forth in the table below:**

| Sr. No. | Name of the Promoters | No. of Shares held | Average cost of Acquisition (in ₹) |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 39,10,336 | 2.50 |
| 2. | Minaben Maheshkumar Vaghela | 17,42,628 | 2.50 |
| 3. | Nikunj Maheshkumar Vaghela | 2,78,744 | 2.50 |

15. **Shareholding of Promoters & Promoter Group**

The following are the details of pre-issue and post-issue shareholding of persons belonging to the category **"Promoters and Promoter Group"**:

| Sr. No | Name | Pre IPO | | Post IPO | |
|---|---|---|---|---|---|
| | | Shares Held | % Shares Held | Shares Held | % Shares Held |
| | **Promoters (A)** | | | | |
| 1. | Maheshkumar Gordhandas Vaghela | 39,10,336 | 65.15 | 39,10,336 | [●] |
| 2. | Minaben Maheshkumar Vaghela | 17,42,628 | 29.03 | 17,42,628 | [●] |
| 3. | Nikunj Maheshkumar Vaghela | 2,78,744 | 4.64 | 2,78,744 | [●] |
| | **Subtotal (A)** | **59,31,708** | **98.82** | **59,31,708** | [●] |
| | **Promoter Group (B)** | | | | |
| 4. | Namrata Maheshkumar Vaghela | 58,784 | 0.98 | 58,784 | [●] |
| 5. | Sumita Girishbhai Mistry | 4,000 | 0.07 | 4,000 | [●] |
| 6. | Hirva Sandeep Vasoya | 4,000 | 0.07 | 4,000 | [●] |
| | **Subtotal (B)** | **66,784** | **1.11** | **66,784** | [●] |
| | **Total (A+B)** | **59,98,492** | **99.93** | **59,98,492** | [●] |

16. Except as mentioned below, no equity shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

| Date of Allotment/ Transfer | Name of Shareholder | No. of Equity Shares (Face value of Rs. 10 each) | % of Pre-issue Capital | Allotment/ Acquire/ Transfer | Category of Allottees (Promoters/ Promoter Group/ Director) |
|---|---|---|---|---|---|
| September 17, 2026 | Maheshkumar Gordhandas Vaghela | 29,32,752 | 48.86 | Bonus Issue | Promoter & Director |
| September 17, 2026 | Minaben Maheshkumar Vaghela | 13,06,971 | 21.77 | Bonus Issue | Promoter & Director |
| September 17, 2026 | Nikunj Maheshkumar Vaghela | 2,09,058 | 3.48 | Bonus Issue | Promoter & Director |
| September 17, 2026 | Namrata Maheshkumar Vaghela | 44,088 | 0.73 | Bonus Issue | Promoter Group |
| September 17, 2026 | Sumita Girishbhai Mistry | 3,000 | 0.05 | Bonus Issue | Promoter Group |
| September 17, 2026 | Hirva Sandeep Vasoya | 3,000 | 0.05 | Bonus Issue | Promoter Group |
| **Total** | | **44,98,869** | **74.95%** | | |

17. None of our Promoters, Promoter Group, our Directors and their relatives have entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

18. **Promoters' holding in excess of Minimum Promoters' Contribution**

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of **20%** of the post-issue capital held by our Promoters shall be considered as Promoter's Contribution **("Promoters Contribution")** and shall be locked in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue or commencement of commercial production, whichever is later. The lock-in of Promoter's Contribution would be created as per applicable law and procedure, and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 59,31,708 Equity Shares of Face Value of ₹10 each constituting [●] % of the post-issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoters' contribution.

Our Promoters, Maheshkumar Gordhandas Vaghela, Minaben Maheshkumar Vaghela and Nikunj Maheshkumar Vaghela have given written consent to include a total of 17,00,000 Equity Shares of Face Value of ₹10 each held by them and subscribed by them as part of the minimum promoters' contribution constituting [●] % of the post-issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner the Promoters' contribution, for a period of three years from the date of allotment in the Issue.

| Date of Allotment/ Transfer and made fully Paid Up | No. of Equity Shares locked-in | Face Value Per Share (₹) | Issue/ Acquisition/ Transfer Price (₹) | Nature of transaction | Post-Issue Shareholding % | Lock-in Period |
|---|---|---|---|---|---|---|
| **Maheshkumar Gordhandas Vaghela** | | | | | | |
| September 17, 2026 | 11,21,000 | 10 | Nil | Bonus Issue | [●] | 3 years |
| **Minaben Maheshkumar Vaghela** | | | | | | |
| September 17, 2026 | 4,99,000 | 10 | Nil | Bonus Issue | [●] | 3 years |

| Nikunj Maheshkumar Vaghela | | | | | | |
|---|---|---|---|---|---|---|
| September 17, 2026 | 80,000 | 10 | Nil | Bonus Issue | [●] | 3 years |
| **Total** | **17,00,000** | | | | | |

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as **"Promoter"** under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in, are not ineligible for computation of Minimum Promoter's Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations, i.e. for a period of three years from the date of allotment of Equity Shares in this Issue or from the date of commencement of commercial production, whichever is later.

**Promoters' holding in excess of Minimum Promoters' Contribution**

Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- 50% of the shareholding (i.e. 21,15,854 shares of Face Value of ₹10 each) held by the Promoters, in excess of minimum promoters' contribution, shall be locked in for two years from the date of allotment in this Initial Public Offer and

- remaining 50% of the shareholding (i.e. 21,15,854 shares of Face Value of ₹10 each) held by the Promoters, in excess of minimum promoters' contribution, shall be locked in for one year from the date of allotment in this Initial Public Offer.

In addition, 70,784 equity shares having a face value of Rs. 10 each as held by persons other than the promoters, i.e. Promoter Group members and Public shall be locked in for a period of one year from the date of allotment in this Issue.

**Eligibility of Shares for "Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018:**

| Reg. No. | Promoters' 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 capitalisation of intangible assets is involved in such transaction. | The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible** |
| 237 (1) (a) (ii) | Specified securities acquired during the preceding three years, resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution | The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible** |
| 237 (1) (b) | Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being issued to the public in the initial public offer | The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.** |
| 237(1) (c) | Specified securities allotted to promoters during the preceding one year at a price less than the Issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of | The minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.** |

| Reg. No. | Promoters' Minimum Contribution Conditions | Eligibility Status of Equity Shares forming part of Promoter's Contribution |
|---|---|---|
| | one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer, and there is no change in the management: Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible. | |
| 237 (1) (d) | Specified securities pledged with any creditor. | Our Promoters have not pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. **Hence Eligible.** |

***Explanation:*** *It is clarified that the price per share for determining securities ineligible for minimum promoters' contribution has been determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer.*

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription **'non-transferable'** along with the Ratio of the specified non-transferable period mentioned on the face of the security certificate. The shares which are in dematerialised form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

**Other requirements in respect of lock-in:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution or a systemically important non-banking finance company or a housing finance company as collateral security for a loan granted by such bank or institution, provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter's contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further, in terms of Regulation 243 of the SEBI (ICDR) Regulations, the specified securities held by the promoters and locked-in as per Regulation 238 may be transferred to another promoter or any person of the Promoter Group or a new promoter or a person in control of the issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

19. Neither we nor our Promoters, Directors or the BRLM to this Issue have entered into any buyback and/ or standby arrangements and/ or similar arrangements for the purchase of our Equity Shares from any person.

20. As on the date of this Draft Red Herring Prospectus, the entire Issued Share, Subscribed and Paid-up Share Capital of our Company is fully paid up. Since the entire Issue price in respect of the Issue is payable on application, all the successful applicants will be allotted fully paid-up Equity Shares.

21. The BRLM, i.e. Seren Capital Private Limited and its associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.

22. As on the date of this Draft Red Herring Prospectus, we do not have any Employee Stock Option Scheme/ Employees Stock Purchase Scheme/Stock Appreciation Rights, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan/ Stock Appreciation Rights 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, as amended.

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

24. None of the members of the promoters' group, our promoters, the directors of our company and the relatives have purchased or sold equity shares during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

25. None of the persons/entities comprising our Promoter Group, the directors of the company which is a promoter of our company, directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/ individual or otherwise during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

26. On the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

27. Our Company has not raised any bridge loan against the proceeds of the Issue.

28. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are subject to any pledge.

29. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares Issued have been listed or application money unblocked on account of failure of Issue.

30. An over-subscription to the extent of 1% of the Issue, subject to the maximum post-issue paid-up capital of Rs. 25 Cr., can be retained for the purpose of rounding off to the nearest integer during finalising the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 1% of the Issue, as a result of which the post-Issue paid-up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to a 3-year lock- in shall be suitably increased, so as to ensure that 20% of the post-Issue paid-up capital is locked in.

31. At any given point in time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

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

34. Other than Equity Shares, there is no other class of securities issued by our Company.

35. There are no safety net arrangements for this public Issue.

36. As per RBI regulations, OCBs are not allowed to participate in this Issue.

37. Our Promoters and Promoter Group will not participate in this Issue.

38. This Issue is being made through the Book Building Process.

39. Our Company has not made any public issues or rights issue of any kind or class of securities since its incorporation.

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

41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

42. A Bidder cannot make a bid for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

43. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing the Red Herring Prospectus with the Registrar of Companies and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

## OBJECTS OF THE ISSUE

Our Company intends to utilize the proceeds of the net issue to meet the following objects:

1. Funding of capital expenditure towards set up of a new manufacturing facility;
2. Funding of working capital requirements;
3. General Corporate Purpose (Collectively referred as the "Objects")

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

The main objects clause of our Memorandum enables our Company to undertake its existing activities and the activities for which the funds are being raised by our Company in the Fresh Issue.

**Net Proceeds**

The details of the Net Proceeds are set forth below:

| Particulars | Amount (₹ in Lakhs) |
|---|---|
| Gross Proceeds of the Issue | [●] |
| Less: Issue related expenses in relation to Issue | [●] |
| Net Proceeds | [●] |

**Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

| S. No | Particulars | Amount (₹ in Lakhs) |
|---|---|---|
| 1. | Funding of capital expenditure towards set up of a new manufacturing facility | 2,155.14 |
| 2. | Funding of working capital requirements | 300.00 |
| 3. | General Corporate Purpose* | [●] |
| | **Total** | [●] |

**To be finalized upon determination of the Issue Price and updated in the Prospectus Prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 1,000 lakhs whichever is lower.*

**Means of Finance**

**(i) Funding of capital expenditure towards setup of a new manufacturing facility** –

The fund requirements for the capital expenditure towards setup of a new manufacturing facility is proposed to be entirely funded from the Net Proceeds and internal accruals and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals.

**(ii) Funding of Working Capital Requirements-**

The fund requirements for the working capital requirements are proposed to be entirely funded from the Net Proceeds, existing sanctioned bank borrowings and internal accruals and hence, no amount is proposed to be raised through any

other means of finance. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "***Risk Factors***" beginning on page 22 of this Draft Red Herring Prospectus.

**Details of Utilization of Net Proceeds**

The details of utilization of the Net Proceeds are set forth herein below:

**1. Funding of capital expenditure towards set up of a new manufacturing facility-**

Our Company is engaged in the manufacture and supply of machinery used across metalworking and fabrication processes. Our principal product portfolio comprises CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines, together with related accessories. Our machines are offered across varying capacities, control systems and configurations to cater to customer-specific requirements based on material specifications, processing requirements and intended applications.

Our manufacturing operations are currently undertaken at our manufacturing facility located at Plot No. 6/A and Plot No. 6/B, Revenue Survey No. 240P, Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360024. For Fiscal 2026, our existing manufacturing facility had an installed production capacity, on the capacity basis adopted by the Chartered Engineer, of 110 machines per annum and actual production of 90 machines, resulting in capacity utilisation of 81.82%.

As set out in the Project Report dated September 26, 2026 issued by R K Patel & Co., Chartered Engineers and Registered Valuers, our existing manufacturing premises at Plot No. 6/A and Plot No. 6/B admeasure approximately 2,772.72 square metres, of which approximately 2,534.80 square metres is built-up, representing approximately 91.41% ground coverage. Accordingly, limited contiguous shop-floor area is presently available for installation of additional large-scale manufacturing machinery. Further, the crane hook height at our existing facility is approximately 18–20 feet, which restricts the handling and assembly of certain larger and higher-tonnage machines.

In order to address the aforesaid constraints and support our future manufacturing requirements, we propose to establish a new manufacturing facility at Revenue Survey No. 240P, Plot No. 3, Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360024, admeasuring approximately 2,336.17 square metres. The proposed facility is intended to augment our manufacturing infrastructure, enhance our in-house machining capabilities and support expansion of our product portfolio. The proposed facility is also intended to support our proposed introduction of CNC Panel Bending Machines as a product offering.

The proposed facility is expected to include a manufacturing shed designed with a clear crane hook height of approximately 28 feet, thereby facilitating the handling, machining and assembly of larger structural components and

higher-tonnage machines. The proposed facility is also intended to provide the requisite space and infrastructure for installation of additional mother machinery and handling equipment which cannot be efficiently accommodated within our existing manufacturing premises.

Based on the methodology and assumptions adopted in the Project Report, our production capacity, on a capacity basis, was 110 machines per annum for Fiscal 2026. The full-year effect of certain machinery already installed at our existing manufacturing facility is expected to increase such capacity basis to approximately 155 machines per annum during Fiscal 2027. The proposed machinery and infrastructure at Plot No. 3 is expected to provide additional full-year capacity equivalent to approximately 156 machines per annum, which, together with the aforesaid existing capacity, is expected to result in an aggregate full-year capacity basis of approximately 311 machines per annum upon full implementation of the proposed expansion. For Fiscal 2028, being the period during which the proposed project is expected to be commissioned, the aggregate capacity basis has been estimated at approximately 233 machines on a pro-rata basis.

The aforesaid capacity estimates are based on the technical methodology adopted by the Chartered Engineer, including the capacity of the constraining manufacturing process and the average weight per machine. Accordingly, such capacity estimates should not be construed as a projection or assurance of actual production, sales or revenue. Actual production may vary depending upon, among other factors, product mix, machine specifications, customer orders, operating efficiency, availability of raw materials and components, manpower availability and other operational factors.

In order to implement the proposed expansion, we intend to undertake civil construction and related structural works and procure and install additional plant and machinery at the proposed facility. The proposed plant and machinery comprises 12 Double Girder EOT Cranes, one WF 13 R CNC Horizontal Floor Type Boring Mill, one Jyoti NX 6240 EY CNC Vertical Machining Centre and one Mazak VC-Ez 510 IP CNC Vertical Machining Centre. The proposed investment is intended to enhance our in-house machining and material-handling capabilities, improve machining accuracy and production efficiency, strengthen our control over production schedules and quality and reduce our dependence on external machining facilities. The plant and machinery proposed to be procured under the expansion comprises 15 capital units in aggregate.

The WF 13 R CNC Horizontal Floor Type Boring Mill is proposed to be used for precision boring and machining of large and heavy structural components, including machine beds, frames, beams, mounting surfaces and large bores used in our product portfolio. The Jyoti NX 6240 EY CNC Vertical Machining Centre is proposed to enhance our large-format machining capabilities for major structural components and enable machining of large components with fewer setups and multi-face machining. The Mazak VC-Ez 510 IP CNC Vertical Machining Centre is proposed to support high-precision machining of critical components, spares, tooling, prototypes, customised parts and other specialised components. The 12 Double Girder EOT Cranes are proposed to facilitate lifting, movement and positioning of heavy machine beds, frames and other large structural components during fabrication, machining and assembly operations.

Accordingly, the proposed addition of plant and machinery is intended to strengthen our in-house manufacturing capabilities, improve control over machining quality and production schedules, facilitate manufacture and handling of larger and higher-tonnage components and support the manufacture of our existing and proposed product offerings.

Pursuant to a resolution passed by our Board of Directors at its meeting held on September 26, 2026, our Board approved the proposed capital expenditure and the process for finalisation of vendors for procurement of machinery and execution of works for the proposed expansion, in accordance with our internal policies and approval framework.

Out of the Net Proceeds of the Issue, an amount of **₹2,155.14 lakh** is proposed to be deployed towards civil construction and related structural works and procurement of plant and machinery for the proposed facility, comprising ₹280.00 lakh towards civil construction works and ₹1,875.14 lakh towards plant and machinery. In addition, a contingency amount of **₹107.76 lakh**, equivalent to approximately 5% of the aggregate estimated cost of civil construction works and plant and machinery, is proposed to be funded through internal accruals. Accordingly, the total estimated cost of the proposed project is **₹2,262.90 lakh**, of which ₹2,155.14 lakh is proposed to be funded from the Net Proceeds and ₹107.76 lakh is proposed to be funded through internal accruals.

The installed production capacity, actual production and capacity utilisation of our existing manufacturing facility for Fiscals 2024, 2025 and 2026, based on the methodology adopted and certified by the Chartered Engineer, are set out below:

| Particulars | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|---|---|---|---|
| Installed Capacity per annum (No. of Machines) | 74 | 77 | 110 |
| Actual Production per annum (No. of Machines) | 37 | 57 | 90 |
| Capacity utilization (in %) | 50% | 74.02% | 81.82% |

In addition to the historical capacity set out above, the Project Report estimates the capacity basis at approximately 155 machines per annum for Fiscal 2027, approximately 233 machines per annum for Fiscal 2028 on a pro-rata basis and approximately 311 machines per annum for Fiscal 2029 on a full-year post-expansion basis. The increase from 110 machines per annum in Fiscal 2026 to approximately 155 machines per annum in Fiscal 2027 reflects the full-year effect of machinery already installed at our existing manufacturing facility and is not attributable solely to the proposed Plot No. 3 expansion. The proposed Plot No. 3 expansion is expected to provide additional full-year capacity equivalent to approximately 156 machines per annum, resulting in an aggregate full-year capacity basis of approximately 311 machines per annum upon full implementation.

**Estimated Proposed Project Cost**

The total estimated cost of the proposed manufacturing facility is ₹ 2,262.90 lakhs, as per the Project Report dated September 26, 2026, obtained by our Company from R K Patel & Co., Chartered Engineers & Registered Valuers ("Project Report"). Pursuant to the Board Resolution dated September 26, 2026, our Company proposes to utilize an amount of up to ₹ 2,155.14 lakhs from the Net Proceeds for funding capital expenditure requirements of our Company towards setting up the Proposed Facility.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds for the Proposed Project as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution.

The total estimated cost for setting up the Proposed Facility comprises the following:

***(Rs. in lakhs)***

| S. No | Particulars | Estimated Cost | Funds to be deployed from Internal Accruals | To be met from Issue Proceeds |
|---|---|---|---|---|
| 1. | Civil Construction Work | 280.00 | - | 280.00 |
| 2. | Plant & Machinery | 1,875.14 | - | 1,875.14 |
| 3. | Contingency* | 107.76 | 107.76 | - |
| | **Total Cost** | **2,262.90** | **107.76** | **2,155.14** |

** Our Company has provided for a contingency amount of ₹107.76 lakhs, equivalent to 5% of the aggregate estimated cost of Civil Construction Work and Plant & Machinery, which shall be funded through internal accruals. Such contingency is intended to meet potential variations in machinery costs (if any), costs associated with obtaining requisite permissions and approvals, transportation and installation charges, expenses relating to utilities and other ancillary expenses associated with the proposed project.*

**Break - up of the estimated cost**

***Land***

The proposed new manufacturing facility is to be established on land situated at Revenue Survey No. 240 P, Plot No. 3, Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360024, admeasuring approximately 2,336.17

square metres. Our Company has entered into a registered lease deed dated July 31, 2026 with our Promoter, Maheshkumar Gordhandas Vaghela, for setting up the proposed manufacturing facility as part of the expansion of our manufacturing operations. The lease is for a period of 10 years commencing from July 1, 2026 and ending on June 30, 2036, at a monthly rent of ₹90,000, excluding electricity, water and sanitation charges. Further, a rectification/amendment deed dated September 14, 2026 was executed between the parties in relation to the aforesaid lease deed, pursuant to which certain clauses of the lease deed were deleted by mutual consent of the parties.

***Civil Construction Work***

For the purpose of establishing the proposed new manufacturing facility at Plot No-3, Veraval (Shaper), Rajkot, Gujarat, our Company proposes to incur expenditure towards civil construction and allied infrastructure works. The proposed construction is intended to enhance our manufacturing infrastructure and support the expansion of our production capabilities and overall operations.

The scope of work includes, among others, excavation and foundation works, masonry and RCC works, steel works, plastering, flooring and finishing works, along with water and drainage infrastructure, electrical installations, paving and other ancillary works required for the proposed facility.

A summary of the estimated expenditure towards civil construction and allied works is set out below:

***(Rs. in lakhs)***

| Sr. No | Particulars | Quotation Details | Quotation Amount | GST @ 18% | Total Amount |
|---|---|---|---|---|---|
| 1. | Civil construction works, including labour and material, for the proposed RCC industrial building, comprising foundation, masonry, RCC works, flooring, plastering, electrical, plumbing and other allied civil works, as detailed in the BOQ | Quotation dated August 28, 2026, from Lintel Construction, Rajkot, Gujarat, valid till December 31, 2026 | 237.29 | 42.71 | 280.00 |
| **Total Cost** | | | **237.29** | **42.71** | **280.00** |

**Notes:**

a) The above estimated cost of civil construction works has been derived from the quotation dated August 28, 2026, obtained from Lintel Construction. The quotation is valid till December 31, 2026.

(b) We have considered the above quotation for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier may vary. Further, the estimated cost and related fund requirements have not been appraised by any bank or financial institution. In case of any shortfall of funds, the same shall be met through internal accruals/borrowings.

(c) The GST component has been included in the quotation for civil construction works since input tax credit (ITC) on construction of immovable property is not available under the provisions of Section 17(5)(c) and (d) of the Central Goods and Services Tax Act, 2017.

As the civil construction pertains to the development of factory buildings and related immovable structures, the GST paid thereon becomes a cost to the Company and cannot be claimed as credit against output tax liability. Accordingly, the GST has been rightly included in the total project cost to reflect the actual expenditure to be incurred by the Company for execution of the construction work.

The above quotation received from the vendor is valid as on the date of DRHP. However, we have not entered into any definitive agreements with such vendor and there can be no assurance that the same vendor would be engaged to eventually initiate the civil construction work.

***Plant and Machinery***

A detailed breakup of estimated cost of plant and machineries which are proposed to be funded from the net Issue proceeds is set forth below:

***Domestic Machinery:***

***(Rs. in lakhs)***

| S.No | Machinery Details | Oty | Quotation Details | Quotation Amount | GST @ 18% | Total Amount |
|---|---|---|---|---|---|---|
| 1. | 10 Ton, Double Girder EOT Crane with a span of 54 FT and a lifting height 8.0m. | 12 | Quotation dated September 15, 2026, from Heben Cranes (Heben Technovation Pvt. Ltd.), Rajkot, Gujarat (valid for 90 Days from the date of quotation) | 228.00 | 41.04 | 269.04 |
| 2. | Mazak VC-Ez 510 IP – CNC Vertical Machining Centre, equipped with high-flow flood coolant (0.45 MPa, 39 LPM) and detachable MPG | 1 | Quotation dated September 08, 2026, from Yamazaki Mazak Machine Tools Private Limited, Pune, Maharashtra (valid for 90 Days from the date of quotation) | 54.98 | 9.89 | 64.87 |
| 3. | Jyoti NX 6240 EY – CNC Vertical Machining Centre with Siemens 828 D CNC controller, BT-50 spindle, 6,000 rpm spindle speed, 40-tool automatic tool changer and 90° horizontal automatic indexing head | 1 | Quotation dated September 15, 2026, from Jyoti CNC Automation Limited, Rajkot, Gujarat (valid for 90 Days from the date of quotation) | 407.00 | 73.26 | 480.26 |
| **Total** | | | | **689.98** | **124.19** | **814.17** |

***Imported Machinery:***

***(Rs. In Lakhs)***

| S.No | Machinery Details | Quotation Details | Total Amount |
|---|---|---|---|
| 1. | FERMAT WF 13 R CNC – Horizontal Floor Type Boring Mill with FANUC 31i-B Plus CNC control system, 130 mm spindle diameter, 3,400 rpm spindle speed and X/Y/Z/W travels of 7,100 / 3,500 / 700 / 800 mm. | Quotation dated September 21, 2026, from FERMAT MACHINERY PRIVATE LIMITED, Bengaluru, Karnataka (valid for 180 Days from the date of quotation)<br><br>***(Refer Note-1: Below)*** | 746.36 |
| **Total Cargo Value** | | | **746.36** |
| **Add:** Freight Charges and Marine Insurance | | | 22.39 |
| Total CIF Value | | | 768.75 |
| Basic Custom Duty (7.5% of CIF Value) | | | 57.66 |
| Social Welfare surcharge (10% of BCD) | | | 5.76 |
| Goods and Service Tax | | | 149.79 |
| Grand Total (A) | | | 981.96 |
| Local Transportation charges | | | 4.39 |
| Custom Clearence | | | 3.52 |

| | |
|---|---|
| **Grand Total (Landed Cost)** | **989.87** |
| Accessories | 60.25 |
| GST @18% | 10.85 |
| **Total price including Accessories** | **1060.97** |

** For the purpose of computation of the landed cost, an exchange rate of 1 € = ₹109.90 as on September 21, 2026, as published on the website of the Reserve Bank of India, has been considered.*

*Note-1: The Company proposes to procure one WF 13 R CNC horizontal boring machine of imported origin from FERMAT Machinery Private Limited. The machine will be manufactured by FERMAT CZ s.r.o. in the Czech Republic and imported into India by FERMAT Machinery Private Limited.*

Summary of machineries to be purchased from imported and domestic vendors:

| S.No | Particulars | Total Amount (inc. all taxes) (Rs. in lakhs) |
|---|---|---|
| 1. | Imported Machinery | 1060.97 |
| 2. | Domestic Machinery | 814.17 |
| | **Grand Total** | **1875.14** |

**Notes:**

a) We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary. Further, the estimated cost and related fund requirements have not been appraised by any bank or financial institution. In case of any shortfall of funds, the same shall be met through internal accruals/borrowings.

b) All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/ equipment at the same costs.

c) We are not acquiring any second-hand machinery.

d) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost will be escalated on account of Packing & Forwarding, Transportation, Transit Insurance, if any etc. Such cost escalation will be addressed through the contingency fund, which has an allocation of Rs. 107.76 lakhs. In the event of a shortfall in the contingency fund, the additional amount will be met through internal accruals.

e) The inclusion of GST in the project cost has been considered as it represents an actual cash outflow at the time of procurement of goods and services related to the project. While we may be eligible to claim input tax credit against the GST paid, such credit will be realized only over a period of time, depending upon the commencement of commercial operations and the nature of set-off available under applicable GST laws. Accordingly, for the purpose of presenting the total project cost, GST has been included to reflect the gross cash outlay required for execution of the project, ensuring a realistic depiction of funding requirements.

f) The aforementioned quotations received from the vendors are valid as on the date of DRHP. However, we have not entered into any definitive agreement with any vendor, and there can be no assurance that the same vendor will be engaged for the proposed procurement. Further, we may procure machineries of varying configurations, makes and models depending upon system and technology requirements, timing of procurement and operational needs prevailing at the relevant time.

**Means of finance of the project**

The total estimated cost for the proposed manufacturing unit is ₹ 2,262.90 lakhs. We intend to fund the cost of the project as follows:

***(Rs. in lakhs)***

| S. No | Particulars | Estimated Cost | Funds to be deployed from Internal Accruals | To be met from Issue Proceeds |
|---|---|---|---|---|
| 1. | Civil Construction Work | 280.00 | - | 280.00 |
| 2. | Plant & Machinery | 1,875.14 | - | 1,875.14 |
| 3. | Contingency* | 107.76 | 107.76 | - |
| | **Total Cost** | **2,262.90** | **107.76** | **2,155.14** |

**Our Company has provided for a contingency amount of ₹107.76 lakhs, equivalent to 5% of the aggregate estimated cost of Civil Construction Work and Plant & Machinery, which shall be funded through internal accruals. Such contingency is intended to meet potential variations in machinery costs (if any), costs associated with obtaining requisite permissions and approvals, transportation and installation charges, expenses relating to utilities and other ancillary expenses associated with the proposed project.*

***Proposed schedule of implementation of the Proposed Project***

The proposed schedule of activities in respect of the Proposed Project are as follows:

| Particulars | Estimated Date of Commencement | Estimated date of Completion |
|---|---|---|
| Land Survey, Topography, land development work and obtaining permission | January'2027 | February'2027 |
| Building and Civil Works (including obtaining necessary approvals) | March'2027 | August'2027 |
| Order of Machinery | January'2027 | |
| Delivery of Machinery | August'2027 | |
| Installation of Machinery | October'2027 | |
| Trial Run | October'2027 | |
| Commercial Operation | November'2027 | |

***Government approvals***

In relation to the proposed project, we will require to apply and obtain certain approvals as provided in the table below:

| S.No | List of Major Approvals | Stage at which approvals are required |
|---|---|---|
| 1. | Gram Panchayat Raja Chitthi (NOC) | Before site mobilization |
| 2. | Factory Layout Plan Approval | Before commencement of civil construction |
| 3. | Temporary Construction Power Connection | Before commencement of civil construction |
| 4. | Factory License | Before commencement of manufacturing operations |
| 5. | Gujarat Fire Safety NOC | Before commencement of manufacturing operations |
| 6. | Commercial HT Power Sanction | Before commencement of manufacturing operations |
| 7. | GPCB White Category Intimation | Already Intimated |

*As per the Project Report dated September 26, 2026, issued by R K Patel & Co., Chartered Engineers and Registered Valuers.*

**Power and water** - The requirements for the power shall be met from Paschim Gujarat Vij Company Limited and the requirement for water shall be met from external sources.

**2. Funding of Working Capital Requirements-**

With the expansion of the business company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banking facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements.

Our Company proposes to utilize ₹ 100.00 lakhs in FY 2026-27 and ₹200.00 lakhs in FY 2027-28 of the Net Proceeds towards our Company's working capital requirements (as per detail given below). The balance portion of our Company working capital requirement shall be met from the working capital facilities availed from the banks and internal accruals. The incremental and proposed working capital requirements and key assumptions with respect to the determination of the same are mentioned below:

Details of estimation of working capital requirement are as follows:

***(Rs. In Lakhs)***

| Particulars | March 31, 2024 | March 31, 2025 | March 31, 2026 | March 31, 2027 | March 31, 2028 |
|---|---|---|---|---|---|
| | Restated | | | Projected | |
| **Current Assets** | | | | | |
| Inventories | 315.55 | 384.00 | 898.10 | 1,170.54 | 2,048.44 |
| Trade receivables | 70.12 | 310.38 | 707.49 | 1,000.43 | 1,750.75 |
| Short-Term Loans And Advances | 26.20 | 82.57 | 242.76 | 291.31 | 349.57 |
| Other Current Assets | 28.51 | 0.74 | 4.24 | 5.09 | 6.11 |
| **Total Current Assets(A)** | **440.38** | **777.69** | **1,852.59** | **2,467.37** | **4,154.87** |
| **Current Liabilities** | | | | | |
| Trade Payables | 340.83 | 424.32 | 721.90 | 764.29 | 1,138.27 |
| Other Current Liabilities | 50.54 | 268.97 | 140.80 | 154.88 | 170.36 |
| Short-Term Provisions | 83.96 | 107.83 | 178.53 | 196.38 | 216.02 |
| **Total Current Liabilities(B)** | **475.33** | **801.11** | **1,041.22** | **1,115.55** | **1,524.65** |
| **Total Working Capital Requirement (A-B)** | **(34.95)** | **(23.43)** | **811.37** | **1,351.81** | **2,630.22** |
| **Funding Pattern:** | | | | | |
| From Short term Borrowings | - | - | 743.74 | 637.50 | 680.00 |
| Internal Accruals* | - | - | 67.62 | 614.31 | 1,750.22 |
| **Net Proceeds from IPO** | | | | **100.00** | **200.00** |

**Internal accruals generally comprise funds generated through the Company's regular business operations, including profits retained in the business after meeting operating expenses, taxes and routine working capital requirements. In the present case, the internal accruals proposed to be deployed towards the project will be funded primarily from liquidity generated from operations.*

***Note:*** *The Company had negative working capital of ₹34.95 lakhs and ₹23.43 lakhs as at March 31, 2024 and March 31, 2025, respectively, primarily on account of higher trade payables and other current liabilities relative to its current assets. During these periods, the Company availed credit from its suppliers in the ordinary course of business, resulting in trade payable days of 143 days and 158 days, respectively, as compared to trade receivable days of 24 days and 81 days, respectively. Accordingly, the negative working capital during these periods was primarily attributable to the timing of payments to suppliers and collections from customers in the ordinary course of business.*

*As at March 31, 2026, the working capital requirement increased to Rs.811.37 lakhs, primarily due to the expansion in the scale of business operations, resulting in higher procurement and production requirements and a corresponding increase in inventory and trade receivables. Accordingly, the Company required additional working capital to support the increased scale of its operations*

***Assumptions for working capital requirements***

The following table sets forth the details of the holding period (with days rounded to the nearest whole number) considered for the financial years ended March 31, 2024, March 31, 2025, March 31, 2026 and projected figures for financial years ended March 31, 2027, March 31, 2028.

| Particulars | March 31, 2024 | March 31, 2025 | March 31, 2026 | March 31, 2027 | March 31, 2028 |
|---|---|---|---|---|---|
| **Trade Receivables days** | 24 | 81 | 102 | 90 | 90 |
| **Trade Payables days** | 143 | 158 | 137 | 105 | 90 |
| **Inventory days** | 110 | 100 | 129 | 105 | 105 |

**Reasons for considering the above-mentioned days:**

| | |
|---|---|
| **Trade Receivables** | The Company is engaged in the manufacturing of CNC machines, wherein sales are influenced by customer orders, machine specifications, production lead time and the timing of installation and commissioning. Trade receivable days stood at 24 days in FY 2023-24, increased to 81 days in FY 2024-25 and further increased to 102 days in FY 2025-26. The variation in the historical receivable cycle is primarily attributable to changes in sales volumes, customer mix, order execution and the timing of collections from customers. For FY 2026-27 and FY 2027-28, trade receivable days have been considered at 90 days, taking into account the expected increase in the scale of operations, higher sales volumes and the credit period generally applicable to customers. The projected receivable cycle reflects the expected collection period commensurate with the Company's projected business operations. |
| **Trade Payable** | The Company's trade payables primarily arise from purchases made in the ordinary course of its CNC machine manufacturing operations. Trade payable days stood at 143 days in FY 2023-24, 158 days in FY 2024-25 and 137 days in FY 2025-26. The variation in the historical creditor cycle is primarily attributable to the timing and volume of purchases, supplier credit terms and the timing of settlement of supplier dues. For FY 2026-27 and FY 2027-28, creditor days have been considered at 105 days and 90 days, respectively, considering the expected increase in procurement requirements corresponding to the projected growth in operations and the anticipated credit terms from suppliers. The projected creditor cycle reflects the expected level of supplier credit available to the Company in the normal course of its CNC machine manufacturing operations. |
| **Inventories** | The Company's inventory primarily comprises items held for manufacturing and finished CNC machines. Inventory days stood at 110 days in FY 2023-24, reduced to 100 days in FY 2024-25 and increased to 129 days in FY 2025-26. The variation in inventory days during the historical period is primarily attributable to changes in the scale of operations, procurement planning, production lead time, work-in-progress requirements and the timing of completion and dispatch of machines against customer orders. For FY 2026-27 and FY 2027-28, inventory days have been considered at 105 days, taking into account the projected increase in production and sales volumes, procurement requirements and the need to maintain adequate inventory levels to support timely execution of customer orders. The projected inventory cycle reflects the expected inventory holding requirements associated with the Company's anticipated scale of operations |
| **Short term Loans and Advances & Other Current Assets:** | Short-term loans and advances and other current assets primarily comprise advances given to vendors for procurement of goods and services, balances with Revenue and GST Authorities, advance salary and interest receivable. These balances arise in the ordinary course of business and are directly linked to the Company's procurement activities, operational requirements and statutory compliances. The level of such balances generally varies based on procurement requirements, timing of statutory recoveries, salary advances and accrual and receipt of interest. Accordingly, these balances may vary from period to period in line with the Company's business operations and working capital requirements. |

**3. General Corporate Purposes-**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating ₹ [●] Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the

Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

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

The total estimated Issue Expenses are ₹ [●] Lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

***(Rs. in Lakhs)***

| **Activity** | **(₹ in Lakhs)** | **As a % of Estimates Issue Expenses** | **As a % of Issue Size** |
|---|---|---|---|
| Book Running Lead Manger Fees (including underwriting commission, marketing and selling fees) | [●] | [●] | [●] |
| Fees Payable to Registrar to the Issue | [●] | [●] | [●] |
| Fees Payable for Advertising and Publishing Expenses | [●] | [●] | [●] |
| Fees Payable to Regulators including Stock Exchanges | [●] | [●] | [●] |
| Payment for Printing & Stationery, Postage, etc. | [●] | [●] | [●] |
| Fees Payable to Statutory Auditor, Legal Advisors, and other Professionals including Chartered Engineer, Independent Chartered Accountant, Practicing Company Secretary | [●] | [●] | [●] |
| Others (Commission/processing fee for SCSBs, Sponsor Bank and Banker(s) to the Issue and brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs | [●] | [●] | [●] |
| **Total** | [●] | [●] | [●] |

*(1)Amounts will be finalised and incorporated in the Prospectus on determination of Issue Price. Issue expenses include applicable taxes, where applicable. Issue expenses are estimates and are subject to change.*

*Other than the listing fees which will be borne solely by the Company, all costs, charges, fees and expenses relating to the Issue, including, among other things, filing fees, book building fees and other charges, fees of the Stock Exchange, the RoC and any other Governmental Authority, advertising, printing, road show expenses, accommodation and travel expenses, fees and expenses of the legal counsel, fees and expenses of the statutory auditors, registrar fees and broker fees (including fees for procuring of applications), bank charges, fees and expenses of the BRLM, syndicate members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Issue shall be borne by the Company, except as may be prescribed by the SEBI or any other regulatory authority. In the event that the Issue is postponed or withdrawn or abandoned for any reason or the Issue is not successful or consummated, all costs and expenses with respect to the Issue shall be borne by the Company, including but not limited to, the fees and expenses of the BRLM and the legal counsel in relation to the Issue, in such manner as agreed.*

*(2) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.*

*(3) Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*

*(4) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*

*(5) The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June2, 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.*

*(6) Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

**Monitoring of Utilization of Funds**

As the size of the Issue will not exceed ₹ 5,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

Further, in accordance with Regulation 262(5), in an issue where the issuer is not required to appoint a monitoring agency, the issuer shall submit a certificate from the statutory auditor for the utilization of the money raised through the public issue to the SME exchange(s) while filing the financial results, until the issue proceeds are fully utilized. We will compile this information accordingly. Additionally, as per Regulation 262(6), if working capital is one of the Objects of the Issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate from the statutory auditor to the SME exchange(s) while filing the quarterly financial results for the use of funds as working capital in the same format as disclosed in the offer document, until the proceeds raised for the said object are fully utilized. We will compile this information accordingly.

**Proposed Schedule of Implementation:**

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

***(Rs. In Lakhs)***

| S. No. | Particulars | Estimated Amount to be deployed and utilized in F.Y. 26-27 | Estimated Amount to be deployed and utilized in F.Y. 27-28 |
|---|---|---|---|
| 1. | Funding of Capital Expenditure towards set up of a New Manufacturing facility | 428.66 | 1,726.48 |
| 2. | Funding of Working Capital Requirements | 100.00 | 200.00 |
| 3. | General corporate purposes* | [●] | [●] |
| | **Total** | [●] | [●] |

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

**Appraisal**

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution.

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, 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 reviewing the proposed utilisation 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.

**Shortfall of Funds**

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

**Bridge Financing Facilities**

As on the date of the Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

**Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a Special Resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel or Senior Management Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoter, our directors or key managerial personnel or Senior Management Personnel except in the normal course of business and in compliance with the applicable laws.

## 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 22, 131 and 185. respectively of the Draft 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 Issue Price is ₹ [●] times the face value.

### QUALITATIVE FACTORS

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

a) Manufacturing and machining capabilities supported by our design function.
b) Broad product portfolio across metalworking and fabrication applications.
c) Track record of supplying machines to government organizations and public sector undertakings.
d) Well diversified customer base spread across various industries and geography.
e) Experienced Promoters with Industry Expertise.

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 131 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 section titled ***"Financial Information of the Company"*** on page 185 of this Draft 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 adjusted for change in capital:**

As per the Restated Financial Statements:

| Sr. No. | Financial Year | Basis & Diluted (₹) | Weights |
|---|---|---|---|
| 1. | Financial Year ended March 31, 2026 | 8.32 | 3 |
| 2. | Financial Year ended March 31, 2025 | 3.64 | 2 |
| 3. | Financial Year ended March 31, 2024 | 2.55 | 1 |
| | **Weighted Average** | **5.80** | **6** |

**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 4.*
*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 ₹ [●] 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 restated for period ending March 31, 2026 | [●] | [●] |
| P/E ratio based on the Weighted Average EPS, as restated. | [●] | [●] |

**** To be computed after finalization of the Price Band***

| Industry P/E Ratio* | (P/E) Ratio |
|---|---|
| Highest | 72.06 |
| Lowest | 11.85 |
| **Industry Average (Highest and Lowest)** | **41.96** |

****We have mentioned listed peers which falls in the similar line of business as our Company for broad comparison purposes, however there is a distinction in the product portfolio between our company and those of our selected peers i.e. Jyoti CNC Automation Limited, Macpower CNC Machines Limited and Energy Mission Machineries (India) Limited.***

**3. Return on Net worth (RoNW)**

| Sr. No | Period | RONW | Weights |
|---|---|---|---|
| 1. | Financial Year ended March 31, 2026 | 57.56% | 2 |
| 2. | Financial Year ended March 31, 2025 | 59.26% | 1 |
| | **Weighted Average** | **58.13%** | **3** |

***Note:***

*i. The figures disclosed above are based on the Restated Financial Statements of the Company.*

*ii. 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.*

*iii. 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.*

*iv. The RONW for FY 2023-24 has not been considered for the weighted average as the financial information for the period pertains to the erstwhile partnership firm and is not directly comparable with the subsequent financial periods of the Company. The RONW for FY 2023-24 was also significantly higher due to withdrawal of amounts by the partners from the capital of the erstwhile partnership firm, resulting in a relatively lower net worth.*

*For FY 2024-25, the net worth has been considered for the full financial year as the financial information comprises the period during which the business was carried on as a partnership firm as well as the period subsequent to its conversion into the Company. Accordingly, weights of **2.00** and **1.00** have been assigned to FY 2025-26 and FY 2024-25, respectively, for calculating the weighted average RONW.*

**4. Net Asset Value (NAV) per Equity Share:**

| Sr. No | NAV Per Equity Share | (Amount in ₹) |
|---|---|---|
| 1. | As at March 31, 2026 | 14.46 |
| 2. | As at March 31, 2025 | 6.14 |
| 3. | As at March 31, 2024 | 0.03 |
| 4. | NAV per Equity Share after the Issue | [●] |
| 5. | Issue Price | [●] |

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

***Notes:***

*i. The figures disclosed above are based on the Restated Financial Statements of the Company.*

*ii. 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*

*iii. 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.*

*iv. 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) |
|---|---|---|---|---|---|---|---|
| Weldor CNC Machines Limited | [●] | 10.00 | 8.32 | [●] | 57.56% | 14.46 | 2,531.44 |
| **Peer Group*** | | | | | | | |
| Jyoti CNC Automation Limited | 1,065.10 | 2 | 14.78 | 72.06 | 16.79% | 88.00 | 2,09,313 |
| Macpower CNC Machines Limited | 2,062.50 | 10 | 33.86 | 60.91 | 19.33% | 175.17 | 33,317.59 |
| Energy Mission Machineries Limited | 124.95 | 10 | 10.54 | 11.85 | 11.61% | 84.79 | 16,084.93 |

**** The above listed companies have been considered as peers for broad comparison purposes based on their presence in the machine tools / CNC machinery segment. However, differences exist in their product portfolio, scale of operations, revenue profile and other business and financial parameters as compared to our Company. Accordingly, their financial and valuation ratios may not be directly comparable with those of our Company.***

**Note:**

*(i) Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results/ Annual Reports of the aforesaid companies for the year ended March 31,2026 and stock exchange data dated September 25,2026 to compute the corresponding financial ratios.*

*(ii) 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.*

*(iii) The EPS, NAV, RoNW and total Revenue of our Company are taken as per Restated Financial Statement for the F.Y. 2025- 26.*

*(iv) 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, 2026.*

*(v) RoNW has been computed as net profit after tax divided by closing net worth.*

*(vi) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.*

*(vii) 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 September 24, 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. Further, the KPIs herein have been certified by Chartered Accountants, by their certificate dated September 24, 2026.

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 131 and 235 respectively. We have described and defined the KPIs as applicable in ***"Definitions and Abbreviations"*** on page 1 of this DRHP.

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)***

| Particulars | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from operations [(1)] | 2,531.44 | 1,400.01 | 1,046.00 |
| EBITDA [(2)] | 786.95 | 363.57 | 239.27 |
| EBITDA Margin [(3)] | 31.09% | 25.97% | 22.87% |
| PAT [(4)] | 499.56 | 218.25 | 152.89 |
| PAT Margin [(5)] | 19.73% | 15.59% | 14.62% |
| RoE (%) [(6)] | 80.82% | 118.03% | 271.73% |
| RoCE (%) [(7)] | 41.91% | 53.55% | 54.89% |
| Net Worth [(8)] | 867.87 | 368.31 | 1.52 |
| Revenue from repeat customers % [(9)] | 38.90% | 18.91% | 9.17% |
| Machines sold [(10)] | 83 | 55 | 37 |

***Notes:***

*[(1)] Revenue from operation means revenue from sales of product.*

*[(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 taken as Profit for the year attributable to the Shareholders of the Company*

*[(5)] PAT Margin is calculated as Profit for the year attributable to Shareholders of the Company divided by revenue from operations.*

*[(6)] Return on Equity is the ratio of Profit for the year attributable to Shareholders of the Company and Average Shareholder Equity.*

*[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings and short-term borrowings + deferred tax liability(net).*

*[(8)] Net Worth is calculated as total shareholder's funds.*

*[(9)] Revenue from repeat customers represents revenue generated during the relevant fiscal year or period from customers who were also invoiced in the immediately preceding financial year. The percentage of revenue from repeat customers is calculated by dividing revenue from repeat customers by total revenue from operations for the respective fiscal year or period.*

*[(10)] Number of Machines Sold represents the total number of machines sold by the Company during the respective financial year.*

**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. |
| RoE (%) | RoE provides how efficiently our Company generates profits from shareholders' funds. |
| RoCE (%) | RoCE provides how efficiently Company generates earnings from the capital employed in the 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. |
| Repetitive customers (%) | Percentage (%) of Revenue from Repeat Customers = (Revenue from customers invoiced in both the current period and the immediately preceding financial year ÷ Revenue from Operations) × 100 |
| Number of Machines sold | The total number of machines sold by the Company during the respective financial year. |

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

***(₹ In Lakhs except percentages and ratios)***

| Particulars | Jyoti CNC Automation Limited | | | Macpower CNC Machines Limited | | | Energy Mission Machineries Limited | | |
|---|---|---|---|---|---|---|---|---|---|
| | FY 2025-26 | FY 2024-25 | FY 2023-24 | FY 2025-26 | FY 2024-25 | FY 2023-24 | FY 2025-26 | FY 2024-25 | FY 2023-24 |
| **Revenue from operations** [(1)] | 2,09,313 | 1,81,770 | 1,33,847 | 33,317.59 | 26,181.50 | 24,103.65 | 16,084.93 | 15,112.90 | 12,628.93 |
| **EBITDA** [(2)] | 52,675 | 48,179 | 30,094 | 5,390.07 | 4,154.40 | 3,533.00 | 2,315.86 | 2,116.60 | 2,048.20 |
| **EBITDA Margin (%)**[(3)] | 25.17% | 26.51% | 22.48% | 16.18% | 15.87% | 14.66% | 14.40% | 14.01% | 16.22% |
| **PAT** [(4)] | 33,600 | 31,601 | 15,086 | 3,387.08 | 2,544.17 | 2,425.02 | 1,193.49 | 1,185.99 | 1,096.76 |
| **PAT Margin(%)**[(5)] | 16.05% | 17.39% | 11.27% | 10.17% | 9.72% | 10.06% | 7.42% | 7.85% | 8.68% |
| **RoE (%)** [(6)] | 18.22% | 20.72% | 20.86% | 19.36% | 17.65% | 20.30% | 12.42% | 14.09% | 56.01% |
| **RoCE (%)**[(7)] | 18.84% | 21.06% | 16.46% | 26.24% | 23.75% | 26.70% | 15.06% | 16.55% | 27.02% |

***Note: -***

*The information presented above has been derived from the Annual Reports and Financial Statements of the Company. Wherever the required information was not directly available, the same has been computed based on the relevant formula.*

*[(1)] Revenue from operation means revenue from sales, service and other operating revenues*
*[(2)] EBITDA is calculated as Profit before tax (except exceptional item) + Depreciation + Interest Expenses - Other Income*
*[(3)] EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*
*[(4)] PAT is taken as Profit for the year attributable to the Shareholders of the Company*
*[(5)] PAT Margin is calculated as Profit for the year attributable to Shareholders of the Company divided by revenue from operations.*
*[(6)] Return on Equity is the ratio of Profit for the year attributable to Shareholders of the Company and Average Shareholder Equity.*
*[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings and short-term borrowings + deferred tax liability(net).*

**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 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-issue 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 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 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 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-issue 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 have been no Secondary Transactions of the Equity Shares or convertible securities of our Company 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 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:**

**Primary Transactions:**

| Date of Allotment | Name of Allottees | No. of equity Shares allotted | Face value per Equity share (₹) | Issue price per Equity share (₹) | Nature of allotment | Total Consideration |
|---|---|---|---|---|---|---|
| Upon Incorporation | Maheshkumar Gordhandas Vaghela | 9,77,584 | 10 | 10 | Subscription to MOA | 97,75,840 |
| Upon Incorporation | Nikunj Maheshkumar Vaghela | 69,686 | 10 | 10 | Subscription to MOA | 6,96,860 |
| Upon Incorporation | Minaben Maheshkumar Vaghela | 4,35,657 | 10 | 10 | Subscription to MOA | 43,56,570 |
| Upon Incorporation | Sumita Girishbhai Mistry | 1,000 | 10 | 10 | Subscription to MOA | 10,000 |
| Upon Incorporation | Naman Manojbhai Solanki | 1,000 | 10 | 10 | Subscription to MOA | 10,000 |
| Upon Incorporation | Namrata Maheshkumar Vaghela | 14,696 | 10 | 10 | Subscription to MOA | 1,46,960 |
| Upon Incorporation | Hirva Sandeep Vasoya | 1,000 | 10 | 10 | Subscription to MOA | 10,000 |
| September 17, 2026 | Maheshkumar Gordhandas | 29,32,752 | 10 | NIL | Bonus Issue | NIL |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Vaghela | | | | | |
| September 17, 2026 | Nikunj Maheshkumar Vaghela | 2,09,058 | 10 | NIL | Bonus Issue | NIL |
| September 17, 2026 | Minaben Maheshkumar Vaghela | 13,06,971 | 10 | NIL | Bonus Issue | NIL |
| September 17, 2026 | Sumita Girishbhai Mistry | 3,000 | 10 | NIL | Bonus Issue | NIL |
| September 17, 2026 | Naman Manojbhai Solanki | 3,000 | 10 | NIL | Bonus Issue | NIL |
| September 17, 2026 | Namrata Maheshkumar Vaghela | 44,088 | 10 | NIL | Bonus Issue | NIL |
| September 17, 2026 | Hirva Sandeep Vasoya | 3,000 | 10 | NIL | Bonus Issue | NIL |

**Weighted average cost of acquisition & Issue price:**

| Type of Transaction | Weighted average cost of acquisition (₹ per Equity Shares) | Floor Price* (i.e. ₹ [●]) | Issue price* (i.e. ₹ [●]) |
|---|---|---|---|
| Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above. | NA | [●] | [●] |
| Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above. | NA | [●] | [●] |
| Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above | 2.50 | [●] | [●] |

* To be updated at Prospectus stage.

**Note**:

1. There was no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Draft Red Herring Prospectus.
2. There were no secondary sale/ acquisitions as mentioned in paragraph 8(b) above, in last 18 months from the date of this Draft Red Herring Prospectus 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 [●], a Hindi national daily newspaper and all edition of [●], a regional newspaper each with wide circulation where the registered office of the company is situated.

The Price Band/ Floor Price/ Issue Price shall be determined by our Company in consultation with the BRLM and will be justified by us in consultation with the BRLM on the basis of the above information. Investors should read the above-mentioned information along with "***Our Business***", "***Risk Factors***" and "***Restated Financial Statements***" on pages 131, 22 and 185 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,
**The Board of Directors,**
**Weldor CNC Machines Limited**
Plot No. 6/A, Plot No. 6/B,
Revenue Survey no. 240p, Veraval (Shapar),
Rajkot, Kotda Sanghani, Gujarat, India, 360024.

And

**Seren Capital Private Limited**
601 to 605, Raylon Arcade, Kondivita,
J.B. Nagar, Mumbai-400059

**(Seren Capital Private Limited referred to as the "Book Running Lead Manager" or the "BRLM")**

**Re: Statement of Possible Special Tax Benefit ('the Statement') available to Weldor CNC Machines Limited, and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

**Dear Sirs,**

We hereby confirm that the enclosed annexure, prepared by **SUNIT M CHHATBAR & CO,** are the statutory auditors of **Weldor CNC Machines Limited** states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act') as amended from time to time, presently in force in India. 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 or its shareholders to derive the tax benefits depends upon fulfilling such conditions, which are based on the business imperatives 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 its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated 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 hence it is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, 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 issue. We are neither suggesting nor advising the investor whether to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, 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.

We do not express any opinion or provide any assurance as to whether:

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing of the benefits, where applicable have been/would be met.

The contents of this annexure 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 and the provisions of the tax laws.

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 change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.

**Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961, presently forced 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 different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

1. **Special Tax Benefits available to the Company under the Act:**

The Company is not entitled to any Special tax benefits under the Act.

2. **Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 under the name and style of "**WELDOR CNC MACHINES**" with effect from December 01, 2015. Further, "WELDOR CNC MACHINES" was subsequently converted from the partnership firm to a Public Limited Company under Part I of Chapter XXI of the Companies Act, 2013 in the name of "**WELDOR CNC MACHINES LIMITED**" pursuant to a certificate of incorporation dated December 13, 2024. Accordingly, The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2024-25 (for the period January to March 2025).

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to updating the views consequent to such changes. We do not assume responsibility to updating the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

Yours faithfully,

**For SUNIT M CHHATBAR & Co.**
**Chartered Accountants**
**Firm Registration No.: 141068W**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**Place: Rajkot**
**Date: September 24, 2026**
**UDIN: 26166095XRGPWA2992**

## ABOUT THE COMPANY

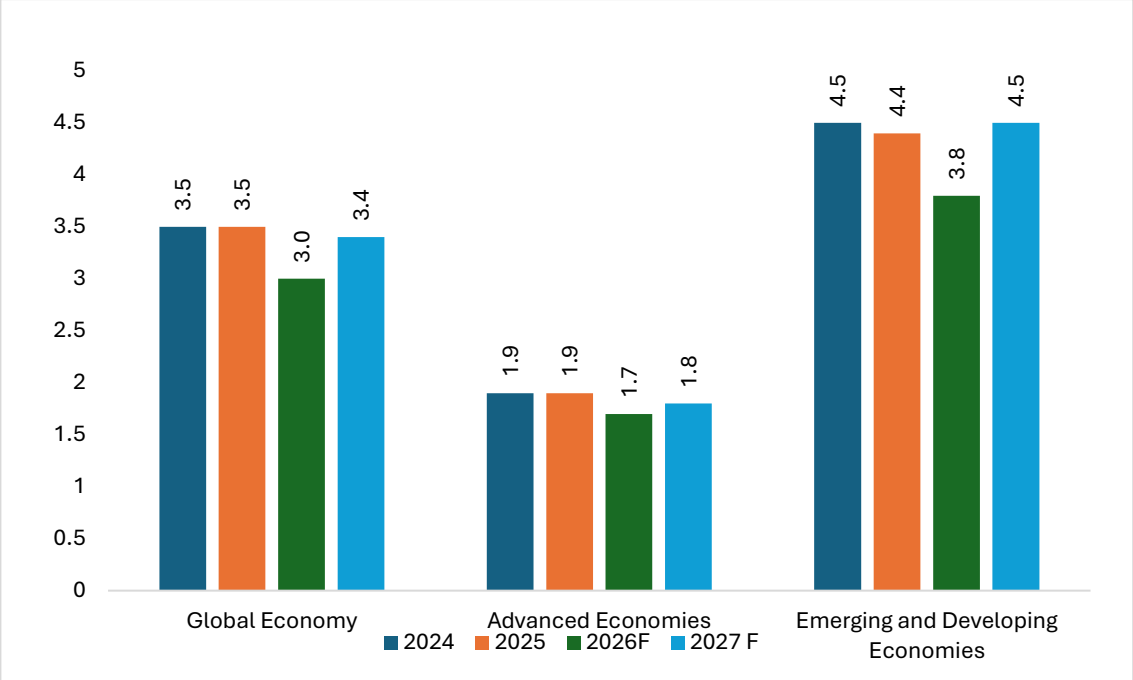
## INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled 'Industry Report for Engineering and Capital Goods Industry' dated August 27, 2026 (the "Infomerics Analytics & Research Report") prepared and issued by Infomerics Analytics and Research Pvt Ltd., which has been commissioned by and paid for by our Company exclusively in connection with the Issue for the purposes of confirming our understanding of the industry in which we operate. Neither we, nor the BRLM, nor any other person connected with the Issue has independently verified any third-party statistical, financial and other industry information in the Infomerics Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Report and included herein with respect to any particular year, refers to such information for the relevant year. The data included herein includes excerpts from the Infomerics Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the Infomerics Report, see "Risk Factors –Internal Risks –* ***"Certain sections of this Draft Red Herring Prospectus disclose information from industry report commissioned and paid for by us and any reliance on such information for making an investment decision in the Issue is subject to inherent risks."*** *on page 49. The Infomerics Report will form part of the material documents for inspection and will be available on the website of our Company at https://weldorcncmachines.com/ from the date of filing of this Draft Red Herring Prospectus until the Issue Closing Date.*

### GLOBAL ECONOMY

The Global growth is projected to slow to 3.0% in CY 2026, down from an average of 3.5% in CY 2024–25, before recovering to 3.4% in CY 2027. In CY 2025, global GDP growth remained stable at 3.5%, despite ongoing geopolitical tensions and structural challenges. Advanced economies-maintained growth at 1.9%, while emerging and developing economies continued to outperform with growth of 4.5%.

Global headline inflation is projected to rise from 4.1% in CY 2025 to 4.7% in CY 2026, before easing to 3.9% in CY 2027, marking a stalling of the disinflation trend that had been in place since early 2024. The upward revision (0.3 percentage point higher than the April 2026 WEO for 2026) reflects higher energy and food prices, with crude oil prices projected to rise by approximately 32% and natural gas prices by about 22% in 2026 relative to 2025. World trade volume growth is projected to slow sharply from 5.0% in 2025 to 3.5% in 2026, before recovering to 4.3% in 2027, reflecting tariff-related drag and the gradual adjustment of global trade and production linkages.



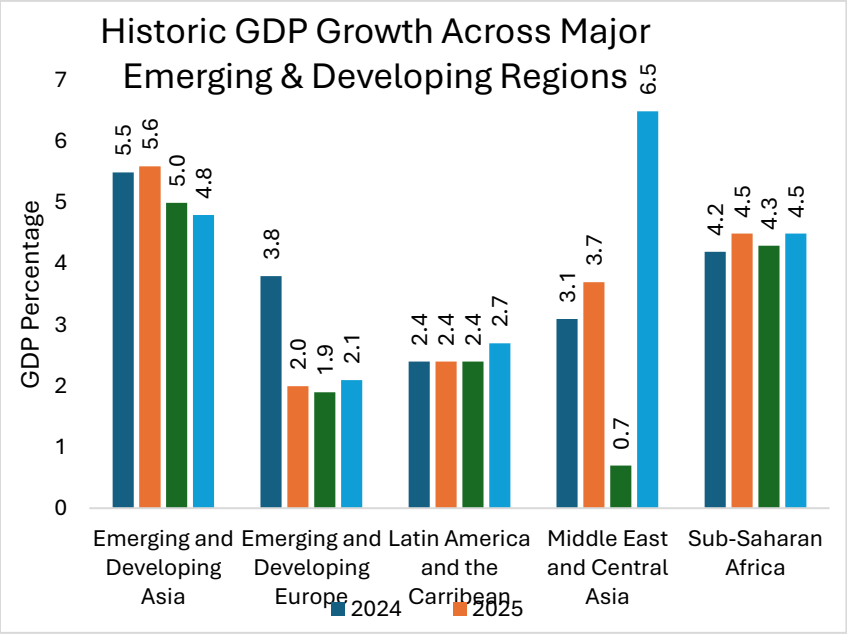

*Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including 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 – IMF World Economic Outlook July 2026)*

In China, growth is projected to slow to 4.6% in CY 2026 (down from 5.0% in CY 2025) and further to 4.1% in CY 2027, as elevated global oil prices, structural headwinds and continued property sector weakness weigh on activity, notwithstanding stronger-than-expected exports and high-tech manufacturing. In the Euro Area, growth is projected to slow to 0.9% in CY 2026 before improving to 1.2% in CY 2027, reflecting the drag from higher energy prices, a sizable negative carryover from the first quarter, and weak consumer confidence; Germany's growth is projected at 0.7% in CY 2026, improving to 1.0% in CY 2027, supported by net exports and fiscal measures.

India's real GDP growth is projected at 6.4% in FY2026–27 and 6.7% in FY2027–28, supported by resilient private consumption, robust services activity and domestic demand. On a calendar-year basis, the IMF projects India's economy to expand by 7.0% in 2026 and 6.4% in 2027.

**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.




Growth is supported by improving domestic demand and supply conditions, although structural constraints, high debt levels and commodity price volatility continue to pose risks. The modest outlook reflects weak productivity trends, fiscal constraints, and subdued external demand, partially supported by improving macroeconomic stability and policy credibility. This volatility reflects geopolitical disruptions, particularly conflicts affecting energy markets, alongside fluctuations in commodity prices and regional uncertainty.

In Emerging and Developing Asia, growth stood at 5.5% in CY 2024 and increased to 5.6% in CY 2025. Growth is projected to moderate to 5.0% in CY 2026 and further to 4.8% in CY 2027. The moderation reflects weaker external demand, trade-related uncertainty, and spillovers from slower growth in China, partly offset by resilience in domestic demand across major economies, with India continuing to act as a key growth driver.

Emerging and Developing Europe recorded growth of 3.8% in CY 2024, moderating to 2.0% in CY 2025 and 1.9% in CY 2026, before improving to 2.1% in CY 2027. The region continues to face structural manufacturing weakness, geopolitical spillovers and subdued external demand, although gradual stabilization in trade and domestic demand is expected to support recovery.

For Latin America and the Caribbean, growth stood at 2.4% in CY 2024 and remained unchanged at 2.4% in CY 2025 and CY 2026, before improving to 2.7% in CY 2027. In the Middle East and Central Asia, growth stood at 3.1% in CY 2024 and improved to 3.7% in CY 2025, before declining sharply to 0.7% in CY 2026 and rebounding to 6.5% in CY 2027. Sub-Saharan Africa recorded growth of 4.2% in CY 2024, improving to 4.5% in CY 2025. Growth is projected to moderate slightly to 4.3% in CY 2026 before improving to 4.5% in CY 2027.

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.

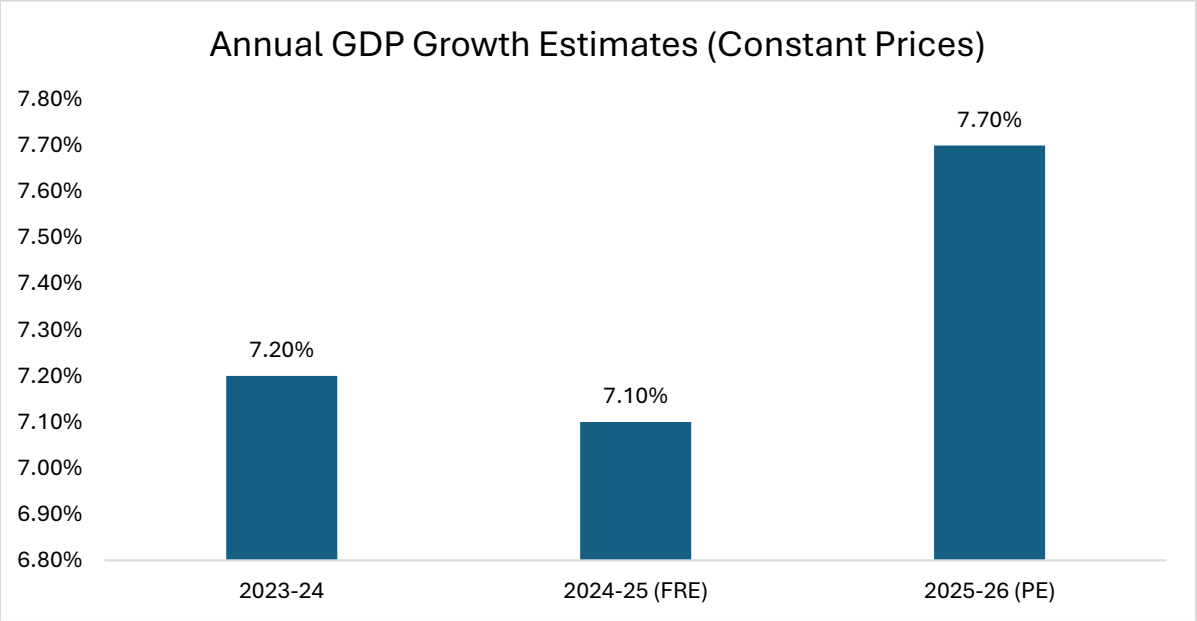
Looking ahead, the medium-term outlook remains one of slower but stable growth, with global GDP projected at 3.4% in CY 2027, following a moderation to 3.0% in CY 2026, below the long-term historical average.Overall, while the global economy remains resilient, the outlook has become more fragile amid 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, although emerging economies—particularly India and broader Asia—continue to provide relative support to global growth.

## INDIAN ECONOMY

### Gross Domestic Product (GDP)

Real GDP has been estimated to grow by 7.7% in FY 2025-26. Nominal GDP has witnessed a growth of 8.9%. Real GDP or GDP at Constant Prices is estimated to attain a level of INR 323.12 lakh crore in the FY 2025-26, against the First Revised Estimate (FRE) of GDP for the year 2024-25 of INR 299.89 lakh crore.

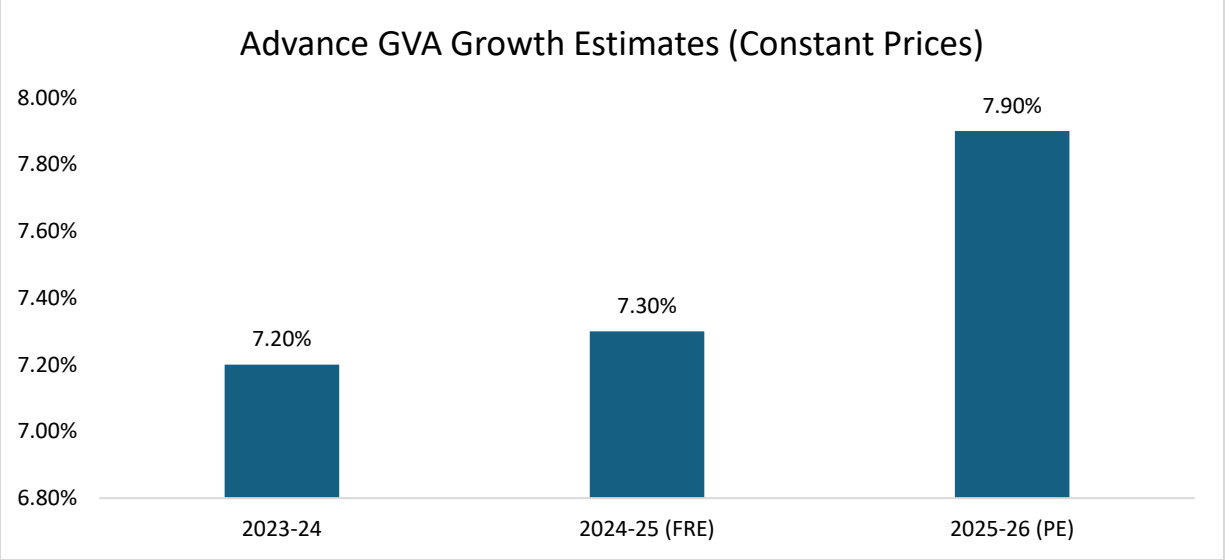
India is estimated to be the sixth-largest economy in the world in 2026, with a Gross Domestic Product (GDP) of approximately USD 4.15 trillion at current prices. India's ranking reflects the latest national accounts data, including the revised GDP series released by the Government of India, which changed the base year from FY 2011-12 to FY 2022-23. India's position in the global ranking is influenced by the revised GDP estimates and the depreciation of the Indian Rupee against the U.S. Dollar.




*Note: FRE - First Revised Estimates; PE – Provisional Estimate*
*Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 05 June 2026).*

**Gross Value Added (GVA)**

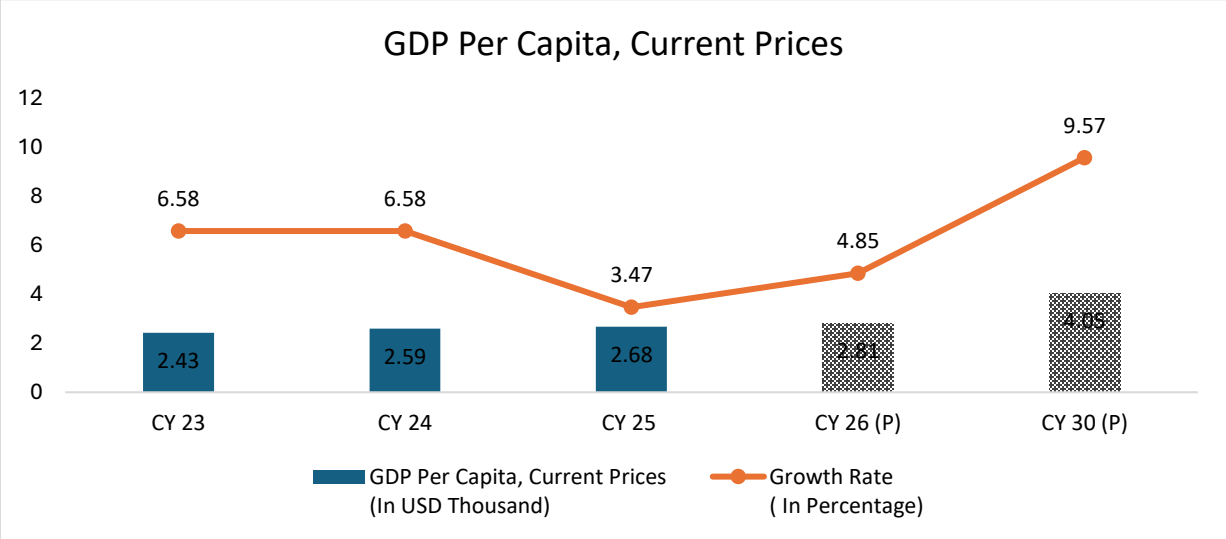
Real GVA is estimated at INR 294.91 lakh crore in the year 2025-26, against INR 273.36 lakh crore in FY 2024-25, registering a growth rate of 7.9% as compared to 7.3% growth rate in 2024-25. Nominal GVA is estimated to attain a level of INR 314.87 lakh crore during FY 2025-26, against INR 288.54 lakh crore in 2024-25, showing a growth rate of 9.1%.




*Note: FRE - First Revised Estimates; PE – Provisional Estimate*
*Source: New Series of Gross Domestic Product (GDP) Estimates with Base Year 2022-23 by MOSPI, PIB Press Release dated 05 June,2026)*

**India Per Capita GDP Forecast**

Per capita GDP growth for India is estimated at 9.57 % CAGR between FY 2026-FY 2030. Increased individual incomes are expected to create additional discretionary spending, which may be beneficial for the sector.

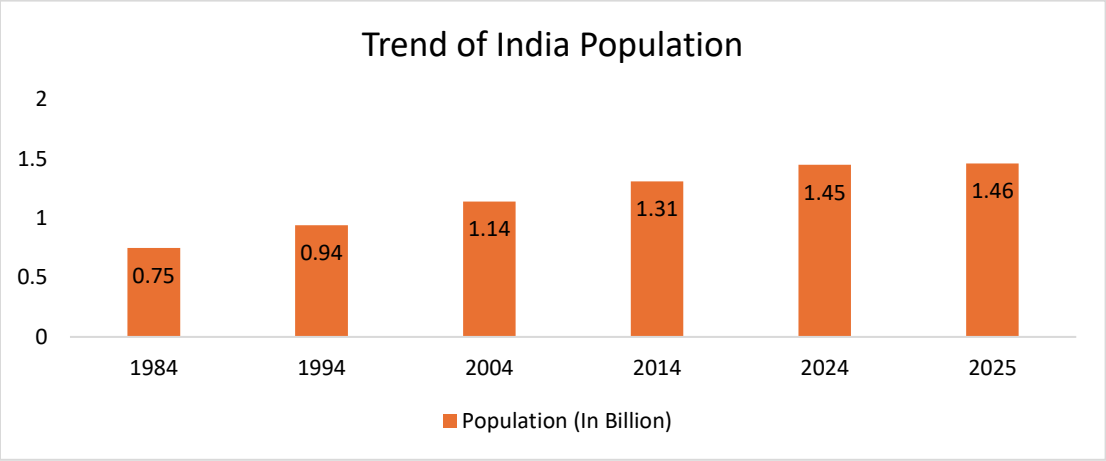



*Note: E = Estimated, P = Projected*
Source: IMF Data Mapper, World Economic Outlook April 2026, India, GDP Per Capita

**Overview on Key Demographic Parameters**

**Population growth**

India's economic trajectory and consumption dynamics are closely tied to its demographic shifts. India's population expanded from approximately 0.75 billion in 1984 to 1.45 billion in 2024 and is further reached around 1.47 billion in 2025, consolidating its position as the world's most populous nation. This sustained growth underlines the emergence of a vast labour force and consumer base, which is essential for driving long-term economic growth, supporting rising consumption demand and strengthening the country's overall economic potential.




*(Source: World Bank Database. Population Data 2025 , Infomerics Analytics & Research)*

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.

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.

**Industry Overview – Engineering and Capital Goods Industry**

The Engineering and Capital Goods Industry encompasses enterprises engaged in the design, engineering, fabrication, manufacture and supply of machinery, equipment, tools, components and engineered systems deployed across the production of goods and services throughout the economy. The industry integrates two closely linked dimensions: a broad engineering goods base spanning general and heavy engineering products, structural fabrication, industrial components and precision-engineered parts and capital goods segment comprising machinery and equipment that function as productive assets rather than items of direct end consumption. Products and outputs of this industry are deployed by other industries to manufacture, process, construct, or deliver services, making the sector foundational rather than terminal within the broader industrial value chain.

The industry spans a wide range of product categories, including machine tools, dies, moulds and press tools, textile and printing machinery, earthmoving and mining equipment, plastic and food processing machinery, process plant equipment, heavy electrical and industrial machinery, and related engineered components and sub-assemblies.

Enterprises operating within this industry may participate across multiple stages of the value chain encompassing engineering and design, fabrication, machining, assembly, testing, and after-sales services such as installation, commissioning, maintenance and supply of spare parts. Several entities also undertake turnkey and engineering, procurement and construction (EPC) projects, delivering complete industrial systems or facilities on an end-to-end basis, alongside export-oriented engineering goods manufacturing that links the sector to global supply chains.

Products of the Engineering and Capital Goods Industry are typically capital-intensive, precision-driven and characterised by relatively long operational lifecycles, reflecting their role as durable productive assets rather than consumables. Given their critical function in enabling industrial operations, these products are generally subject to defined quality, safety and performance standards, and, in regulated applications, require statutory approvals and certifications prior to deployment. As a foundational and enabling sector, the Engineering and Capital Goods Industry underpins production capacity, technological capability and infrastructure development across downstream industries such as manufacturing, automotive, energy, transportation, defence and construction, while also contributing meaningfully to the country's industrial exports and self-reliance objectives.

## MARKET SEGMENTATION

| Segmentation Type | Segments | Description |
|---|---|---|
| By Product Category | Machine Tools | Includes CNC machines, machining centres, turning centres, milling machines, drilling machines, grinding machines, press brakes, shearing machines, laser cutting machines and other precision metalworking equipment used across automotive, aerospace, defence, railways and general manufacturing industries. This segment is driven by increasing industrial automation, precision manufacturing and adoption of advanced machining technologies. |
| | Industrial Machinery & Manufacturing Equipment | Comprises production machinery, assembly equipment, material handling systems, industrial robots and factory automation solutions used in manufacturing facilities. Growth is supported by increasing investments in industrial automation, smart manufacturing and capacity expansion across industries. |
| | Process Plant Equipment | Includes reactors, pressure vessels, heat exchangers, boilers, storage tanks, filtration systems and other industrial process equipment used in chemicals, pharmaceuticals, oil & gas, food processing, power generation and petrochemical industries. Demand is driven by industrial expansion and process plant modernisation. |
| | Earthmoving, Construction & Mining Equipment | Covers excavators, loaders, bulldozers, dump trucks, drilling equipment, crushers and other heavy machinery used in construction, mining and infrastructure development. This segment represents one of the largest contributors to the capital goods industry, supported by public infrastructure spending and mining activities. |
| | Dies, Moulds & Press Tools | Includes dies, moulds, jigs, fixtures, press tools and precision tooling solutions used in metal forming, plastic moulding, automotive components, consumer durables and engineering industries. Growth is supported by increasing demand for precision manufacturing and component production. |
| | Plastic Processing Machinery | Comprises injection moulding machines, extrusion machinery, blow moulding machines and ancillary equipment used in the plastics, packaging, automotive and consumer goods industries. Demand is driven by increasing production of plastic products and packaging materials. |
| | Food Processing Machinery | Includes machinery used for food processing, packaging, preservation, sorting, grading and material handling across the food |

| | | |
|---|---|---|
| | | & beverage industry. Growth is supported by expansion of the organised food processing sector and increasing investments in food manufacturing. |
| | Printing & Packaging Machinery | Covers offset printing machines, digital printing systems, packaging machinery, labelling equipment and converting machines used in commercial printing and packaging industries. Demand is driven by growth in packaging, FMCG and e-commerce sectors. |
| By Technology | Conventional Machinery | Includes manually operated and semi-automatic industrial machinery widely used by MSMEs and small manufacturing units due to lower capital investment and operational simplicity. |
| | CNC & Precision Machinery | Comprises Computer Numerical Control (CNC) machines, automated machining centres and digitally controlled fabrication equipment offering high precision, productivity and repeatability. Demand is increasing with the adoption of Industry 4.0 and advanced manufacturing practices. |
| | Smart & Automated Equipment | Includes robotics, IoT-enabled machinery, AI-assisted manufacturing systems, automated production lines and predictive maintenance solutions. This segment is witnessing rapid growth owing to digital transformation and smart factory adoption. |
| By End Use Industry | Automotive & Auto Components | Includes demand for machine tools, fabrication equipment, presses, tooling and automation systems used in vehicle and auto component manufacturing. This represents one of the largest end-user segments for engineering and capital goods. |
| | Construction & Infrastructure | Covers demand for construction machinery, earthmoving equipment, material handling systems and heavy engineering products used in roads, railways, airports, ports and urban infrastructure projects. |
| | Aerospace & Defence | Includes precision machine tools, fabrication equipment, CNC machining systems and specialised engineering equipment used in aerospace manufacturing and defence production. Growth is supported by increasing domestic defence manufacturing and indigenisation initiatives. |
| | Railways & Metro Infrastructure | Comprises engineering equipment, fabrication machinery and industrial systems used in railway rolling stock, track infrastructure, signalling and metro rail projects. |
| | Oil, Gas & Process Industries | Covers process plant equipment, industrial pumps, compressors, pressure vessels and engineering systems used in refineries, petrochemicals, chemicals and energy projects. |
| | Food Processing & Packaging | Includes machinery used in food processing, packaging, material handling and quality inspection across organised food manufacturing industries. |
| | General Manufacturing | Comprises engineering equipment supplied to fabricated metal products, electrical equipment, renewable energy, consumer durables and other industrial manufacturing sectors. |
| By Distribution Channel | Direct Sales (B2B) | Includes direct supply of engineering equipment to industrial enterprises, EPC contractors, OEMs and manufacturing companies through long-term commercial contracts. This segment dominates the market owing to project-based procurement and customised equipment requirements. |
| | Authorised Dealers & Distributors | Covers dealer networks and regional distributors supplying machinery, spare parts and industrial equipment to MSMEs and regional manufacturing units. Growth is supported by extensive distribution networks and local service capabilities. |

| | | |
|---|---|---|
| | Exports & International Sales | Comprises exports of engineering goods, industrial machinery and capital equipment to North America, Europe, Asia-Pacific, the Middle East, Africa and Latin America. Growth is supported by India's competitive manufacturing capabilities and increasing global demand for engineering products. |
| By End User | Large Manufacturing Enterprises | Includes automotive manufacturers, steel producers, EPC companies, defence manufacturers, railways, heavy engineering companies and large industrial enterprises requiring advanced engineering equipment and capital goods. |
| | Micro, Small & Medium Enterprises (MSMEs) | Covers MSMEs engaged in fabrication, machining, metalworking, plastics processing and component manufacturing that utilise engineering machinery for production and value addition. |
| | Government & Public Sector Undertakings | Includes procurement by government departments, public sector enterprises, railways, defence organisations and infrastructure agencies for industrial and public development projects. |
| By Geography | Domestic Market | Includes sales across India's industrial clusters serving automotive, engineering, infrastructure, railways, defence, renewable energy, food processing and general manufacturing industries. Growth is supported by industrialisation, infrastructure development and government initiatives promoting domestic manufacturing. |
| | Export Market | Comprises exports of engineering goods, machine tools, industrial machinery and capital equipment to developed and emerging markets. Export demand is supported by India's growing manufacturing capabilities, competitive production costs and increasing participation in global value chains. |

## VALUE CHAIN ANALYSIS




The value chain of the Engineering & Capital Goods Industry comprises a series of integrated stages encompassing procurement of raw materials and precision components, product engineering and design, manufacturing and assembly, quality assurance, distribution, installation and after-sales support, enabling the delivery of technologically advanced engineering equipment and machinery to a diverse range of industrial end-use sectors.

1. **Raw Material and Component Procurement**
   Sourcing of primary raw materials such as steel, alloy steel, castings, forgings, aluminum, hydraulic components, electrical and electronic systems, CNC controllers, servo motors, bearings and other precision-engineered components from domestic and international suppliers based on technical specifications, quality standards and production requirements.

2. **Engineering, Design and Product Development**
   Includes product conceptualisation, engineering design, computer-aided design (CAD), structural analysis, prototype development, process engineering and product customisation to develop application-specific engineering equipment in accordance with customer requirements and industry standards.

3. **Manufacturing, Fabrication and Assembly**
   Includes precision machining, laser cutting, fabrication, welding, bending, heat treatment, surface finishing, assembly of mechanical, hydraulic, pneumatic and electrical systems, and integration of CNC and automation technologies to manufacture finished engineering equipment and industrial machinery.

4. **Quality Assurance and Performance Testing**
   Includes dimensional inspection, calibration, functional testing, load testing, performance validation, non-destructive testing, safety verification and final quality inspection to ensure compliance with technical specifications, regulatory requirements and customer-defined performance standards.

5. **Supply Chain, Distribution and Logistics**
   Includes packaging, warehousing, inventory management, transportation and delivery of engineering equipment through direct sales channels, authorised dealers, distributors and export networks, ensuring timely execution of customer orders and project requirements.

6. **Installation and Commissioning**
   On-site installation, machine alignment, commissioning, operator training, process optimisation and performance verification to ensure seamless integration of equipment into customers' manufacturing facilities and achievement of desired operational performance.

7. **After-Sales Services and Lifecycle Support**
   Preventive maintenance, breakdown assistance, refurbishment, retrofitting, supply of spare parts, technical support, equipment upgrades and annual maintenance services throughout the operational lifecycle of engineering equipment, enhancing machine reliability, customer satisfaction and long-term operational efficiency.

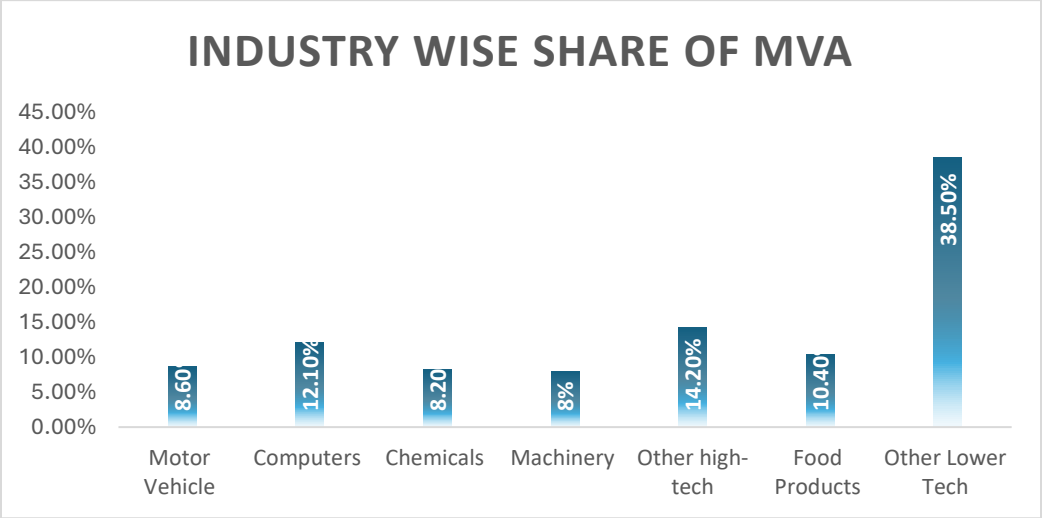
8. **End-Use Industries**
   Engineering and capital goods products are supplied to a wide range of industries, including automotive and auto components, aerospace, defence, railways, construction and infrastructure, electrical equipment, heavy engineering, fabricated metal products, renewable energy, oil & gas, shipbuilding and general manufacturing industries, where demand is supported by industrialization, infrastructure development, manufacturing expansion and increasing adoption of automation technologies.

## GLOBAL ENGINEERING AND CAPITAL GOODS INDUSTRY

The Engineering & Capital Goods Industry, the Machinery & Equipment segment contributed approximately 8.0% of global manufacturing value added. The global distribution of Manufacturing Value Added (MVA) indicates that lower technology industries accounted for the largest share at 38.5%, reflecting the continued importance of labor-intensive and traditional manufacturing activities in the global industrial landscape. Among the medium- and high-technology manufacturing sectors, Other High-Tech Industries represented the largest share at 14.2%, followed by Computers, Electronic & Optical Products (12.1%), highlighting the increasing contribution of technology-driven manufacturing to global industrial output.

Although its share is relatively modest compared to certain technology-intensive industries, the segment plays a strategic role as an enabling industry, supplying machinery, industrial equipment and production systems that support manufacturing activities across automotive, aerospace, defence, construction, mining, energy and process industries. These industries represent key end-user sectors for engineering and capital goods, generating sustained demand for machine tools, industrial automation systems, process equipment and specialized manufacturing machinery.

Overall, the industry-wise composition of global manufacturing value added highlights the strategic importance of the Engineering & Capital Goods Industry as a foundational sector that supports industrial production, technological advancement and manufacturing competitiveness across a broad range of downstream industries.




*Source: United Nations Industrial Development Organisation, Industrial Statistics – 2025, Infomerics Analytics and Research.*

## INDIAN ENGINEERING AND CAPITAL GOODS INDUSTRY

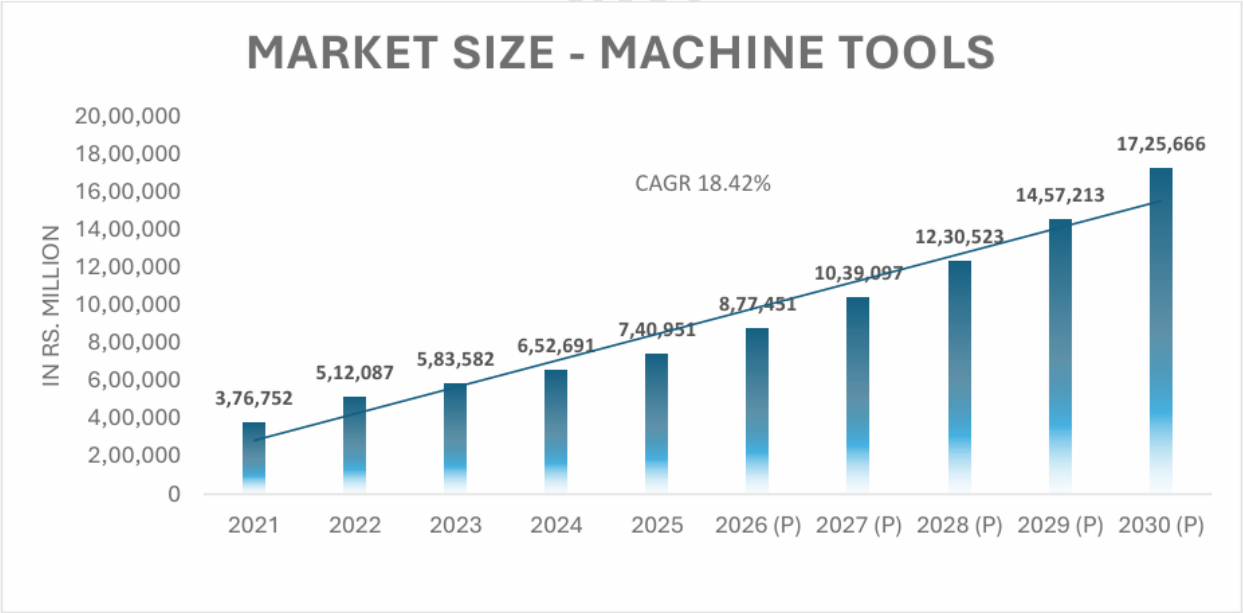
The Engineering & Capital Goods Industry constitutes a critical pillar of the manufacturing sector, providing machinery, equipment and technological solutions that support industrial production across a wide range of end-use industries. The industry encompasses the design, manufacture and supply of machine tools, industrial machinery, process equipment, material handling systems and precision engineering solutions, which serve as essential capital assets for sectors such as automotive, aerospace, defence, railways, infrastructure, construction, power, oil & gas and general engineering. Machine tools, including CNC press brakes, shearing machines, laser cutting systems and other sheet metal forming equipment, form an important segment of the capital goods industry by enabling precision fabrication and efficient metal processing across manufacturing industries.

In India, the Engineering & Capital Goods Industry falls under the administrative purview of the Department of Heavy Industry, Ministry of Heavy Industries, while industrial policy, investment facilitation and manufacturing promotion are overseen by the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry.

**Market Size & Production Trends**

The Indian Machine Tools segment has exhibited a strong growth trajectory over the period under review, with the market size increasing from INR 3,76,752 million in FY2020-21 to INR 7,40,951 million in FY2024-25. The Machine Tools segment constitutes an important component of the broader Engineering & Capital Goods Industry and includes various categories of manufacturing equipment, including CNC machines, presses, press brakes, pipe bending, rolling and bending machines. Accordingly, growth in the overall Machine Tools market provides a favourable operating environment for manufacturers of CNC Press Brakes and Rolling Machines.

The market size increased from INR 3,76,752 million in FY2020-21 to INR 5,12,087 million in FY2021-22 and further to INR 5,83,582 million in FY2022-23, reflecting increasing industrial activity and rising investments in manufacturing and production capabilities. The market subsequently expanded to INR 6,52,691 million in FY2023-24 and INR 7,40,951 million in FY2024-25, supported by increasing demand for precision machinery, automation and technologically advanced manufacturing equipment.

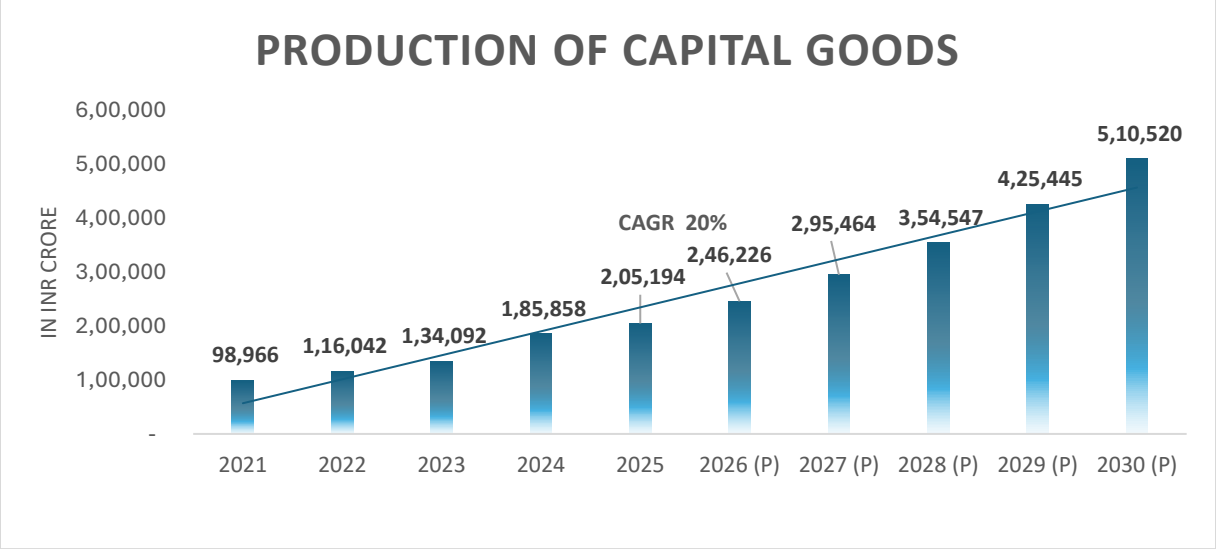



*Source: CMIE Industry Outlook, Infomerics Analytics & Research.*
*Note: P – Projected*

The growth momentum is expected to continue over the medium term, with the Machine Tools market projected to increase to INR 8,77,451 million in FY2025-26, INR 10,39,097 million in FY2026-27, INR 12,30,523 million in FY2027-28, INR 14,57,213 million in FY2028-29 and INR 17,25,666 million in FY2029-30. Based on the estimates presented, the market is projected to grow at a CAGR of approximately 18.42% over the period.

The projected 18.42% CAGR in the Machine Tools market reflects increasing industrial investment, manufacturing capacity expansion and adoption of advanced production technologies, which are expected to support long-term demand for CNC-based sheet metal processing and forming equipment.

**Production of Capital Goods**




*Source: Ministry of Heavy Industries Annual Report 2025-26, Infomerics Analytics & Research*
*Note: P – Projected*

The production of capital goods has exhibited a consistent upward trend over the period under review. Total production stood at INR 98,966 crore in FY 2020-21 and increased to INR 1,16,042 crore in FY 2021-22, reflecting improving industrial activity and strengthening demand for capital equipment across key sectors.

The upward trajectory continued in FY 2024-25, with production reaching INR 2,05,194 crore. Going forward, production is projected to increase to INR 2,46,226 crore in FY 2025-26, INR 2,95,464 crore in FY 2026-27, INR 3,54,547 crore in FY 2027-28, INR 4,25,445 crore in FY 2028-29 and INR 5,10,520 crore in FY 2029-30. The projected growth reflects expectations of continued investments in manufacturing capacity, infrastructure development and industrial modernization.

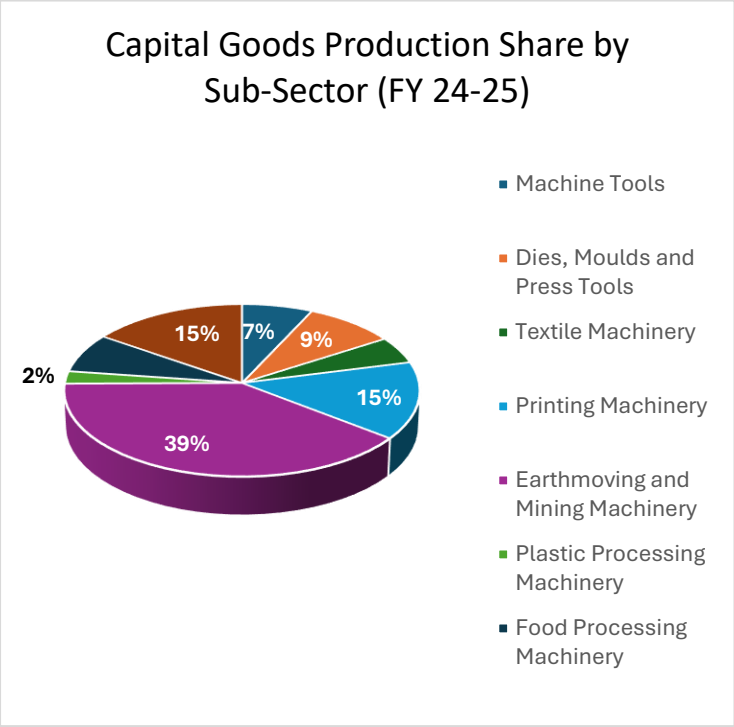
The growth momentum continued in FY 2022-23, with production rising to INR 1,34,092 crore, supported by increasing demand for industrial machinery, manufacturing equipment and infrastructure-related capital goods. This was followed by a significant increase in FY 2023-24, with total production reaching INR 1,85,858 crore, indicating higher capital expenditure and expansion in manufacturing and infrastructure activities.

Overall, capital goods production is projected to increase at a CAGR of approximately 20% between FY 2024-25 and FY 2029-30, indicating strong expected expansion in the domestic engineering and manufacturing ecosystem.

**Production of Capital Goods by Sub Sector**

The distribution of production across the capital goods sub-sectors during FY2024-25 indicates that manufacturing activity remained concentrated in a few key segments, while maintaining a diversified industrial base. Earthmoving & Mining Machinery accounted for the largest share of production at approximately 39%, reflecting strong demand from infrastructure development, mining and construction activities. Printing Machinery and Process Plant Equipment each contributed around 15%, together accounting for nearly one-third of the total production, supported by demand from manufacturing, packaging and process industries.

The remaining production was distributed across Dies, Moulds & Press Tools (9%), Food Processing Machinery (8%), Machine Tools (7%), Textile Machinery (5%) and Plastic Processing Machinery (2%), highlighting the presence of specialized manufacturing capabilities serving a broad range of end-use industries.

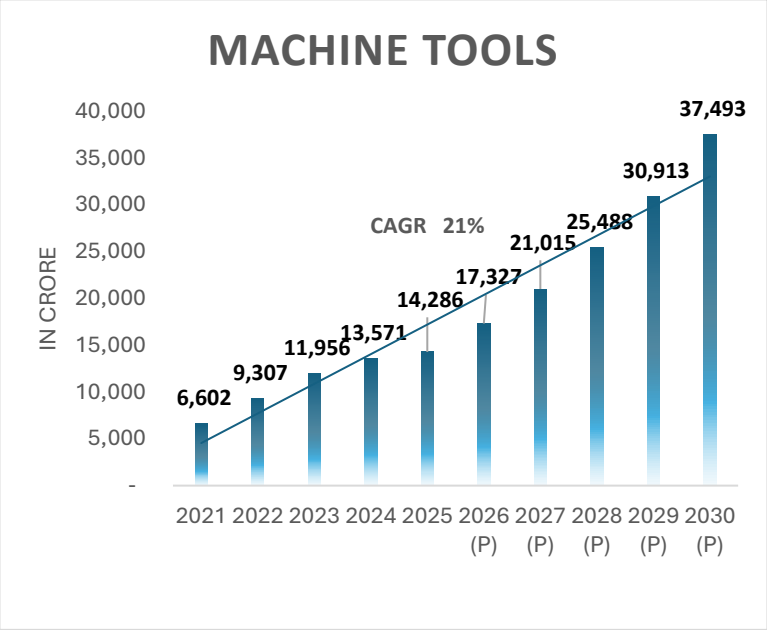



*Source: Ministry of Heavy Industries Annual Report 24-25, Infomerics Analytics & Research*

**Production of Machine Tools**

The production of machine tools in India has exhibited a steady upward trend over the period under review. Production stood at INR 6,602 crore in FY 2020-21 and increased to INR 9,307 crore in FY 2021-22, indicating a recovery in manufacturing activity and increasing investment in production and machining capabilities.

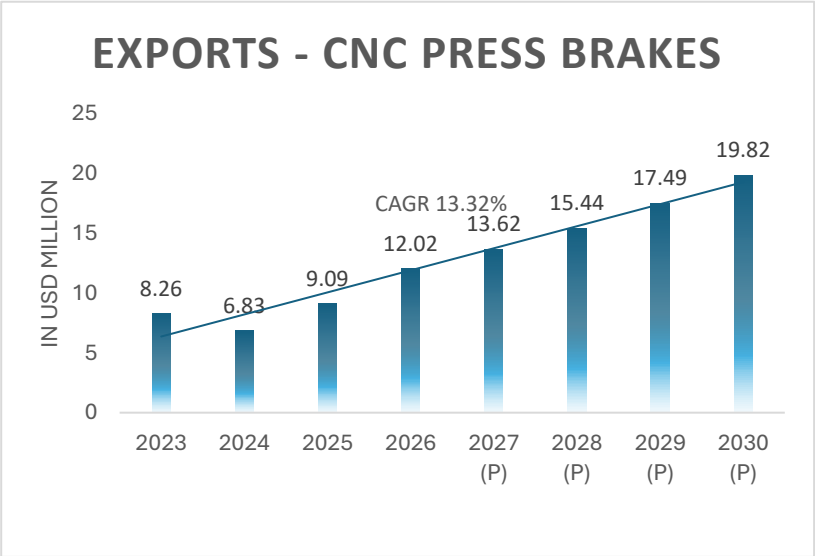
The growth momentum continued in FY 2022-23, with production rising to INR 11,956 crore, This was followed by a further increase to INR 13,571 crore in FY 2023-24,Going forward, production is projected to increase to INR 17,327 crore in FY 2025-26, INR 21,015 crore in FY 2026-27, INR 25,488 crore in FY 2027-28, INR 30,913 crore in FY 2028-29 and INR 37,493 crore in FY 2029-30.




*Source: Ministry of Heavy Industries Annual Report 2025-26, Infomerics Analytics & Research*
*Note: P – Projected*

**Growth of CNC Press Breaks segment in terms of exports**

The export value stood at USD 8.26 million in 2023, declined to USD 6.83 million in 2024, and subsequently increased to USD 9.09 million in 2025, indicating a recovery in export demand for Indian-made CNC Press Brakes.
The exports are projected to increase to USD 12.02 million in 2026, USD 13.62 million in 2027, USD 15.44 million in 2028, USD 17.49 million in 2029 and USD 19.82 million in 2030. The projected export trajectory represents a CAGR of approximately 13.32% between 2023 and 2030, indicating favorable growth prospects for Indian manufacturers of CNC Press Brakes.




*Source: MEIDB, Infomerics Analytics & Research*

**Trade Dynamics of Capital Goods in India**

The Indian trade profile of the Capital Goods Industry over the period from FY 2021 to FY 2025 reflects a steady expansion in both imports and exports, driven by increasing industrialization, infrastructure development and rising investments in manufacturing.

On the import front, total imports increased significantly from INR 34,890 crore in FY 2021 to INR 84,304 crore in FY 2025, Similarly, exports of capital goods registered consistent growth over the review period, increasing from INR 19,799 crore in FY 2021 to INR 33,356 crore in FY 2025.




*Source: Ministry of Heavy Industries Annual Report 25-26, Infomerics Analytics and Research*

## GROWTH DRIVERS

The industry continues to expand in response to evolving consumption patterns and broader economic developments. The key growth aspects 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.** Increasing investments in infrastructure development across transportation, power, urban infrastructure and industrial corridors | High | High | High |
| **2.** Expansion of manufacturing activities under Make in India and Atmanirbhar Bharat initiatives | High | High | High |
| **3.** Rising capital expenditure by private industries for capacity expansion and modernisation | Moderate | High | High |
| **4.** Growing adoption of automation, CNC technologies and smart manufacturing solutions | **Moderate** | High | **High** |
| **5.** Increasing demand from automotive, aerospace, defence, railways and renewable energy sectors | High | High | High |
| **6.** Growth in renewable energy, electric mobility and emerging industrial sectors | Moderate | High | High |
| **7.** Increasing investments in industrial parks, manufacturing clusters and logistics infrastructure | Moderate | High | High |

*(Source: Infomerics Analytics & Research)*

**Detailed Driver**

1. **Increasing investments in infrastructure development**
   Rising investments in transportation, power, urban infrastructure, industrial corridors and logistics projects are expected to drive sustained demand for engineering equipment, heavy machinery and capital goods.

2. **Expansion of manufacturing activities under Make in India and Atmanirbhar Bharat initiatives**

Continued expansion of manufacturing capacities across automotive, aerospace, defence, electronics, renewable energy and general engineering sectors is expected to support demand for industrial machinery and machine tools.

3. **Rising capital expenditure by private industries for capacity expansion and modernisation**
   Increasing investments by private enterprises towards capacity expansion, plant modernisation and technology upgradation are expected to boost procurement of engineering equipment and capital goods.

4. **Growing adoption of automation, CNC technologies and smart manufacturing solutions**
   Rising adoption of automation, CNC technologies, robotics and digital manufacturing solutions is increasing demand for technologically advanced engineering equipment.

5. **Increasing demand from automotive, aerospace, defence, railways and renewable energy sectors**
   Government initiatives promoting domestic manufacturing and localisation of capital goods are expected to reduce import dependence and create opportunities for domestic manufacturers.

6. **Growth in renewable energy, electric mobility and emerging industrial sectors**
   Expanding investments in renewable energy, electric mobility, battery energy storage systems and hydrogen projects are expected to increase demand for specialised engineering equipment.

7. **Increasing investments in industrial parks, manufacturing clusters and logistics infrastructure**
   Expansion of industrial parks, manufacturing clusters and integrated logistics infrastructure is expected to support industrial production and increase demand for capital goods.

## MARKET RESTRAINTS

The industry operates within an environment that presents several structural and operational constraints. The key restraints are:

**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.** Volatility in raw material prices, particularly steel, aluminium and other industrial metals | High | Moderate | Moderate |
| **2.** Cyclical nature of capital expenditure and infrastructure investments | High | High | Moderate |
| **3.** Intense competition from domestic and global manufacturers, leading to pricing pressure | High | High | High |
| **4.** Dependence on imported high-precision components, electronics and advanced control systems | Moderate | Moderate | Low |
| **5.** Long project execution cycles and delayed order finalisation in large industrial and infrastructure projects | High | Moderate | Moderate |

*(Source: Infomerics Analytics & Research)*

**Detailed Overview**

1. **Volatility in raw material prices, particularly steel, aluminium and other industrial metals**
   Fluctuations in the prices of steel, aluminium, copper and other industrial metals can increase input costs, affect profit margins and influence product pricing.

2. **Cyclical nature of capital expenditure and infrastructure investments**
   Demand for engineering equipment is closely linked to industrial investments and infrastructure spending. Any slowdown in capital expenditure may adversely impact order inflows.
3. **Intense competition from domestic and global manufacturers, leading to pricing pressure**
   Presence of established domestic and international players intensifies competition, resulting in pricing pressure, shorter product life cycles and continuous technology upgradation.

4. **Dependence on imported high-precision components, electronics and advanced control systems**
   Reliance on imported CNC controllers, servo motors, drives, electronic components and specialised equipment exposes manufacturers to supply chain disruptions, currency fluctuations and procurement risks.

5. **Long project execution cycles and delayed order finalisation in large industrial and infrastructure projects**
   Industrial machinery procurement often involves extensive technical evaluations, customer approvals and project execution timelines, resulting in delayed order conversion and revenue recognition.

## GOVERNMENT INITIATIVES AND POLICY SUPPORT

The following initiatives are intended to accelerate industrial growth, promote advanced manufacturing, enhance export competitiveness and position India as a global manufacturing hub.

1. **Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector (Phase II)**
   The Government is implementing the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector (Phase II) to strengthen the competitiveness of the domestic capital goods industry through technology development, skill enhancement, testing infrastructure and common engineering facilities. The scheme focuses on promoting innovation, improving manufacturing capabilities and enhancing the global competitiveness of Indian capital goods manufacturers.

2. **Technology Innovation Portals**
   Technology Innovation Portals have been established to facilitate the identification of emerging technologies, encourage industry-academia collaboration and accelerate the development and commercialisation of advanced manufacturing technologies across the capital goods sector.

3. **Centres of Excellence (CoEs)**
   The Government is supporting the establishment and expansion of Centres of Excellence (CoEs) to promote research & development, advanced manufacturing technologies and product innovation in sectors such as machine tools, textile machinery, earth-moving machinery and metallurgical equipment, thereby strengthening indigenous technology capabilities.

4. **Common Engineering Facility Centres (CEFCs)**
   Common Engineering Facility Centres have been established to provide shared access to advanced manufacturing infrastructure, testing, calibration, tooling, certification and technical support services, particularly for industrial clusters and MSMEs, thereby improving manufacturing competitiveness and technology adoption.

5. **Testing & Certification Infrastructure**
   The Government is augmenting testing and certification facilities to strengthen product validation, quality assurance and compliance with domestic and international standards, enabling manufacturers to enhance product reliability and expand export opportunities.

6. **Industry Accelerators for Technology Development**
   Industry Accelerators are being established to facilitate technology commercialisation, accelerate product development and promote collaboration between industry, research institutions and academia for advanced engineering solutions.

7. **Skill Development in the Capital Goods Sector**
   Dedicated initiatives for developing qualification packs and advanced technical training programmes are strengthening the availability of skilled manpower required for precision engineering, advanced manufacturing and industrial automation. Advanced welding training programmes have also been undertaken to enhance workforce capabilities.

8. **Technology Absorption & Industry Academia Collaboration**
   Government-supported technology absorption programmes encourage collaborative research between industry and leading academic and research institutions to bridge technology gaps, promote indigenous innovation and develop advanced engineering solutions for the capital goods industry.

**9. Machine Tool Park Development**

A world-class Machine Tool Park has been established at Tumakuru, Karnataka, to strengthen the machine tools ecosystem, attract investments, improve manufacturing infrastructure and enhance the global competitiveness of India's machine tool industry.

## PESTEL ANALYSIS

The PESTEL framework provides a structured assessment of the external macro environmental factors that influence the industry's operating landscape. This analysis enables a comprehensive understanding of the opportunities and challenges impacting market stability, investment potential and long-term sectoral growth.

| Factor | Key Insights and Implications |
|---|---|
| Political | • The Government of India continues to promote domestic manufacturing through initiatives such as Make in India, Atmanirbhar Bharat, PM Gati Shakti National Master Plan and the National Infrastructure Pipeline (NIP), creating long-term demand for engineering and capital goods.<br>• The Department of Heavy Industry (DHI) has undertaken various initiatives, including the Scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector (Phase II), to strengthen domestic manufacturing capabilities, technology development and skill enhancement.<br>• Continued public investment in sectors such as railways, defence, power, renewable energy, urban infrastructure and industrial corridors is expected to support demand for industrial machinery, machine tools and engineering equipment.<br>• Government emphasis on import substitution, localisation of manufacturing and promotion of indigenous capital goods manufacturing is expected to enhance the competitiveness of domestic engineering companies. |
| Economic | • Growth of the Engineering & Capital Goods Industry is closely linked to industrial production, manufacturing activity, capital expenditure (CapEx) and infrastructure development across the economy.<br>• Increasing investments across automotive, aerospace, defence, railways, power, renewable energy, oil & gas and process industries are driving demand for machine tools, fabrication equipment and industrial machinery.<br>• Rising private sector investments, increasing FDI inflows into manufacturing and expansion of industrial production are expected to support sustained growth in the capital goods sector.<br>• India's emergence as a global manufacturing hub under various production-linked initiatives is expected to create additional opportunities for domestic engineering equipment manufacturers. |
| Social | • Rapid urbanisation, rising income levels and increasing demand for manufactured products are encouraging expansion of manufacturing capacities across multiple industries.<br>• Growing focus on technical education, vocational training and skill development is strengthening the availability of skilled manpower required for precision engineering, CNC machining and industrial manufacturing.<br>• Increasing customer preference for higher-quality manufactured products is driving adoption of technologically advanced machinery and automation solutions. |
| Technological | • Increasing adoption of Industry 4.0, Industrial Internet of Things (IIoT), Artificial Intelligence (AI), robotics and digital manufacturing technologies is transforming the engineering and capital goods industry.<br>• Growing demand for CNC-based machine tools, servo-driven equipment, automation systems, smart manufacturing solutions and predictive maintenance technologies is improving operational efficiency and manufacturing precision.<br>• Continuous investments in research & development, product innovation and digital integration are enabling manufacturers to enhance productivity, reduce operating costs and improve product quality.<br>• Increasing adoption of energy-efficient machinery and advanced control systems is supporting sustainable manufacturing practices. |

| | |
|---|---|
| Environmental | • Growing emphasis on sustainable industrial development is encouraging the adoption of energy-efficient machinery, low-emission manufacturing processes and resource-efficient production technologies.<br>• Increasing environmental regulations are promoting investments in cleaner manufacturing processes, waste reduction, recycling and efficient utilisation of raw materials.<br>• Rising investments in renewable energy, electric mobility and green infrastructure projects are creating new opportunities for manufacturers of engineering equipment and capital goods. |
| Legal | • The industry operates under regulations relating to industrial safety, labour laws, environmental protection, product quality standards and occupational health and safety.<br>• Compliance with applicable Bureau of Indian Standards (BIS) specifications, environmental regulations, factory safety norms and quality certification requirements remains essential for manufacturers.<br>• Export-oriented manufacturers are also required to comply with international technical standards, certification requirements and trade regulations to access global markets.<br>• Strengthening intellectual property protection and standardisation initiatives support technological innovation and enhance the competitiveness of the domestic engineering and capital goods industry. |

## TECHNOLOGY AND THE DIGITAL TRANSFORMATION

The Indian Engineering & Capital Goods Industry is undergoing continuous technological transformation. The industry is witnessing ongoing advancements in CNC technologies, digital manufacturing systems, intelligent automation, product engineering and advanced testing capabilities, supported by multiple factors which are as follows:

1. **Industry 4.0 Integration:** Growing adoption of Industry 4.0 technologies, including Industrial Internet of Things (IIoT), Artificial Intelligence (AI) and data analytics, is enabling smart manufacturing and predictive decision-making.
2. **Remote Monitoring & Diagnostics:** Integration of remote monitoring and predictive diagnostics is improving equipment reliability, reducing downtime and supporting proactive maintenance.
3. **Advanced CNC Technologies:** Increasing deployment of advanced CNC systems, multi-axis machining and intelligent control solutions is enhancing precision, productivity and manufacturing flexibility.
4. **Digital Design & Simulation:** Growing use of CAD, CAM, CAE and simulation-based engineering is reducing product development time while improving design accuracy and manufacturing efficiency.
5. **Smart Control Systems:** Increasing use of digital CNC controllers, advanced sensors, motion control systems and intelligent software is improving machine performance and process automation.
6. **Advanced Testing Infrastructure:** Expansion of specialised testing facilities and engineering centres is strengthening product validation, quality assurance and technology development capabilities.
7. **Skill Development & Engineering Facilities:** Development of Common Engineering Facility Centres (CEFCs) and specialised technical training programmes is enhancing manufacturing capabilities and supporting technology adoption.
8. **Emerging Technology Applications:** Engineering companies are expanding capabilities to serve high-growth sectors such as renewable energy, electric mobility, battery energy storage, hydrogen, aerospace, defence and railways.
9. **Connected & Smart Machinery:** Integration of cloud connectivity, digital diagnostics and cybersecurity features is enabling smart, connected and digitally integrated industrial equipment.
10. **Sustainable Manufacturing Technologies:** Growing emphasis on resource-efficient manufacturing, low-emission technologies and environmentally sustainable production processes is supporting long-term industrial competitiveness.

## COMPETITIVE LANDSCAPE

### Key factor Shaping Competition

Competition in the Engineering and Capital Goods Industry in India is influenced by multiple factors. Key factors shaping competition in the industry include:

1. **Technological Capabilities:** Competition is driven by manufacturers' ability to develop technologically advanced, high-precision and energy-efficient machinery through continuous product innovation and engineering excellence.
2. **Product Quality & Reliability:** Consistent product performance, durability, compliance with quality standards and operational reliability remain key differentiators in winning customer confidence and repeat business.
3. **Manufacturing Capabilities:** Companies with advanced manufacturing facilities, modern production technologies and efficient production processes are better positioned to meet diverse customer requirements and improve operational efficiency.
4. **Product Portfolio & Customisation:** A broad product portfolio and the ability to provide customised engineering solutions for specific industrial applications enhance competitiveness across multiple end-user industries.
5. **Automation & Digital Integration:** Adoption of CNC technologies, automation, digital manufacturing and smart control systems enhances production precision, productivity and operational efficiency, strengthening competitive positioning.
6. **Lifecycle Value Proposition:** Customers increasingly evaluate machinery based on total lifecycle cost, including energy efficiency, maintenance requirements, machine uptime and long-term operating costs rather than initial purchase price alone.
7. **Installed Machine Base:** A large installed base strengthens brand credibility, facilitates repeat orders, generates aftermarket revenue and enhances customer confidence through proven operational performance.
8. **Precision Manufacturing Expertise:** Manufacturers capable of consistently achieving high dimensional accuracy, tight tolerances and superior product reliability are better positioned to compete in quality-sensitive industries.

## KEY COMPETITIVE STRATEGIES

Companies operating in the Engineering and Capital Goods Industry in India adopt various competitive strategies to strengthen market positioning, enhance customer acquisition. Key competitive strategies adopted by industry participants include:

1. **Supply Chain Optimisation:** Developing resilient procurement networks, strengthening supplier relationships and improving inventory management to ensure timely availability of critical components and minimise supply disruptions.
2. **Market Expansion:** Strengthening domestic distribution networks while expanding export presence through strategic partnerships, dealer networks and participation in international markets.
3. **Strategic Collaborations:** Entering into technology partnerships, joint ventures and collaborations with domestic and international companies to access advanced technologies and expand product offerings.
4. **Cost Leadership:** Improving cost efficiency through process optimisation, localisation of components, backward integration where feasible and efficient procurement strategies while maintaining product quality.
5. **Brand Building & Customer Relationships:** Strengthening brand recognition through consistent product performance, reliable customer support, successful project execution and long-term relationships with OEMs, industrial customers and EPC contractors.
6. **Sustainability & Energy Efficiency:** Developing energy-efficient, environmentally sustainable and resource-efficient engineering solutions to address evolving customer preferences and regulatory requirements.
7. **Product Diversification:** Broadening product portfolios by introducing application-specific machinery, customised engineering solutions and value-added industrial equipment to cater to diverse end-user industries.
8. **Customer-Centric Customisation:** Offering customised products and engineering solutions tailored to customers' operational requirements, industry specifications and production processes.
9. **Operational Excellence:** Optimising manufacturing processes through lean manufacturing, process automation, digital production planning and efficient resource utilisation to improve productivity and cost competitiveness.

## BARRIERS TO ENTRY

The Engineering and Capital Goods Industry in India is characterized by several entry barriers arising from multiple factors which are discussed as follows:

1. **Global Competition:** Domestic manufacturers compete with established international engineering equipment manufacturers possessing advanced technologies, strong brands and extensive global distribution networks.

2. **Skilled Workforce Availability:** The industry requires experienced engineers, designers, CNC programmers, technicians and skilled manufacturing personnel, making talent acquisition and retention an important entry barrier.
3. **High Capital Investment:** Establishing manufacturing facilities, procuring advanced machinery, setting up testing infrastructure and developing production capabilities require significant capital investment.
4. **Research & Development Requirements:** Continuous investment in research & development is essential to develop technologically advanced products, improve manufacturing processes and meet evolving customer requirements.
5. **Stringent Quality & Certification Standards:** Compliance with applicable quality standards, industry certifications, customer specifications and safety regulations is critical to compete in domestic and international markets.
6. **Product Customisation Capabilities:** Industrial customers increasingly demand customised engineering solutions tailored to specific applications, requiring strong engineering capabilities and flexible manufacturing systems.
7. **Distribution & Market Access:** Developing dealer networks, channel partners and export distribution capabilities requires considerable time, investment and industry relationships.
8. **High Switching Costs for Customers:** Industrial customers often integrate machinery into their production lines for long operating lifecycles. Replacing existing equipment involves production downtime, operator retraining and process requalification, limiting customer willingness to switch suppliers.

## FUTURE OUTLOOK

The Indian Engineering & Capital Goods Industry is expected to witness rapid long-term growth, with capital goods production projected to grow at a CAGR of 20% over the medium term, reflecting sustained industrial expansion and increasing investments across manufacturing, infrastructure and core sectors of the economy. Growth is expected to be supported by continued public and private capital expenditure, rising industrial automation, expanding manufacturing capacities and increasing demand for advanced engineering equipment across automotive, railways, defence, aerospace, renewable energy and general engineering industries.

The industry is expected to benefit from the increasing adoption of Industry 4.0 technologies, including CNC automation, robotics, artificial intelligence (AI), Industrial Internet of Things (IIoT) and smart manufacturing solutions, which are expected to improve productivity, precision and operational efficiency. Growing emphasis on indigenous manufacturing, localisation of supply chains and import substitution, supported by initiatives such as Make in India, the Production Linked Incentive (PLI) Scheme and the National Manufacturing Mission, is expected to further strengthen domestic manufacturing capabilities and enhance India's position as a global engineering manufacturing hub.

While the industry may face challenges such as fluctuations in raw material prices, technological obsolescence, global supply chain disruptions and competitive pressures from international manufacturers, these factors are not expected to materially impact its long-term growth trajectory. The strategic importance of the Engineering & Capital Goods Industry in supporting industrialization, infrastructure development and manufacturing competitiveness, coupled with continuous technological advancements and expanding demand for precision machinery, is expected to provide a strong foundation for sustained growth.

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section* ***"Forward-Looking Statements"*** *for a discussion of the risks and uncertainties related to those statements and also the section* ***"Risk Factors"*** *for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year 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. Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled "Engineering and Capital Goods Industry" dated August 27, 2026 (the "Infomerics Report"), prepared and issued by Infomerics Analytics & Research Private Limited, commissioned by and paid for by our Company. The Infomerics Report has been prepared and issued by Infomerics Analytics & Research Private Limited for the purpose of understanding the industry exclusively in connection with the Issue. In this section, a reference to the "Company" or "we", "us" or "our" means Weldor CNC Machines Limited and, in relation to any period prior to the conversion, the erstwhile partnership firm, M/s Weldor CNC Machines.*

*All financial information included herein is based on our* ***"Financial information of the Company"*** *included on page 185 of this Draft Red Herring Prospectus.*

### OVERVIEW

Our Company was originally formed as a partnership firm under the name and style of "Weldor CNC Machines", pursuant to a partnership deed dated December 01, 2015. Subsequently, the partnership firm was converted into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, in the name of "Weldor CNC Machines Limited", pursuant to a certificate of incorporation dated December 13, 2024 issued by the Registrar of Companies, Central Registration Centre.

Our Company is engaged in the manufacture and supply of machinery used across metalworking and fabrication processes. Our principal product portfolio comprises CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines, together with related accessories. Our machines are offered across varying capacities, control systems and configurations to cater to customer-specific requirements based on material specifications, processing requirements and intended applications.

Our machines cater to customers across diverse manufacturing sectors, including general engineering, steel and metal processing and fabrication, storage and display systems, automotive and heavy equipment, electrical and electronics, railways, aerospace, refrigeration, HVAC/ventilation, solar and energy-related industries, among others. Our customers deploy our machines across various stages of their manufacturing and fabrication processes for producing components, structures and assemblies with varying dimensions, material specifications and processing requirements.

The principal applications of our machines are set forth below:

| Type of machines | Principal application |
|---|---|
| CNC Press Brake Machines | Used for bending and forming metal sheets and plates into specified angles and profiles. |
| Shearing Machines | Used for cutting metal sheets and plates to required dimensions for further processing and fabrication. |
| CNC Punch Presses | Used for punching holes, slots and other specified shapes in metal sheets and plates. |
| CNC/NC Rolling Machines | Used for rolling metal plates into curved, cylindrical and other required profiles. |
| CNC V-Grooving Machines | Used for creating V-shaped grooves in metal sheets to facilitate precise bending and forming. |

We undertake our manufacturing operations at our facility located at Veraval (Shapar), Taluka Kotda Shangani, District Rajkot, Gujarat, admeasuring approximately 2,772.72 square metres. Our manufacturing process comprises fabrication and machining of machine structures and components, mechanical assembly, integration of hydraulic, electrical and CNC control systems, finishing, testing and inspection. Our manufacturing capabilities enable us to

offer machines across varying capacities and configurations and to incorporate customer-specific technical requirements relating to machine dimensions, capacity, control systems, tooling and other operating parameters. Each machine undergoes trial runs and functional testing prior to dispatch, followed by installation and commissioning at the customer's premises, as applicable.

During Fiscals 2024, 2025 and 2026, we catered to 146 customers across 16 states and 3 union territories in India and supplied 175 machines during such period. Our customer base spans multiple end-use industries and geographies, reflecting the applicability of our product portfolio across varied metalworking and fabrication requirements.

Our Company is led by our Promoters and Directors, Mr. Maheshkumar Gordhandas Vaghela and Mr. Nikunj Maheshkumar Vaghela, who possess over 36 years and 6 years of experience, respectively, in the machine tools industry. Their experience spans technical, manufacturing, operational and business functions relevant to our operations, and they are actively involved in the management and strategic direction of our business.

**Key performance indicators of our Company**

***(₹ In Lakhs except percentages and ratios)***

| Key Financial Performance | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from operations [(1)] | 2,531.44 | 1,400.01 | 1,046.00 |
| EBITDA [(2)] | 786.95 | 363.57 | 239.27 |
| EBITDA Margin [(3)] | 31.09% | 25.97% | 22.87% |
| PAT [(4)] | 499.56 | 218.25 | 152.89 |
| PAT Margin [(5)] | 19.73% | 15.59% | 14.62% |
| RoE (%) [(6)] | 80.82% | 118.03% | 271.73% |
| RoCE (%) [(7)] | 41.91% | 53.55% | 54.89% |
| Net Worth [(8)] | 867.87 | 368.31 | 1.52 |
| Revenue from repeat customers (%) [(9)] | 38.90% | 18.91% | 9.17% |
| Number of machines sold [(10)] | 83 | 55 | 37 |

***Notes:***

*[(1)] Revenue from operation means revenue from sales of product.*
*[(2)] EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income*
*[(3)] EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*
*[(4)] PAT is taken as Profit for the year attributable to the Shareholders of the Company*
*[(5)] PAT Margin is calculated as Profit for the year attributable to Shareholders of the Company divided by revenue from operations.*
*[(6)] Return on Equity is the ratio of Profit for the year attributable to Shareholders of the Company and Average Shareholder Equity.*
*[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings and short-term borrowings + deferred tax liability*
*[(8)] Net Worth is calculated as total shareholder's funds.*
*[(9)] Revenue from repeat customers represents revenue generated during the relevant fiscal year or period from customers who were also invoiced in the immediately preceding financial year. The percentage of revenue from repeat customers is calculated by dividing revenue from repeat customers by total revenue from operations for the respective fiscal year or period.*
*[(10)]Number of Machines Sold represents the total number of machines sold by the Company during the respective financial year.*

**(As certified by Sunit M Chhatbar & Co., Chartered Accountants, Statutory Auditors of our Company, vide their certificate dated September 24, 2026)*

## OUR COMPETITIVE STRENGTHS

***Manufacturing and machining capabilities supported by our design function***

We undertake our manufacturing and assembly operations at our manufacturing facility located at Plot Nos. 6/A and 6/B, Revenue Survey No. 240/P, Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360 024,

admeasuring approximately 2,772.72 sq. mtrs. The manufacturing facility is equipped with the requisite plant and machinery for undertaking various stages of the manufacturing process, including metal cutting and fabrication, machining, mechanical assembly, fitment of bought-out components, hydraulic and electrical integration, finishing, testing and final inspection prior to dispatch.

Our key machinery includes floor boring machines, NC bed milling machine, radial drilling machines, CNC flame cutting machines, welding equipment and hydraulic presses, which are used for machining and fabrication of machine structures and components of varying sizes and specifications.

Our manufacturing activities are also supported by our design function, which assists in developing machine designs and configurations based on customer-specific technical and operational requirements.

***Broad product portfolio across metalworking and fabrication applications***

Our product portfolio comprises CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines, together with related accessories. These machines cater to different metalworking and fabrication requirements, including bending and forming, cutting, punching, rolling and grooving of metal sheets and plates. Our machines are offered across varying capacities, working lengths, control systems and configurations depending on the intended application and customer requirements.

The breadth of our product portfolio enables us to address multiple processing requirements involved in sheet metal fabrication through different categories of machinery. We also offer different specifications and configurations within our principal product categories to cater to varying processing and operational requirements of customers.

Our product-wise revenue from operations for the last three Fiscals is set forth:

***(₹ in lakhs)***

| **Particulars** | **FY 25-26** | **% of Revenue from operations** | **FY 24-25** | **% of Revenue from operations** | **FY 23-24** | **% of Revenue from operations** |
|---|---|---|---|---|---|---|
| CNC Press Brake Machines | 1,848.84 | 73.03% | 1,142.00 | 81.57% | 930.65 | 88.97% |
| Shearing Machines | 174.05 | 6.88% | 8.99 | 0.64% | - | 0.00% |
| CNC Punch Press | 165.00 | 6.52% | 112.60 | 8.04% | - | 0.00% |
| CNC/ NC Rolling Machines | 118.40 | 4.68% | 15.00 | 1.07% | - | 0.00% |
| Accessories | 101.08 | 3.99% | 51.46 | 3.68% | 35.47 | 3.39% |
| CNC V- Grooving Machines | 34.50 | 1.36% | 22.81 | 1.63% | 37.51 | 3.59% |
| Others* | 89.58 | 3.54% | 47.15 | 3.37% | 42.37 | 4.05% |
| **Grand Total** | **2,531.44** | **100.00%** | **1,400.01** | **100.00%** | **1,046.00** | **100.00%** |

**Others includes revenue from sale of machines that do not fall under the principal product categories and revenue from ancillary services.*

***Track record of supplying machines to government organizations and public sector undertakings***

We have supplied machines to government organizations and public sector undertakings operating across sectors including railways, aerospace, heavy engineering and electronics. Procurement by such entities is generally undertaken through structured tender-based processes involving prescribed eligibility criteria, technical specifications, commercial terms, delivery schedules and other contractual requirements. Our participation in such procurement processes involves evaluating tender-specific technical and eligibility conditions and submitting prescribed technical and commercial documentation.

The following table sets forth the bifurcation of revenue generated from Government/PSU customers and Non-Government/PSU customers for Fiscals 2024, 2025 and 2026:

***(Rs. in lakhs)***

| **Particulars** | **FY 2023-24** | **%** | **FY 2024-25** | **%** | **FY 2025-26** | **%** |
|---|---|---|---|---|---|---|
| Non-PSU Entities | 980.50 | 93.74% | 1,333.01 | 95.21% | 2,335.27 | 92.25% |
| PSU / Government Entities | 65.50 | 6.26% | 67.00 | 4.79% | 196.17 | 7.75% |
| **Grand Total** | **1,046.00** | **100.00%** | **1,400.01** | **100.00%** | **2,531.44** | **100.00%** |

***Well diversified customer base spread across various industries and geography***

Our machines cater to customers operating across a range of manufacturing and engineering sectors, including general engineering, steel and metal processing, storage and display systems, automotive and heavy equipment, electrical and electronics, railways, aerospace, refrigeration and HVAC/ ventilation, and solar and energy sectors. The applicability of our product portfolio across these end-use industries enables us to cater to varying metalworking and fabrication requirements.

During Fiscals 2024, 2025 and 2026, we catered to 146 customers across 16 states and 3 union territories in India and supplied 175 machines during such period. Our customers were located across various regions of India, including Gujarat, Maharashtra, Karnataka, West Bengal, Uttar Pradesh, Tamil Nadu, Haryana, Rajasthan, Telangana, Madhya Pradesh, Andhra Pradesh, Uttarakhand, Goa, Delhi and Chandigarh, among others.

The spread of our customer base across multiple industries and geographical markets enables us to cater to varying end-use applications and manufacturing requirements across different regions. We believe that such diversification reduces our dependence on any single end-use industry or geographical market. For details of the revenue contribution of our top customers, see "– Sales and Marketing" below and ***Risk Factors –*** on page 23 of this Draft Red Herring Prospectus.

***Experienced Promoters with Industry Expertise***

Our Promoters, Mr. Maheshkumar Gordhandas Vaghela and Mr. Nikunj Maheshkumar Vaghela, possess over 36 years and 6 years of experience, respectively, in the sheet metal forming machinery industry. Mr. Maheshkumar Gordhandas Vaghela has been associated with our business since its operations as a partnership firm in 2015 and currently oversees the overall business and finance operations of our Company. Mr. Nikunj Maheshkumar Vaghela has been associated with our business since 2020, when it was carried on as a partnership firm, and currently oversees the production and business administration functions of our Company. Their experience and continued involvement in the operations of our Company have contributed to the development of our manufacturing capabilities, business operations and administrative processes. Their respective experience across technical, production, financial and administrative functions provides continuity in the management and strategic direction of our Company.

## OUR BUSINESS STRATEGIES

***Expand our production capabilities through the proposed manufacturing facility***

We propose to establish an additional manufacturing facility at Revenue Survey No. 240P, Plot No. 3, Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360024, on land admeasuring approximately 2,336.17 square metres. Our existing manufacturing facility is located at Plot No. 6/A and Plot No. 6/B, Revenue Survey No. 240P, Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, Gujarat – 360024.

For Fiscal 2026, our existing manufacturing facility had a production capacity, on the capacity basis adopted by the Chartered Engineer, of 110 machines per annum and actual production of 90 machines, representing capacity utilisation of 81.82%. Based on the methodology adopted in the Project Report dated September 26, 2026 issued by R K Patel & Co., Chartered Engineers and Registered Valuers, the full-year effect of machinery already installed at our existing facility is expected to increase the capacity basis to approximately 155 machines per annum in Fiscal 2027. Accordingly, such increase from 110 machines to 155 machines is attributable to machinery already installed at the existing facility and is not attributable to the proposed Plot No. 3 expansion.

The proposed machinery and infrastructure at Plot No. 3 is estimated to add full-year capacity equivalent to approximately 156 machines per annum. Accordingly, the aggregate capacity basis is estimated at approximately 233 machines per annum for Fiscal 2028 on a pro-rata basis and approximately 311 machines per annum for Fiscal 2029 on a full-year basis upon implementation of the proposed expansion.

The proposed expansion involves civil construction and related structural works and procurement and installation of additional plant and machinery, including Double Girder EOT Cranes, a WF 13 R CNC Horizontal Floor Type Boring Mill, a Jyoti NX 6240 EY CNC Vertical Machining Centre and a Mazak VC-Ez 510 IP CNC Vertical Machining

Centre. The proposed machinery will be used for machining, boring and handling of machine structures and components manufactured by us.

The total estimated funding requirement for the proposed facility, including contingency, is ₹2,262.90 lakh, comprising ₹2,155.14 lakh proposed to be funded from the Net Proceeds of the Issue and ₹107.76 lakh proposed to be funded through internal accruals. For further details, see "Objects of the Issue – Funding of capital expenditure towards setting up of a new manufacturing facility" on page 88 of this Draft Red Herring Prospectus.

***Expansion of Product Offerings***

Our existing product portfolio comprises CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines, together with related accessories. We propose to introduce CNC Panel Bending Machines as an additional product offering.

CNC Panel Bending Machines are used for automated bending and forming of sheet metal components and are capable of undertaking multiple bending operations with reduced manual handling and repositioning of the workpiece. The proposed product will enable us to offer an additional category of sheet-metal forming machinery alongside our existing product portfolio.

The proposed Plot No. 3 facility is intended to provide manufacturing infrastructure to support our proposed product offering. The Net Proceeds proposed to be utilised towards the new manufacturing facility relate to civil construction and procurement of the plant and machinery described under "Objects of the Issue – Funding of capital expenditure towards setting up of a new manufacturing facility" on page 88 of this Draft Red Herring Prospectus.

The development and commercial introduction of CNC Panel Bending Machines will be subject to completion of the required product development, manufacturing, testing and other technical activities.

***Expand our participation in government and public sector procurement opportunities***

We have supplied machines to government organisations and public sector undertakings operating across sectors including railways, aerospace, heavy engineering and electronics. Revenue from PSU/Government entities amounted to ₹196.17 lakh, ₹67.00 lakh and ₹65.50 lakh in Fiscals 2026, 2025 and 2024, respectively.

We intend to continue participating in procurement opportunities floated by government organisations and public sector undertakings for machinery falling within our product portfolio. Such procurement is generally undertaken through tender-based processes involving prescribed eligibility criteria, technical specifications, commercial terms, delivery schedules, inspection requirements and other contractual conditions.

As part of this strategy, we intend to identify relevant tender opportunities and evaluate the applicable technical and commercial requirements against our product specifications and manufacturing capabilities. Where the applicable eligibility and technical requirements are met, we intend to submit the prescribed technical and commercial documentation and participate in the relevant procurement process.

Our participation in government and public sector procurement will continue alongside our existing sales channels for private-sector and other industrial customers.

***Continue to focus on product quality and customer-specific requirements***

Our machines are manufactured in different capacities, dimensions, control systems and configurations depending upon customer specifications and intended applications. Our manufacturing process includes fabrication and machining of machine structures and components, mechanical assembly, integration of hydraulic, electrical and CNC control systems, finishing, testing and inspection.

We intend to continue following the applicable design specifications and manufacturing parameters during production and undertake inspection and testing at relevant stages of the manufacturing process. Upon completion of assembly and finishing, machines are subjected to trial runs and functional testing to verify their operation and conformity with the specified technical requirements, and necessary adjustments, if any, are undertaken prior to dispatch.

We also intend to continue manufacturing machines in configurations based on customer-specific requirements relating to, among other matters, machine dimensions, capacity, control systems, tooling and operating parameters. Installation and commissioning are undertaken at the customer's premises, as applicable.

## OUR PRODUCT PORTFOLIO

Our product portfolio comprises CNC Press Brakes, Shearing Machines, CNC Punch Presses, NC / CNC Plate Rolling Machines and CNC V-Grooving Machines, which are used for bending, forming, shearing, punching, rolling and grooving of metal sheets and plates. These machines are offered in different models and configurations based on customer requirements and the intended application, including specifications relating to working length, bending or rolling capacity and control systems.

### 1. CNC Press Brakes:

CNC Press Brakes are sheet metal bending machines used to bend and form metal sheets and plates into required angles and profiles. The bending operations are controlled through a CNC system, which enables the machine parameters to be configured based on the required bending application. We offer CNC Press Brakes in different series and configurations based on the operating mechanism and customer requirements.

Our CNC Press Brake portfolio comprises the following series:

| Series | Description | Representative Image |
|---|---|---|
| N Series | A CNC hybrid Press brake primarily designed for bending smaller sheet metal components. |   |
| S Series | A CNC hydraulic press brake that uses a hydraulic system to undertake sheet metal bending and forming operations. |  |

| | | |
|---|---|---|
| MS (Main Servo) Series | A CNC hydraulic press brake equipped with a servo motor-driven hydraulic system for undertaking controlled sheet metal bending operations. |  |
| HBD (Hybrid) Series | A hybrid CNC press brake that combines servo and hydraulic systems for undertaking sheet metal bending and forming operations. |  |

**2. Shearing Machines:**

| Description | Representative Image |
|---|---|
| Shearing Machines are used for cutting metal sheets and plates into required sizes and dimensions by applying a shearing force through cutting blades. These machines are commonly used as a preparatory operation in sheet metal fabrication before bending, forming or further processing |  |

**3. CNC Punch Press:**

| Description | Representative Image |
|---|---|

| | |
|---|---|
| CNC Punch Press Machines are used for punching holes, slots and other shapes in sheet metal through computer-controlled movement and tooling. These machines enable repetitive and precise punching operations and are used across various sheet metal fabrication and engineering applications. |  |

**4. NC / CNC Plate Rolling Machines:**

| Description | Representative Image |
|---|---|
| Our NC / CNC Plate Rolling Machines are used for bending and rolling metal plates into curved and cylindrical profiles. These machines are offered in three-roll and four-roll configurations and are operated through NC or CNC control systems, depending on the configuration and customer requirements. |  |

**5. CNC V-Grooving Machine:**

| Description | Representative Image |
|---|---|
| CNC V-Grooving Machines are used to create precise V-shaped grooves on sheet metal along predetermined bend lines, enabling sharper and more accurate bending with improved dimensional consistency and surface finish. These machines are used across various sheet metal fabrication and engineering applications. |  |

## OUR MANUFACTURING FACILITY AND REGISTERED OFFICE




***Manufacturing Unit & Registered Office: Plot No.6/b, 6/a, Revenue Survey No. 240p, of village Veraval (Shapar), Taluka Kotda Shangani, District: Rajkot, Gujarat, 360024***

## OUR MANUFACTURING PROCESS

Our manufacturing process broadly comprises the following stages:

- Procurement of Raw Materials & Components
- Cutting & Fabrication
- Stress Releaving & Machining
- Grinding and Surface Treatment
- Assembly & Finishing
- Trials Runs & Testing
- Packaging & Dispatch
- Installation & Commissioning
- Customer Support

**Procurement of Raw Materials & Components**

Based on the design and technical specifications of the machine to be manufactured, we procure the required raw materials, components and other bought-out items and other materials from our suppliers.

**Cutting & Fabrication**

The procured raw materials, including metal plates and structural materials, are cut into the required shapes and dimensions. The cut materials are thereafter welded and fabricated to form the base, frame and other structural components of the machine. Certain fabrication activities are undertaken on a job work basis, as applicable.

**Stress Relieving & Machining**

The fabricated structures are subjected to stress relieving, wherever required, to reduce stresses generated during fabrication and maintain dimensional stability. These components are thereafter subjected to machining operations, including boring, milling and drilling, to achieve the required dimensions, alignment and surface finish.

**Grinding & Surface Treatment**

Where applicable, the machined and fabricated components undergo grinding and surface treatment processes, including blackening, as per the technical requirements of the machine. Such activities may be on a job-work basis, as required.

**Assembly & Finishing**

The machined and processed components are assembled in accordance with the applicable design and technical specifications. Assembly activities, where applicable, are undertaken on a job work basis. The assembled structure is thereafter subjected to painting and other finishing activities, followed by fitting of enclosures, electrical panels, wiring and other mechanical and electrical components required for completion of the machine.

**Trial Runs & Testing**

Upon completion of assembly and finishing activities, the machine is subjected to trial runs and functional testing to verify its operations and conformity with the specified technical requirements. Necessary adjustments, if any, are carried out prior to clearance for dispatch.

**Packaging & Dispatch**

Upon completion of the required testing and checks, the machine and its related components are packed and dispatched to the customer's site in accordance with the agreed delivery terms.

**Installation & Commissioning**

Upon delivery, installation and commissioning of the machine are undertaken at the customer's premises, as applicable. The installation process includes positioning, assembly, connection and commissioning of the machine and its relevant components.

**Customer Support**

Necessary operational support and assistance are provided in relation to the machines supplied by us, based on customer requirements. Such support may include assistance during installation and commissioning and addressing operational requirements relating to the machines supplied.

## PLANT & MACHINERY

Our Company owns various plant and machinery installed at our manufacturing facility, which are used for machining, fabrication, cutting, welding and other manufacturing operations. Details of certain major plant and machinery are set forth below:

| S.No | Name of Machinery | Usage |
|---|---|---|
| 1. | Floor Boring Machine | Used for precision boring and finishing of large-diameter holes and for milling, facing, drilling and tapping of large and heavy fabricated or cast components. |

| | | |
|---|---|---|
| 2. | NC Bed Milling Machine | Used for milling and machining of large and heavy components, including machining of vertical, horizontal and inclined surfaces. |
| 3. | Radial Drilling Machine | Used for drilling holes at different locations on large and heavy components. |
| 4. | CNC Flame Cutting Machine | Used for precision cutting of mild steel plates into required shapes and sizes for fabrication purposes. |
| 5. | Arc Welding Machine | Used for joining metal components and undertaking fabrication and repair activities. |
| 6. | Hydraulic Press | Used for straightening mild steel (MS), stainless steel (SS) and other metal plates by correcting bending, bowing and other distortions arising during welding, cutting, fabrication or other manufacturing processes. |

## INSTALLED CAPACITY & CAPACITY UTILISATION

We undertake our manufacturing operations from our manufacturing facility located at Plot No.6/b, 6/a, Revenue Survey No. 240p, of village Veraval (Shapar), Taluka Kotda Shangani, District: Rajkot, Gujarat. The installed capacity and capacity utilisation of our manufacturing facility for Fiscals 2026, 2025 and 2024, as certified by a Chartered Engineer, are set forth below:

***Manufacturing Unit: Plot No.6/b, 6/a, Revenue Survey No. 240p, of village Veraval (Shapar), Taluka Kotda Shangani, District: Rajkot, Gujarat, 360024***

| Particulars | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|---|---|---|---|
| Installed Capacity per annum (No. of Machines) | 74 | 77 | 110 |
| Actual Production per annum (No. of Machines) | 37 | 57 | 90 |
| Capacity utilization (in %) | 50% | 74.02% | 81.82% |

*Further, as per the Project Report dated September 26, 2026 issued by R K Patel & Co., Chartered Engineers and Registered Valuers, the production capacity basis is estimated to increase from 110 machines per annum in Fiscal 2026 to approximately 155 machines per annum in Fiscal 2027, reflecting the full-year effect of machinery already installed at our existing manufacturing facility.*

## SALES AND MARKETING:

Our Company caters to the requirements of industrial customers across various sectors for CNC machines and allied equipment used in their manufacturing processes. Our sales are primarily undertaken on a business-to-business ("B2B") basis and are driven by customer-specific requirements, including technical specifications, configuration, intended application, delivery requirements and commercial terms.

We generate business enquiries through various channels, including our Company's website, IndiaMART, lead generation campaigns conducted through Instagram, direct interactions with prospective customers and customer references. We also identify business opportunities through participation in tenders floated by government entities and submit quotations and techno-commercial proposals based on the requirements specified in the respective tender documents.

Upon receipt of an enquiry, our sales and marketing team interacts with prospective customers to understand their technical and commercial requirements and, where required, coordinates with our technical team for finalisation of product specifications, quotations and other commercial terms.

We also participate in exhibitions and trade events relating to the machine tool and engineering industry from time to time, which enable us to showcase our product offerings, interact with existing and prospective customers and understand their evolving requirements. Our sales and marketing activities are undertaken by a team of three personnel, who are responsible for handling customer enquiries, tender participation, submission and follow-up of quotations, customer interactions, order generation and customer servicing.

Set forth below are images of our Company's participation in trade exhibition:



***BLECH India – 2025***




***IMTEX Bengaluru – 2026***




***METAL FORMING EXPO – Pune 2026***




***IMTOF- Chennai 2026***

Details of revenue contribution from our top 1, top 3, top 5 and top 10 customers for the financial years ended March 31, 2026, 2025 and 2024 are set out below:

| **FY 2025-26** | | | |
|---|---|---|---|
| **S. No** | **Particulars** | **Amount (₹ in Lakhs)** | **% of revenue from operations** |
| 1. | Top 1 Customer | 429.00 | 16.95% |
| 2. | Top 3 Customers | 774.40 | 30.59% |
| 3. | Top 5 Customers | 1,044.46 | 41.25% |
| 4. | Top 10 Customers | 1,476.34 | 58.32% |

| **FY 2024-25** | | | |
|---|---|---|---|
| **S. No** | **Particulars** | **Amount (₹ in Lakhs)** | **% of revenue from operations** |
| 1. | Top 1 Customer | 168.48 | 12.03% |
| 2. | Top 3 Customers | 365.43 | 26.10% |
| 3. | Top 5 Customers | 500.93 | 35.78% |
| 4. | Top 10 Customers | 737.89 | 52.71% |

| FY 2023-24 | | | |
|---|---|---|---|
| **S. No** | **Particulars** | **Amount (₹ in Lakhs)** | **% of revenue from operationsss** |
| 1. | Top 1 Customer | 120.10 | 11.48% |
| 2. | Top 3 Customers | 264.10 | 25.24% |
| 3. | Top 5 Customers | 365.85 | 34.97% |
| 4. | Top 10 Customers | 573.56 | 54.83% |

**COMPETITION:**

The industry in which we operate is characterised by a competitive market comprising domestic manufacturers, regional players and established manufacturers and suppliers of CNC machines and other industrial machinery. We compete with such players across various product categories based on factors such as product quality, technological capabilities, machine specifications, degree of customisation, pricing, delivery timelines, reliability, after-sales service and availability of spare parts. In the organised segment, we face competition from established manufacturers operating in similar or comparable product segments, including Energy Mission Machineries (India) Limited. We also face competition from various unlisted manufacturers and suppliers operating in similar or comparable product segments, including Hindustan Hydraulics Private Limited, Proteck Machinery Private Limited and HACO Machinery Private Limited.

Certain of our competitors may have greater financial resources, larger manufacturing capacities, broader product portfolios, stronger brand recognition, wider sales and service networks and more established customer relationships than us. Our ability to compete effectively depends, among other factors, on our ability to understand customer requirements, design and manufacture machines in accordance with required technical specifications, maintain product quality, offer competitive pricing and provide timely installation, commissioning and after-sales support. There can be no assurance that we will be able to compete successfully with existing or new competitors in the future.

**INFRASTRUCTURE & UTILITIES:**

***Raw Materials:*** The key inputs used in the manufacture of our machines comprise raw materials and bought-out components. Raw materials primarily include MS sheets, plates, pipes and sections, paints and finishing materials and electrical cables, while bought-out components include motors, PLC and control-panel components, hydraulic components including valves, hose assemblies, fittings and hydraulic cylinder seal kits, screw and nut assemblies, blocks, dies, punches and other tooling, and other electrical and mechanical components. These raw materials and components are used across various stages of our manufacturing process, including fabrication, machining, assembly, electrical integration, finishing and testing. The type, specifications and quantities of such inputs vary depending on the capacity, design, configuration and technical requirements of the machines being manufactured.

We procure our raw materials and bought-out components primarily from suppliers located in Rajkot, Gujarat and other parts of India. Such procurement is undertaken based on our production requirements, availability of the relevant materials and components and the applicable technical specifications.

The following table sets forth the bifurcation of purchase (geography-wise) for the fiscal years 2026, 2025 and 2024:

***(Rs. in lakhs)***

| **Sr. No.** | **Particular** | **FY Ended 31st March, 2024** | **% of Purchase** | **FY Ended 31st March, 2025** | **% of Purchase** | **FY Ended 31st March, 2026** | **% of Purchase** |
|---|---|---|---|---|---|---|---|
| | **Indigenous Purchases (A)** | | | | | | |
| 1 | Gujarat | 494.94 | 63.71 | 459.70 | 50.04 | 1,215.34 | 67.41 |
| 2 | Haryana | 148.97 | 19.18 | 130.14 | 14.17 | 204.88 | 11.36 |
| 3 | Karnataka | 84.04 | 10.82 | 94.56 | 10.29 | 155.42 | 8.62 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 4 | Rajasthan | - | | 155.53 | 16.93 | 139.05 | 7.71 |
| 5 | Maharashtra | 7.32 | 0.94 | 56.98 | 6.20 | 41.97 | 2.33 |
| 6 | Himachal Pradesh | 27.33 | 3.52 | - | - | - | - |
| 7 | Dadra and Nagar Haveli and Daman and Diu | 9.82 | 1.26 | 8.40 | 0.91 | 17.74 | 0.98 |
| 8 | Chandigarh | 3.38 | 0.44 | 3.99 | 0.43 | 11.89 | 0.66 |
| 9 | Tamil Nadu | - | | - | - | 8.51 | 0.47 |
| 10 | Punjab | - | | 4.38 | 0.48 | 6.82 | 0.38 |
| 11 | West Bengal | - | | - | - | 0.18 | 0.01 |
| 12 | Uttarakhand | 0.70 | 0.09 | - | - | - | - |
| 13 | Chhattisgarh | 0.32 | 0.04 | - | - | - | - |
| 14 | Telangana | - | - | 5.00 | 0.54 | - | - |
| 15 | Uttar Pradesh | - | - | 0.02 | 0.00 | - | - |
| | **Total** | **776.83** | **100.00** | **918.70** | **100.00** | **1,801.80** | **99.94** |
| | **Imports (B)** | **-** | **-** | **-** | **-** | **-** | **-** |
| | China | | | | | 1.14 | 0.06 |
| | **Total Purchase (A+B)** | **776.83** | **100.00** | **918.70** | **100.00** | **1,802.93** | **100.00** |

Details of top 1, 3, 5 and 10 suppliers purchase from suppliers for the financial year ended March 2026, 2025, and 2024:-

**Our top 10 suppliers for fiscal 2026:**

| S. No | Name of Suppliers | Amount (in Lakhs) | % of Purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 285.17 | 15.82% |
| 2. | Top 3 Suppliers | 629.1 | 34.89% |
| 3. | Top 5 Suppliers | 864.38 | 47.94% |
| 4. | Top 10 Suppliers | 1,164.78 | 64.61% |

*As certified by Sunit M Chhatbar & Co, Chartered accountant, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

**Our top 10 suppliers for fiscal 2025:**

| S. No | Name of Suppliers | Amount (in Lakhs) | % of Purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 155.53 | 16.93% |
| 2. | Top 3 Suppliers | 362.26 | 39.44% |
| 3. | Top 5 Suppliers | 499.16 | 54.35% |
| 4. | Top 10 Suppliers | 693.11 | 75.44% |

*As certified By Sunit M Chhatbar & Co., Chartered accountant, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

**Our top 10 suppliers for fiscal 2024:**

| S. No | Name of Suppliers | Amount (in Lakhs) | % of Purchase |
|---|---|---|---|
| 1. | Top 1 Supplier | 148.28 | 19.09% |
| 2. | Top 3 Suppliers | 300.35 | 38.66% |
| 3. | Top 5 Suppliers | 427.79 | 55.06% |
| 4. | Top 10 Suppliers | 564.44 | 72.66% |

*As certified by Sunit M Chhatbar & Co., Chartered accountant, Statutory auditor of our company, by way of their certificate dated September 24, 2026.*

***Power:*** The power requirements for our manufacturing operations, including the operation of plant, machinery and equipment, lighting and other utilities, are met through electricity supplied by Paschim Gujarat Vij Company Limited.

***Water:*** The water requirements of our manufacturing unit are presently met through a borewell located at our facility.

***Manpower:*** As of August 31, 2026, our Company had a total workforce of 36 personnels engaged across various functions of our business operations.

The following table sets forth the department-wise break-up of our workforce as of August 31, 2026: -

| Department | Total |
|---|---|
| Account and Finance | 3 |
| Production & Design | 24 |
| Admin & Compliance | 2 |
| Sales & Marketing | 3 |
| Others (R&D, Electrical & purchase and stores) | 4 |
| **Total** | **36** |

As on August 31, 2026, we have not engaged any contract labour at our manufacturing facility.

**PROPERTY:**

**INTELLECTUAL PROPERTY**

The details of trademarks applied for registration are set forth below:

| Sr. No | Brand Name/ Logo/ Trademark | Class | Registration/ Application Number and date | Type | Current Status |
|---|---|---|---|---|---|
| 1. |  | 35 | 7756068<br>May 29, 2026 | Device | Ready for Examination |
| 2. |  | 7 | 7756067<br>May 29, 2026 | Device | Ready for Examination |

**IMMOVABLE PROPERTIES**

Our Company does not own any immovable property. The details of the material immovable properties taken on rent / lease by our Company are set forth below:

| S. No | Usage | Address | Owned/ Rented/ Leased |
|---|---|---|---|
| 1. | Manufacturing Unit & Registered Office | Plot No.6/b, 6/a, Revenue Survey No. 240p, of village Veraval | An industrial shed constructed on land admeasuring 1,887.74 sq. m. situated at Plot |

| | | | |
|---|---|---|---|
| | | (Shapar), Taluka Kotda Shangani, District: Rajkot, Gujarat, 360024 | No. 6/B, together with land admeasuring 884.98 sq. m. forming part of Plot No. 6/A, Revenue Survey No. 240/P, situated at Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot, has been taken on rent from Mr. Maheshkumar Gordhandas Vaghela for a period of nine years commencing from December 16, 2024 to December 15, 2033 pursuant to a rent agreement dated December 21, 2024. As on the date of this Draft Red Herring Prospectus, the monthly rent payable in respect of the said premises is ₹1,00,000 subject to an annual escalation of 5%. Electricity charges are payable separately. |
| 2. | Land (For Proposed Expansion) | Revenue Survey No. 240 P, Plot No. 3, Veraval (Shapar), Taluka, Kotda Sangani, District Rajkot, 360024, Gujarat | Our Company has taken the said land on lease admeasuring 2336.17 Sq. m. from Mr. Maheshkumar Gordhandas Vaghela for construction of the proposed manufacturing unit pursuant to a Lease Deed dated July 31, 2026. The lease is for a period of ten (10) years commencing from July 01, 2026, and ending on June 30, 2036. The monthly rent is Rs. 0.90 Lakh. Further, a Rectification /Amendment Deed to the Lease Deed was executed by the parties on September 14, 2026, pursuant to which certain clauses of the original Lease Deed were deleted by mutual consent of the parties. |

## INSURANCE

Considering the nature of operations undertaken at our manufacturing unit, our business is exposed to various operating risks including breakdown or failure of plant and machinery, accidents, fire, theft, damage to raw materials, work-in-progress and finished goods, electrical failures, natural calamities and other events beyond our control. Our Company maintains insurance policies in relation to certain risks associated with our operations, including coverage in respect of fire, building and other structures, finished and unfinished stocks and employee compensation, as applicable.

The details of the insurance policies obtained by us are given below:-

| Sr. No. | Policy Name | Party Insured | Policy Number/ Type | Period of Insurance | Location | Risk/ Asset Covered | Sum Insured (Rs in lakhs) | Premium (Rs in Lakhs) |
|---|---|---|---|---|---|---|---|---|
| 1. | ICICI Lombard MSME Suraksha Kavach (complete fire insurance) by ICICI Lombard | Weldor CNC Machines | Policy Number- 1021/423429821/00/000 | January 01, 2026 To | Plot No 6/B, Plot No 6/A, Revenu | Finished Stocks | 325.00 | 0.18 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | General Insurance Company Limited | Limited | & Endorsement Number- 1021/423429821/00/001 | December 31, 2026 (365 days) | e Survey No 240 P, of Village Veraval, Shapar, Tal. Kotda Sangani, District Rajkot-360024, Gujarat | | | |
| 2. | Employee's Compensation Insurance by ICIC Lombard General Insurance Company Limited | Weldor CNC Machines Limited | Policy Number- 4010/408327419/00/000 & Endorsement Number- 4010/408327419/01/000 | September 19, 2026 To September 18, 2027 (365 days) | Plot No. 6/A, Plot no.6 /B, Revenue Survey no. 240p of Village Veraval (shapar), Taluka Kotda Shangani, District Rajkot. 360024 | Commercial Travellers (Estimated number of employees: 3); Indoor Clerical works; (Estimated number of employees: 5) and General Workers (Estimated number of employees: 32) | 144.00 | 0.30 |
| 3. | Flexi Commercial Property Guard (IRDAN113RP0001V01 | Weldor CNC Machi | OG-27-2204-4057-00000121 | July 04, 2026, to | Plot No 6 B Plot | Factory Building (Buildin | 995.00 | 0.59 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 202324) by Bajaj General Insurance Limited (formerly known as Bajaj Allianz General Insurance Company Limited) | nes Limited | | July 03, 2027 | No 6 A RS NO 240P Village Shapar Veraval Ta. Kotda Sangani, Rajkot-360024, Gujarat | g including plinth, basement, Foundation and additional Structures) & Stocks including Finished and Unfinished stocks. | | |

Our insurance coverage may not be adequate to protect us against all material hazards or economic losses arising in connection with our operations. Any uninsured or inadequately insured loss may adversely affect our business, financial condition and results of operations. For further details, refer to the section titled ***"Risk Factors — Our insurance coverage may not be adequate to protect us against certain operating hazards, and this may have a material adverse effect on our business"*** on page 43 of this Draft Red Herring Prospectus.

## KEY REGULATIONS AND POLICIES

*Except as otherwise specified in this Draft Red Herring Prospectus, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities under the relevant Central and State legislation. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the applicable income-tax, goods and services tax, labour, contractual, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "***Government and Other Statutory Approvals***" beginning on page number 259 of this Draft Red Herring Prospectus.

### BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS

**The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")**

The MSMED Act was brought into force in order to promote and enhance the competitiveness of Micro, Small and Medium Enterprises (MSME). In the Union Budget 2025, the Finance Minister announced a new MSME classification, increasing the investment limit by 2.5 times and doubling the turnover limits. As per the revised limits, which have come into effect from April 1, 2025, the Manufacturing enterprises and enterprises rendering Services have been reclassified as Micro enterprises, where the investment in plant and machinery does not exceed Rs. 2.5 Crore and annual turnover do not exceed Rs. 10 Crore; Small enterprise, where the investment in plant and machinery does not exceed Rs.25 Crore and annual turnover does not exceed Rs. 100 Crore; and Medium enterprise, where the investment in plant and machinery does not exceed Rs. 125 Crore and annual turnover does not exceed Rs. 500 Crore. Further, the Micro, Small and Medium Enterprises Development (Amendment) Act, 2026, which received the assent of the President of India on August 13, 2026 and has been published in the Official Gazette, seeks to amend the MSMED Act to provide that an enterprise shall be classified as a micro, small or medium enterprise with reference to both its investment in plant and machinery or equipment and its turnover, in accordance with the limits as may be notified by the Central Government. However, the Amendment Act provides under section 1(2) that it shall come into force on such date as the Central Government may, by notification in the Official Gazette. The commencement notification has not been issued, and the provisions of the Amendment Act are accordingly not yet in force. The Amendment Act seeks to amend the MSMED Act to provide that an enterprise shall be classified as a micro, small or medium enterprise with reference to both its investment in plant and machinery or equipment and its turnover, in accordance with the limits as may be notified by the Central Government.

### LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED

**Viksit Gujarat Industrial Policy, 2026 (The "Viksit Gujarat Industrial Policy")**

The Viksit Gujarat Industrial Policy was introduced by the Government of Gujarat with effect from June 1, 2026, for a period of five years, with the objective of promoting investment, advanced manufacturing, innovation, sustainability and employment in the State. The policy focuses on 21 identified thrust sectors and provides various incentives and support measures, including capital subsidy, interest subsidy, power tariff assistance and other fiscal and non-fiscal incentives, subject to applicable eligibility conditions.

The Policy also introduces a "Choose Your Incentive" framework and provides specific incentives for MSMEs, large, mega and ultra-mega industrial units, as well as support for research and development and other strategic sectors.

**The Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019 (the "Gujarat Shops and Establishments Act")**

The Gujarat Shops and Establishments Act is a state law that regulates the working conditions and rights of workers employed in shops and other establishments in Gujarat. The Act covers various aspects such as hours of work, overtime, leave, holidays, wages, health, safety, welfare, etc. The Act also provides for the registration of shops and establishments with the authorities and the maintenance of records and registers. Section 6 of the Act requires every employer to apply for the registration of his establishment within sixty days from the date of commencement of the Act or the date on which the establishment commences its work, whichever is later. The employer has to furnish the prescribed particulars and fees along with the application. Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) (Amendment) Act, 2026, was notified with retrospective effect from December 16, 2025. That amendment raises the applicability threshold from establishments employing 10+ workers to 20+ workers, increases the quarterly overtime limit from 125 to 144 hours, and permits women employees to work night shifts (9:00 p.m. to 6:00 a.m.) subject to safeguards.

**The Gujarat Panchayats Act, 1993 (the "Gujarat Panchayats Act")**

The Gujarat Panchayats Act consolidates and amends the law relating to panchayats in the State of Gujarat and empowers gram panchayats, taluka panchayats and district panchayats to regulate local governance, levy taxes, grant trade licences and regulate trades, businesses and commercial establishments within their respective jurisdictions. The Act provides for the establishment and constitution of panchayats at the village, taluka and district levels, and prescribes their functions, powers, duties and responsibilities, including matters relating to public health, sanitation, water supply, street lighting, building regulations and the grant and renewal of trade licences. The Company, whose manufacturing premises are situated within the jurisdiction of a gram panchayat, is required to obtain and maintain the requisite trade licence(s), where applicable, and comply with the provisions of the Gujarat Panchayats Act and the applicable panchayat laws and regulations governing its business operations.

**Gujarat Fire Prevention and Life Safety Measures Act, 2013 (the "Gujarat Fire Prevention and Life Safety Measures Act")**

The Gujarat Fire Prevention and Life Safety Measures Act, read with the Gujarat Fire Prevention and Life Safety Measures Rules, 2014, as amended from time to time, and the Gujarat Fire Prevention and Life Safety Measures Regulations, 2023, provide for fire prevention and life safety measures in specified buildings and premises in Gujarat. The Act and the rules and regulations thereunder prescribe requirements relating to fire safety measures, fire safety certificates, Fire Safety Officers, inspection and maintenance of fire safety installations and penalties for non-compliance.

The Act was amended in 2021 and 2024, and the Rules and Regulations have also been amended from time to time. The amendments, inter alia, provide for revised requirements relating to fire safety certificates, compliance certification and renewal thereof. Accordingly, the Company is required to comply with the applicable fire safety requirements and obtain, maintain and renew the requisite fire safety certificate and approvals, as applicable.

**The Gujarat Stamp (Amendment) Act, 2025**

*The Gujarat Stamp (Amendment) Act, 2025 (Act No. 8 of 2025) significantly updates the Gujarat Stamp Act, 1958 by broadening the definition of instruments to include court and tribunal orders related to mergers, demergers, and reconstructions. It provides that stamp duty is payable on a copy, extract or photocopy of an instrument where the proper duty payable on the original instrument has not been paid. It reinforces the liability of financial institutions and statutory bodies to ensure duty compliance, and revises duty calculation for various instruments including BOT agreements, leases, and high-value mortgages. It prescribes specific stamping timelines, enhances penalty mechanisms, authorises enforcement officers, and increases duty slabs and procedural requirements - reflecting the State's push towards better compliance and digitised adjudication in financial and infrastructure transactions.*

***The Gujarat State Tax on Profession, Trades, Callings and Employment Act, 1976 (the "Gujarat State Tax on Profession, Trades, Callings and Employment Act")***

Gujarat State Tax on Profession, Trades, Callings and Employment Act enables slabs in India that are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

**ENVIRONMENTAL LEGISLATIONS**

**The Environment (Protection) Act, 1986, as amended (the "EP Act") read with Environment Protection Rules, 1986, as amended (the "EP Rules") and Environmental Impact Assessment Notification, 2006**

The Environment (Protection) Act is an umbrella legislation providing for the protection and improvement of the environment and for the prevention, control and abatement of environmental pollution. The Environment Protection Act empowers the Central Government to prescribe environmental standards, regulate the handling of hazardous substances and take measures for prevention and control of environmental pollution. The Environment (Protection) Rules, 1986 prescribe, inter alia, standards and requirements relating to emissions and discharge of pollutants and handling of hazardous substances. The Environmental Impact Assessment Notification, 2006, as amended from time to time, requires specified categories of new projects and activities, and certain expansion or modernisation projects, to obtain prior environmental clearance from the Ministry of Environment, Forest and Climate Change or the relevant State Environment Impact Assessment Authority, as applicable, before commencement of the relevant project or activity. The regulatory framework also prescribes continuing environmental compliance obligations and provides for consequences in case of non-compliance.

**The Water (Prevention and Control of Pollution) Act, 1974 (the "Water Act")**

The Water Act seeks to prevent and control water pollution and to maintain or restore the wholesomeness of water. It regulates the discharge of sewage and trade effluents and requires establishments covered by the applicable provisions to obtain prior consent from the concerned State Pollution Control Board ("State PCB") subject to applicable exemptions, for the establishment of new outlets or discharges and for carrying out activities likely to discharge sewage or trade effluent. The Water Act also empowers the relevant authorities to prescribe conditions relating to treatment and disposal of effluents and to take enforcement action for non-compliance. The Water (Prevention and Control of Pollution) Amendment Act, 2024, inter alia, rationalised certain offences and introduced monetary penalties for specified contraventions. The framework is supplemented by applicable consent guidelines and regulations issued from time to time.

**The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")**

The Air Act provides for the prevention, control and abatement of air pollution and regulates emissions from industrial plants and other sources covered under the applicable provisions. Establishments operating in areas notified under the Air Act are required to obtain consent from the concerned State Pollution Control Board before establishing or operating relevant industrial plants or undertaking activities resulting in emissions, subject to applicable exemptions. Such consent may prescribe conditions relating to emission standards and pollution control measures. The Air Act also empowers the authorities to inspect establishments, obtain information and take enforcement measures for non-compliance. The regulatory framework has been supplemented by the Control of Air Pollution (Grant, Refusal or Cancellation of Consent) Guidelines, 2025, as amended from time to time, including amendments issued in 2026, providing a framework for granting, renewing, refusing and cancelling consents under the Air Act, prescribe location criteria for industrial plants, mandate timelines for disposal of consent applications, require installation and operation of continuous emission monitoring systems where applicable, and provide for monitoring committees at the national and State level to oversee implementation.

**Noise Pollution (Regulation and Control) Rules, 2000 (the "Noise Pollution Rules")**

The Noise Pollution Rules were enacted to regulate and control noise-generating sources with the objective of maintaining ambient air quality standards in respect of noise across different areas/zones. Under the Noise Rules, areas/zones are classified into industrial, commercial, residential and silence zones, and specific ambient noise standards are prescribed for each category. Industries and establishments are required to ensure that noise levels from their operations remain within the permissible limits. The Noise Pollution Rules provide for penalties in case the noise levels in any area/zone exceed the permitted standards.

**TAX-RELATED LEGISLATIONS**

**The Income Tax Act, 2025 and the Income Tax Rules, 2026 (the "Income Tax Act")**

The Income-tax Act, 2025 and the Income-tax Rules, 2026 (collectively, the "Income Tax Act") constitute the principal framework for levy, administration and collection of income tax in India for tax years to which the new law applies. The Income-tax Act, 2025 and the Income-tax Rules, 2026 came into effect from April 1, 2026. The framework, among other matters, provides for taxation of income, tax deduction at source, advance tax, assessments, collection and recovery, and appeals and other tax administration matters. The Company is required to comply with the applicable provisions of the Income-tax Act and rules thereunder.

**The Central Goods and Services Tax Act, 2017 (the "GST Act")**

The Central Goods and Services Tax Act, 2017, the relevant State/Union Territory Goods and Services Tax legislation and the Integrated Goods and Services Tax Act, 2017 (collectively, the "GST laws") provide the framework for levy and collection of goods and services tax in India. The GST laws prescribe requirements relating to registration, classification and valuation of supplies, invoicing, input tax credit, payment of tax, returns, records, assessments, audits and appeals. The Company is required to comply with the applicable GST laws in respect of its supplies of goods and services and related transactions. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

**The Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods, i.e. bringing into India from a place outside India or at the time of export of goods, i.e. taken out of India to a place outside India.

**EMPLOYMENT AND LABOUR LAWS**

**The Code on Wages, 2019 (the "Wages Code")**

The Wages Code regulates minimum wages, floor wages, payment of wages, permissible deductions, bonus and equal remuneration. The provisions of the Code came into effect pursuant to a notification issued by the Ministry of Labour and Employment with effect from November 21, 2025, as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws. This code has replaced the four central labour enactments, namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. This code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The Wages Code extends to the whole of India and also introduces a harmonised definition of "wages", prohibits discrimination on grounds of gender in matters of wages and recruitment for the same work or work of a similar nature, and confers a statutory right to minimum wages for all employees, supported by a national floor wage below which State minimum wages cannot fall. The Wages Code also provides for advisory boards, an Inspector-cum-Facilitator based compliance regime, maintenance of prescribed registers and issuance of wage slips, and offences and penalties for non-compliance.

**The Occupational Safety, Health and Working Conditions Code, 2020 (the "OSHWC Code")**

The OSHWC Code is a central legislation enacted to consolidate and amend the laws regulating the occupational safety, health and working conditions of persons employed in establishments. It received the assent of the President of India on September 28, 2020 and, pursuant to a notification issued by the Ministry of Labour and Employment, came into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes,

rationalising 29 central labour legislations. The OSHWC Code repeals and subsumes 13 central labour enactments relating to occupational safety, health and working conditions, including, inter alia, the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Mines Act, 1952, the Plantations Labour Act, 1951, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, the Motor Transport Workers Act, 1961, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, and legislations governing dock workers, working journalists, cine-workers and sales promotion employees.

Pursuant to the repeal and savings provisions of the OSHWC Code, any licence, registration, approval or permission granted under the repealed enactments shall continue to remain valid until its expiry or until it is renewed, replaced, suspended or cancelled under the provisions of the OSHWC Code and the rules framed thereunder, to the extent it is not inconsistent with the Code. Accordingly, factory licences and other approvals issued under the repealed Factories Act, 1948 continue to remain valid during their validity period, subject to the applicable transitional and savings provisions.

The OSHWC Code applies, inter alia, to establishments employing 10 or more workers and to all mines and docks, as well as specified categories of establishments such as factories, building and other construction works, plantations, motor transport undertakings, audio-visual production units and newspaper establishments. It requires applicable establishments to obtain registration (with deemed migration of existing registrations), comply with the prescribed occupational safety and health standards, provide a safe and healthy working environment and prescribed welfare facilities, issue letters of appointment to all employees, conduct periodic medical examinations, including free annual health check-ups for specified categories of employees, maintain prescribed registers, records and returns, and report accidents, dangerous occurrences and notified occupational diseases within the prescribed timelines. The OSHWC Code also regulates working hours, leave and overtime, the engagement and welfare of contract labour and inter-State migrant workers, and the employment of women, including during night shifts and in all categories of work subject to their consent and prescribed safeguards. The Company, being engaged in manufacturing activities, is required to comply with the provisions applicable to its manufacturing establishments and workers.

**Industrial Relations Code, 2020 (the "IR Code")**

The IR Code is a central legislation enacted to consolidate and amend the laws relating to trade unions, conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes; it received the assent of the President of India on September 28, 2020 and, pursuant to notifications issued by the Ministry of Labour and Employment, has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The IR Code consolidates and replaces three key enactments, namely (i) the Industrial Disputes Act, 1947, (ii) the Trade Unions Act, 1926, and (iii) the Industrial Employment (Standing Orders) Act, 1946. It extends to the whole of India and, among other matters, provides a unified framework for (i) registration, governance and recognition of trade unions, including recognition of a negotiating union or negotiating council in industrial establishments having multiple unions; (ii) constitution of bi-partite forums such as Works Committees and Grievance Redressal Committees in establishments above prescribed thresholds; (iii) certification, modification and deemed adoption of standing orders in industrial establishments employing 300 or more workers, aligned with central model standing orders; and (iv) mechanisms for conciliation, voluntary arbitration and adjudication of industrial disputes by Industrial Tribunals and the National Industrial Tribunal.

The IR Code also introduces provisions on fixed term employment with parity of wages and benefits vis-à-vis permanent workers and gratuity eligibility after one year, prescribes conditions and procedures for strikes and lock-outs, and revises the regime governing lay-off, retrenchment and closure in certain industrial establishments, including a higher statutory threshold (currently 300 workers, with power for States to increase this limit) for prior government approval for lay-off, retrenchment and closure, while defining "worker" and "employee" broadly to cover a wider segment of the workforce and prohibiting unfair labour practices.

**Code on Social Security, 2020 (the "Social Security Code")**

The Social Security Code is a central legislation enacted to modernise and consolidate the laws relating to social security with the objective of extending social security coverage to employees and workers in the organised, unorganised, gig and platform sectors across India; it received the assent of the President of India on September 28,

2020 and, pursuant to a notification issued by the Ministry of Labour and Employment under Section 1(3), has been brought into force with effect from November 21, 2025 as part of the implementation of the four Labour Codes rationalising 29 existing central labour laws.

The Social Security Code consolidates and replaces nine central enactments, including the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981, the Building and Other Construction Workers Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. Among other matters, it provides the framework for social security schemes relating to provident fund, pension and deposit-linked insurance, employees' state insurance, maternity benefits, gratuity, employee compensation and welfare of building and other construction workers, as well as social security schemes for unorganised workers, gig workers and platform workers, and establishes or continues social security organisations such as the Central Board of Trustees of the Employees' Provident Fund, the Employees' State Insurance Corporation, the National and State Social Security Boards for unorganised workers and State Building and Other Construction Workers' Welfare Boards.

The Social Security Code also contemplates electronic registration of establishments, technology-enabled record-keeping and benefit delivery, and empowers the Central and State Governments to extend the application of EPF, ESIC and other schemes to additional classes of establishments and workers.

The Social Security Code and the rules and schemes framed thereunder provides for the registration of eligible establishments, enrolment of employees under the Employees' Provident Fund and Employees' State Insurance schemes, payment of employer and employee contributions, provision of statutory gratuity, maternity and employee compensation benefits, facilitation of social security for eligible contract, unorganised, gig or platform workers engaged in its operations, and maintenance of prescribed records and returns, and any non-compliance may result in interest, penalties and other enforcement action.

**Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the "Child and Adolescent Labour Act") amended by the Child Labour (Prohibition and Regulation) Amendment Act, 2016**

The Child and Adolescent Labour Act prohibits the employment of children, being persons below the age of 14 years, in all occupations and processes, except in limited circumstances as prescribed under the Act. The Act further regulates the employment of adolescents, being persons aged 14 years or above but below 18 years and prohibits their employment in hazardous occupations and processes as notified by the Central Government. The Act also prescribes provisions relating to working conditions, hours of work, health and safety measures, maintenance of records, inspection and enforcement, and provides for penalties in the event of contravention. Employers are required to ensure compliance with the provisions of the Act and the rules framed thereunder. The Company is required to comply with the provisions of the Child and Adolescent Labour (Prohibition and Regulation) Act, 1986, to the extent applicable to its business operations, including ensuring that no child is employed and that the employment of adolescents, where permissible, is in accordance with the applicable legal requirements.

**The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at the workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms 'sexual harassment' and 'workplace' are both defined in the Act. Every employer should constitute an "Internal Complaints Committee", and every officer and member of the Committee shall hold office for a period not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of a female at the workplace. Every employer has a duty to provide a safe working environment at the workplace which shall include safety from persons coming into contact at the workplace, organising awareness programs and workshops, displaying rules relating to sexual harassment at any conspicuous part of the workplace, providing necessary facilities to the internal or local committee for dealing with the complaint, and such other procedural requirements to assess the complaints.

**INTELLECTUAL PROPERTY LEGISLATIONS**

**Trademarks Act, 1999 (the "TM Act")**

The TM Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits the registration of deceptively similar trademarks. It also provides for penalties for infringement, falsifying, and falsely applying for trademarks. The TM Act further provides for relief in cases of infringement and passing off and protects proprietors against unauthorised use of identical or deceptively similar marks which are likely to cause confusion or association amongst the public. Sections 9 and 11 of the Act prescribe absolute and relative grounds for refusal of registration, including prohibition on registration of marks which are devoid of distinctive character, descriptive in nature, likely to deceive the public, or identical or similar to earlier registered trademarks.

**The Patents Act, 1970 (the "Patents Act")**

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grants an exclusive right, for a limited period, provided by the Government to the patentee, in exchange for full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or producing that product. Being a signatory to the Agreement on Trade-Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, (new invention), inventive step and industrial applicability in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

**The Designs Act, 2000 (the "Designs Act") and Design Rules, 2001**

The Designs Act consolidates and amends the law relating to the protection of designs which came into force on May 11, 2001. The Designs Act is a complete code in itself and is statutory in nature and protects new or original designs from being copied, which causes loss to the proprietor. The proprietor, upon registration, gets 'copyright in design' for the period of 10 years from the date of registration, which can be renewed for a second period of five years, before the expiration of the original period of 10 years. The controller registers a design under this Act after verifying that the design of any person claiming to be the proprietor is a new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design.

**FOREIGN INVESTMENT LAWS**

**The Foreign Trade (Development and Regulation) Act, 1992 (the "FTDRA")**

The FTDRA is the principal legislation governing foreign trade in India. The FTDRA, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It empowers the Central Government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDRA read with the Foreign Trade Policy, 2023, prohibits anybody from undertaking any import or export except under an importer-exporter code ("IEC") number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Non-compliance with IEC requirements or violation of the provisions of FTDRA or FTP may attract penalties.

**The Foreign Exchange Management Act, 1999 & Rules thereunder (the "FEMA")**

Foreign investment in India is primarily governed by the Foreign Exchange Management Act, 1999 ("FEMA"), read with the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, the foreign direct investment policy issued by the Department for Promotion of Industry and Internal Trade ("DPIIT") and applicable directions and notifications issued by the Reserve Bank of India ("RBI"), as amended from time to time. Foreign investment in Indian companies is permitted under the automatic route or the Government approval route, subject to applicable sectoral

caps, entry routes, pricing guidelines and other prescribed conditions. FEMA also regulates the issue and transfer of securities to persons resident outside India, downstream investments and reporting requirements.

Pursuant to the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2026, investments by individuals resident outside India, including non-resident Indians ("NRIs") and overseas citizens of India ("OCIs"), in listed Indian companies are subject to revised investment limits, pursuant to which an individual may hold less than 10% and the aggregate holding of all such individuals may be up to 24% of the paid-up equity capital of the listed Indian company, subject to applicable conditions. Accordingly, any issue or transfer of securities involving persons resident outside India is required to comply with the applicable FEMA requirements.

**COMPETITION LAWS**

**Competition Act, 2002 (the "Competition Act")**

The Competition Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade in India. The Act deals with the prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The Company is required to ensure that its business practices, agreements and any proposed transactions comply with the applicable provisions of the Competition Act.

**GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the following are also applicable to our Company:

**The Bharatiya Nyaya Sanhita, 2023 (the "Bharatiya Nyaya Sanhita")**

The Bharatiya Nyaya Sanhita consolidates India's substantive criminal law into a comprehensive framework, defining offences and prescribing penalties. It modernises the criminal justice system by codifying general principles of criminal liability, classifying offences and rationalising the sentencing framework. The Act emphasises protection of citizens' rights, deterrence of crime, and clarity in the definition and punishment of criminal conduct, while ensuring uniformity in criminal law application across India. It replaces the Indian Penal Code, 1860 with effect from July 1, 2024.

**The Bharatiya Nagarik Suraksha Sanhita, 2023 (the "Bharatiya Nagarik Suraksha Sanhita")**

The Bharatiya Nagarik Suraksha Sanhita, 2023 governs criminal procedure in India, having replaced the Code of Criminal Procedure, 1973 with effect from July 1, 2024. It prescribes the procedure for registration of criminal complaints and first information reports, investigation of offences, arrest, bail and remand, search and seizure, and the conduct of inquiries and trials before criminal courts. The Bharatiya Nagarik Suraksha Sanhita further lays down provisions relating to the jurisdiction and powers of criminal courts, framing of charges, examination of witnesses, recording of evidence, pronouncement of judgments, and sentencing. It also provides the framework for appeals, revisions, and references in criminal matters, as well as the execution of sentences and orders of maintenance. By consolidating and modernising the procedural framework for criminal justice administration, the Bharatiya Nagarik Suraksha Sanhita seeks to ensure timely disposal of criminal proceedings, safeguard the rights of the accused and victims alike, and promote transparency and accountability in the administration of criminal justice.

**The Bharatiya Sakshya Adhiniyam, 2023 (the "Bharatiya Sakshya Adhiniyam, 2023")**

The Bharatiya Sakshya Adhiniyam, standardizes the law of evidence in India, governing admissibility, proof, and evaluation of evidence in both civil and criminal cases. It provides clear rules for oral, documentary, electronic, and expert evidence, ensuring transparency, reliability, and fairness in judicial proceedings. The Act clarifies procedures for burden of proof, presumptions, and corroboration, enabling courts to make consistent and legally sound decisions. By codifying evidence rules, it strengthens the justice system, reduces procedural ambiguity, and ensures that trials are conducted efficiently while protecting the rights of parties involved in disputes.

**The Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder**

The Consumer Protection Act and the rules framed thereunder provide a framework for the protection of consumer interests and address matters including unfair trade practices, product liability, consumer complaints and false or misleading advertisements. The Act prescribes penalties for, among other things, manufacturing for sale, storing, selling, distributing, or importing products containing adulterants, and publishing false or misleading advertisements. In addition, the Consumer Protection (E-Commerce) Rules, 2020, apply to goods and services bought or sold over digital or electronic networks, entities to the extent applicable. The Company is required to comply with the consumer protection requirements applicable to its products, marketing, sales and customer-facing activities.

**The Negotiable Instruments Act, 1881 (the "NI Act")**

The NI Act regulates financial instruments like promissory notes, bills of exchange, and cheques, defining rights, obligations, and liabilities of parties. It provides mechanisms for recovery in case of dishonor, non-payment, or breach, including legal recourse through courts. The Act safeguards commercial transactions, ensures enforceability of financial obligations, and facilitates smooth trade and banking operations. By codifying procedures for notice, penalty, and civil remedies, it creates a predictable legal framework for negotiable instruments. The law is essential for maintaining trust in commerce and banking, enabling secure financial dealings in India.

**The Sale of Goods Act, 1930 (the "Sale of Goods Act")**

The Sale of Goods Act governs contracts relating to the sale of goods in India. A contract of sale of goods may be absolute or conditional. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied.

**The Transfer of Property Act, 1882 (the "Transfer of Property Act")**

The Transfer of Property Act, 1882 governs the transfer of property through sale, mortgage, lease, gift, or exchange. It defines the rights, duties, and obligations of transferors and transferees, ensuring clear and enforceable property transactions. The Act also sets rules for the transfer of immovable and movable property, outlining formalities, registration requirements, and conditions for valid transfers. By codifying legal procedures, it reduces disputes, protects ownership rights, and provides remedies in case of breach or invalid transfer. This Act forms the foundation for secure property transactions and ensures legal clarity in India's property laws.

**The Arbitration & Conciliation Act, 1996 (the "Arbitration & Conciliation Act")**

The Arbitration & Conciliation Act provides a legal framework for resolving disputes outside the courts through arbitration and conciliation. It facilitates speedy, cost-effective settlement of commercial and contractual disputes, reducing litigation burden on courts. The Act governs the appointment of arbitrators, conduct of proceedings, enforcement of awards, and recognition of foreign awards. It also encourages amicable settlement through conciliation, ensuring neutrality, fairness, and transparency. By codifying procedures and limiting judicial intervention, the Act promotes confidence in alternative dispute resolution mechanisms, strengthens contractual certainty, and supports both domestic and international trade and business relations in India.

**The Information Technology Act, 2000 (the "IT Act")**

The IT Act, regulates electronic commerce, cybercrime, digital signatures, and online communication. It provides legal recognition to electronic records and digital contracts, ensuring secure e-governance and online transactions. The Act defines offenses such as hacking, identity theft, cyber fraud, and unauthorized access, with prescribed penalties. It also empowers authorities to monitor compliance and establish cybersecurity frameworks. By enabling legal recourse in the digital domain, the Act fosters trust, facilitates growth of electronic business, protects sensitive data, and ensures that India's information technology infrastructure is supported by a robust legal framework to combat cyber threats.

**The Companies Act, 2013 (the "Companies Act")**

The Companies Act governs the incorporation, management, administration, and dissolution of companies in India. It outlines rules for directors' duties, shareholders' rights, corporate governance, and financial reporting, ensuring transparency and accountability. The Act establishes regulatory mechanisms for audits, compliance, mergers, and

investor protection, while encouraging ethical business practices. It also prescribes penalties for non-compliance, fraud, or mismanagement. By providing a comprehensive legal structure for corporate entities, the Act facilitates business operations, strengthens investor confidence, promotes responsible management, and ensures that corporate activities align with India's economic and regulatory framework. The Companies Act is further supplemented by various rules framed thereunder by the Ministry of Corporate Affairs, and both the Act and such rules have been amended from time to time.

**The Prevention of Money Laundering Act, 2002 (the "PML Act")**

The PML Act, addresses money laundering and financial crimes, creating a legal framework for detection, investigation, and prosecution. It defines offenses, establishes the Enforcement Directorate's investigative powers, and enables attachment and confiscation of proceeds of crime. The Act mandates reporting by financial institutions, due diligence, and record-keeping to prevent illicit fund circulation. By strengthening financial accountability, it safeguards the integrity of banking and business sectors, deters criminal activity, and aligns India with international anti-money laundering standards, enhancing transparency, compliance, and economic security.

**The Registration Act, 1908 (the "Registration Act")**

The Registration Act, 1908 governs the registration of documents relating to immovable property, contracts, and agreements in India. It provides for compulsory registration of specified instruments under section 17, including sale deeds, leases and mortgages of immovable property, and for optional registration of certain other instruments, including wills, under section 18. Registration provides legal validity, transparency and enforceability to the instruments so registered. The Act prescribes procedures for presentation, registration, and fees, along with the roles of Sub-Registrars and authorities. By maintaining official records of property and contractual transactions, it reduces disputes, facilitates proof of ownership, and enhances public trust in legal documentation. This Act forms a foundation for secure property dealings and contract enforcement nationwide.

**The Indian Contract Act, 1872 (the "Indian Contract Act")**

The Indian Contract Act, governs the formation, performance, and enforceability of contracts in India. It defines legal obligations, rights of parties, and consequences of breach, covering agreements related to trade, employment, services, and property. The Act establishes remedies such as damages, restitution, and specific performance to ensure compliance. By providing a structured legal framework, it promotes certainty, trust, and fairness in commercial and personal dealings. The Act is foundational for business transactions, dispute resolution, and contractual governance, serving as a cornerstone of India's civil and commercial law.

**The Specific Relief Act, 1963 (the "Specific Relief Act")**

The Specific Relief Act provides judicial remedies for enforcement of contracts or recovery of property when monetary compensation is inadequate. It allows courts to grant specific performance, injunctions, or restitution, ensuring equitable relief in civil matters. The Act outlines conditions under which relief may be refused, balancing fairness to both parties. It is particularly relevant in real estate, contractual, and commercial disputes, providing enforceable remedies to uphold obligations. By codifying equitable relief mechanisms, the Act strengthens the civil justice system, protects parties' rights, and ensures that contractual and property obligations are fulfilled effectively.

**The Digital Personal Data Protection (DPDP) Act, 2023 (the "DPDP Act")**

The DPDP Act, which was enacted, provides for the collection and processing of digital personal data by companies collecting data in digital form or in non-digital form which is digitised subsequently. The DPDP Act is also applicable to the processing of digital personal data outside the territory of India, if such processing is in connection with any activity related to the offering of goods or services to data principals within the territory of India. The DPDP Act stipulates obligations in relation to collection, recording, organisation, structuring, storage, adaptation, retrieval, use, alignment or combination, indexing, sharing, disclosure by transmission, dissemination or otherwise making available, restriction, erasure or destruction of personal data and, in the case of a Significant Data Fiduciary as notified by the Central Government under section 10 of the DPDP Act, appointment of a Data Protection Officer and an independent data auditor.

**Digital Personal Data Protection Rules, 2025 ("DPDP Rules")**

The DPDP Rules were notified and published by the Indian Ministry of Electronics and Information Technology on November 13, 2025 to implement the DPDP Act. The DPDP Rules regulate the processing of personal data in India, ensuring individuals' privacy rights are protected and providing an actionable framework. The DPDP Rules apply to all entities that process digital personal data, both within India and abroad. It focuses on the principles of data protection, such as transparency, accountability, and the necessity of obtaining explicit consent from data subjects. It also provides individuals with rights to access, correct, and request deletion of their data. The DPDP Rules provide that any entity processing personal data within India or outside India (in relation to offering goods/services to data principals in India) may only transfer personal data to any country/ territory outside India subject to restrictions imposed by the Government of India on making such personal data available to a foreign state or entities or agencies under its control. The DPDP Rules have a staggered commencement: Rules 1, 2 and 17 to 21 came into force on November 13, 2025 (the date of publication in the Official Gazette); Rule 4 (relating to registration of Consent Managers) comes into force one year after publication; and Rules 3, 5 to 16, 22 and 23 (covering, inter alia, notice, consent, security safeguards, breach notification, retention, Data Principal rights, Significant Data Fiduciary obligations and cross-border transfer conditions) come into force eighteen months after publication. Accordingly, as at the date of this Draft Red Herring Prospectus, several substantive provisions of the DPDP Rules are not yet in force.

## HISTORY AND CORPORATE STRUCTURE

**Brief history of our Company**

Our Company was originally formed as a partnership firm under the Partnership Act, 1932 ("Partnership Act"), in the name and style of "Weldor CNC Machines", pursuant to a deed of partnership dated December 01, 2015, entered amongst Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela. Subsequently, pursuant to an amended partnership deed dated October 1, 2024, the partnership firm was reconstituted upon the admission of new partners, namely Sumita Girishbhai Mistry, Namrata Maheshkumar Vaghela, Hirva Sandeep Vasoya and Naman Manojbhai Solanki.

"Weldor CNC Machines" was thereafter converted from a partnership firm into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, in the name of "Weldor CNC Machines Limited", vide a certificate of incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U28229GJ2024PLC157041.

Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela, Minaben Maheshkumar Vaghela, Sumita Girishbhai Mistry, Namrata Maheshkumar Vaghela, Hirva Sandeep Vasoya and Naman Manojbhai Solanki were the initial subscribers to the Memorandum of Association of our Company. The current promoters of our Company are Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela.

**Address of the Registered Office:**

Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat- 360024, India.

**Changes in Registered Office of the Company:**

Except as disclosed below, there has been no change in our Registered Office since incorporation.

| Date of Board resolution | From | To | Reason for Change |
|---|---|---|---|
| July 20, 2026 | Plot No. 6 Paiki 6B sr no, 240 nr Weldor Engineering, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. | Plot No. 6, Paiki 6A / 6B, Sr. No. 240, Nr. Weldor Engineering, Kotda Sanghani, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India | Administrative Convenience. |
| August 18, 2026 | Plot No. 6, Paiki 6A / 6B, Sr. No. 240, Nr. Weldor Engineering, Kotda Sanghani, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. | Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. | Address Correction |

**Main Objects of Memorandum of Association:**

The main objects of our Company as contained in Clause III(A) of the Memorandum of Association of our Company are as follows:

To manufacture, produce, prepare, assemble, heat, grade, mould, cast, buy, sell, resale, import, export, store, forward, distribute, dispose of, develop, handle, manipulate, market, supply or otherwise to deal in all types, description, diameters, capacities, applications and uses of mechanical appliances, goods, merchandise, articles, machinery, equipments, devices capable of being run and consume electricity or capable of generating and distributing electricity

or power of any type whatsoever such as ceiling fans, rotators, transformers, air conditioners, diesel engines and to carry on the business of mechanical engineers, machinist, fitters, millwrights, founders, wiredrawers, tube makers, metallurgists, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters and painters.

**Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company since Incorporation:

| Date of Meeting | Type of Meeting | Amendments |
|---|---|---|
| June 15, 2026 | EGM | Increase in the authorised share capital of the Company from ₹151.00 Lakh divided into 15,10,000 Equity Shares of ₹ 10/- each to ₹1200.00 Lakh divided into 1,20,00,000 Equity Shares of ₹10/- each. |

**Amendments to the Articles of Association**

Except as stated below, there has been no change in the Articles of Association of our Company since its incorporation:

| Date of Meeting | Type of Meeting | Amendments |
|---|---|---|
| September 16, 2026 | AGM | The Articles of Association were amended to reflect the mandatory clauses as per the Securities Contracts (Regulation) Act, 1956, to meet the listing requirements. |

**Major events and milestones of our Company:**

The table below sets forth some of the major events in the history of our company:

| Year/ F.Y. | Key Events/ Milestone/ Achievements |
|---|---|
| 2021-22 | Supplied a CNC Hydraulic Press Brake to Ordnance Factory Tiruchirappalli, Ministry of Defence, through the erstwhile partnership firm, "Weldor CNC Machines". |
| 2024 | The company was converted from a partnership firm to a public limited company. |
| 2025-26 | Revenue from operations crossed ₹2,500 lakhs in FY 2025-26 |
| 2026 | Acquired land on lease at Revenue Survey No. 240 P, Plot No. 3, Veraval (Shapar), Taluka Kotda Sanghani, District Rajkot – 360024, Gujarat, India, for setting up a new manufacturing facility. |

**Corporate profile of our Company:**

For details of our Company's activities, services, growth, awards & recognitions, technology, marketing strategy, competition and our customers, please refer to the sections titled **"Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price"** on pages 131, 234 and 100 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and shareholding of our Promoters, please refer to sections titled **"Our Management"** and **"Capital Structure"** beginning on page 163 and 74 of the Draft Red Herring Prospectus respectively.

**Time and Cost Overruns in Setting up Projects:**

Our Company has not experienced any significant time and cost overrun in setting up projects.

**Our holding company:**

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

**Our Associates and Joint Ventures:**

As of the date of this Draft Red Herring Prospectus, our Company does not have any associates and joint ventures.

**Our Subsidiary:**

As of the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary.

**Accumulated profits or losses:**

As of the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of the Company that have not been accounted for or consolidated by our Company.

**Strategic or Financial Partnerships:**

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial partnerships.

**Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks:**

As on the date of the Draft Red Herring Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions/banks.

**Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc.**

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Draft Red Herring Prospectus.

**Shareholders Agreements**

There are no subsisting shareholders' agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Draft Red Herring Prospectus.

**Agreement with key managerial personnel or Directors or Promoters or any other employee of the Company**

Except for the Rent Agreement dated December 21, 2024 and the Lease Deed dated July 31, 2026 (read with the Rectification/Amendment Deed dated September 14, 2026) entered into with our Promoter, Maheshkumar Gordhandas Vaghela, details of which are disclosed in "**Our Business – Immovable Properties**" on page 145, our Company has not entered into any agreement with any of our Promoters, Directors, Key Managerial Personnel, Senior Management Personnel or any other person which is not in the ordinary course of business or which is material to the business of our Company.

## OUR MANAGEMENT

**Board of Directors:**

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Draft Red Herring Prospectus:

| Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN | Other Directorships |
|---|---|
| **Maheshkumar Gordhandas Vaghela**<br><br>**Designation:** Chairman and Managing Director<br><br>**Age:** 57 years<br><br>**Date of Birth:** January 09, 1969<br><br>**Address**: Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India.<br><br>**Experience:** 36 years<br><br>**Occupation:** Business<br><br>**Qualification:** Matriculation Pass<br><br>**Current Term:** as a Managing Director and Chairman for a period of 5 consecutive years w.e.f. January 20, 2026; liable to retire by rotation<br><br>**Date of Appointment:** 13.12.2024<br><br>**DIN:** 01642816 | **Companies:** Weldor Engineering Pvt Ltd |
| **Nikunj Maheshkumar Vaghela**<br><br>**Designation:** Whole-time Director<br><br>**Age:** 27 years<br><br>**Date of Birth:** November 21, 1998<br><br>**Address:** Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India.<br><br>**Experience:** 6 years<br><br>**Occupation:** Business<br><br>**Qualifications:** Diploma in Mechatronics Engineering<br><br>**Current Term:** as Whole-time Director for a period of 5 consecutive years w.e.f. January 20, 2026; liable to retire by rotation.<br><br>**Date of Appointment:** 13.12.2024 | **Companies:** Nil |

| Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN | Other Directorships |
|---|---|
| **DIN:** 10870838 | |
| **Minaben Maheshkumar Vaghela**<br><br>**Designation:** - Non- Executive Director<br><br>**Age:** 53 years<br><br>**Date of Birth:** January 04, 1973<br><br>**Address:** Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India.<br><br>**Experience:** 10 years<br><br>**Occupation:** Business<br><br>**Qualification:** Grade IX<br><br>**Current Term:** as Non-Executive Director effective from August 31, 2026.<br><br>**Date of Appointment:** 13.12.2024<br><br>**DIN:** 10870839 | **Companies:** Nil |
| **Arun Dash**<br><br>**Designation:** Independent Director<br><br>**Age:** 50 years<br><br>**Date of Birth:** June 12, 1976<br><br>**Address:** 702, Surya Jangid CHS Ltd, Jangid Complex, Near Silver Park, Mira Road, East, Thane, Maharashtra- 401107, India.<br><br>**Experience:** 21 years<br><br>**Occupation:** Professional<br><br>**Qualification:** Company Secretary, Bachelor of Commerce, Bachelor of Laws<br><br>**Current Term:** Effective from January 22, 2026, for a period of 5 years<br><br>**Date of Appointment:** 22.01.2026<br><br>**DIN:** 09657537 | **Companies:**<br>• Bipin Offset Limited<br>• Arjun Jewellers Limited<br>• Beauty Garage Limited<br>• Deon Energy Limited |
| **Mahipal Singh Chouhan**<br><br>**Designation:** Independent Director<br><br>**Age:** 33 years | |

| Name, designation, age, date of birth, address, experience, occupation, qualification, current term, date of appointment and DIN | Other Directorships |
|---|---|
| **Date of Birth:** March 05, 1993<br><br>**Address:** P.No. 413, Maharshi Gautam Rishi Colony, Jyoti Nagar, Chandana Bhakar, Jodhpur, Rajasthan - 342001, India.<br><br>**Experience:** 10 years<br><br>**Occupation:** Professional<br><br>**Qualification:** Company Secretary, Bachelor of Laws and Cost and Management Accountant.<br><br>**Current Term:** Effective from January 22, 2026, for a period of 5 years<br><br>**Date of Appointment:** 22.01.2026<br><br>**DIN:** 08977710 | **Companies:**<br><br>● Arjun Jewellers Limited<br>● Navigant Corporate Advisors Limited |
| **Tushar Rai Sharma**<br><br>**Designation:** Independent Director<br><br>**Age:** 34 years<br><br>**Date of Birth:** December 11, 1991<br><br>**Address:** House No. 37, Ward No. 9, Dr Gautam Gali, Sujanpur (Rural), Pathankot, Punjab – 145023, India.<br><br>**Experience:** 9 years<br><br>**Occupation:** Professional<br><br>**Qualification:** Company Secretary, Bachelor of Laws<br><br>**Current Term:** Effective from January 22, 2026, for a period of 5 years<br><br>**Date of Appointment:** 22.01.2026<br><br>**DIN:** 09211414 | **Companies:**<br><br>• Sunrise Middle East Turn Tech Limited<br>• Gravity (India) Limited<br>• Rwu India Private Limited<br>• Riddhi Display Equipments Limited<br>• Bipin Offset Limited<br>• Coreone Workspaces Private Limited |

**Brief Profile of Directors:**

1. **Maheshkumar Gordhandas Vaghela** is the Promoter, Chairman and Managing Director of our Company. He completed his Matriculation in **1985** from the Gujarat Secondary Education Board, Gandhinagar. He commenced his career in **1990** with Weldor Engineering Private Limited, where he served as a Technical Director until **2007**. Thereafter, he served as Head of the Sales Department of Weldor Engineering Private Limited from **2007 to 2015**. In **2015**, he became associated with the business of our Company when it was carried on as a partnership firm, "Weldor CNC Machines", wherein he was a partner. He has over **36 years of experience** in the sheet metal forming machinery industry. He currently oversees the overall business, sales and marketing, and finance functions of our Company.

2. **Nikunj Maheshkumar Vaghela** is the Promoter and Whole-Time Director of our Company. He has been associated with the business of our Company since **2015**, when it was carried on as a partnership firm, "Weldor CNC Machines",

wherein he was a partner. He completed his **Diploma in Mechatronics Engineering in 2019** from Gujarat Technological University. He has over **6 years of experience** in the machine tools industry. He currently oversees the production and manufacturing operations of our Company.

3. **Minaben Maheshkumar Vaghela** is the Promoter and Non-Executive Director of our Company. She has been associated with our Company since 2015, when it was carried on as a partnership firm wherein she was a partner. She passed Grade IX from Shree Bai Sheba Sahebba Girls High School, Rajkot. She possesses 10 years of experience in HR and administrative role in our Company.

4. **Arun Dash** has been an Independent Director of the Company since January 22, 2026. He has been an Associate Member of the Institute of Company Secretaries of India since 2005. He completed his Bachelor of Commerce in the year 1997 and Bachelor of Laws (LL.B.) in 2001 from Utkal University, Odisha. He possesses over 21 years of experience in secretarial and compliance matters. He was associated with Shirt Company (India) Private Limited from July 2005 to September 2006 as Company Secretary and thereafter with Southern Wind Farms Limited as Company Secretary from July 2007 to December 2007. He was associated with Reliance Capital Limited as Deputy Manager (Secretarial) from January 2008 to June 2010. He is the Proprietor of Arun Dash & Associates, Company Secretaries, and has been associated with the firm since 2010. He is also a Designated Partner in Dash Dwivedi & Associates LLP since 2025.

5. **Mahipal Singh Chouhan** is an Independent Director of our Company and has been on the Board since January 22, 2026. He possesses approximately 10 years of experience in secretarial and compliance matters. He has been an Associate Member of the Institute of Company Secretaries of India since 2015. He qualified as a Cost and Management Accountant from the Institute of Cost Accountants of India in 2020 and holds a Bachelor of Laws degree from the University of Mumbai, obtained in 2019. He commenced his career as Company Secretary with G-Tec Jainx Education Limited in 2016 and was associated with the said company until 2021. Thereafter, from 2021 to 2025, he was associated with various companies, handling secretarial and corporate governance matters. He has been serving as the Company Secretary of Emmbi Industries Limited since 2025.

6. **Tushar Rai Sharma** has been an Independent Director of our Company since January 22, 2026. He possesses over 9 years of experience in secretarial and compliance matters. He has been an Associate Member of the Institute of Company Secretaries of India since 2016. He also holds a Bachelor of Commerce degree from Guru Nanak Dev University, Amritsar, obtained in 2012, and a Bachelor of Laws degree from Manav Bharti University, Solan, Himachal Pradesh, obtained in 2019. He commenced his career as Company Secretary with Orient Tradelink Limited in 2017. Thereafter, from 2017 to 2022, he was associated with various companies, handling secretarial and corporate governance matters. He is currently serving as Company Secretary of ERPL Warehousing Park Private Limited, with which he has been associated since 2022.

**Confirmations:**

As of the date of this Draft Red Herring Prospectus:

a) None of our Directors is or was the director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in such company.

b) None of our Directors is or was the director of any listed company which has been or was delisted from any stock exchange during the tenure of their directorship in such company.

c) None of the Directors are categorized as a willful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.

d) None of our Directors is declared as a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018.

**Arrangements with major Shareholders, Customers, Suppliers or Others:**

We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our directors were selected as Directors or members of the senior management.

**Service Contracts:**

The Directors of our Company have not entered into any service contracts with our Company which provide benefits upon termination of their employment.

**Details of Borrowing Powers of Directors:**

Pursuant to a special resolution passed at an Extraordinary General Meeting of our Company held on August 10, 2026 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company have authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 100 Crore.

**Compensation for our Managing Director & Whole-time Director:**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2(54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

**The following compensation has been approved for the Managing Director & other Directors:**

1. **Maheshkumar Gordhandas Vaghela: Chairman and Managing Director**

Pursuant to the resolutions passed by the Board of Directors on January 20, 2026, and subsequently approved by the shareholders on January 22, 2026, Maheshkumar Gordhandas Vaghela has been redesignated as Chairman and Managing Director for a term of 5 years. His remuneration, which may comprise salary, dearness allowance, perquisites, and other allowances or a combination thereof, shall not exceed ₹2.00 lakhs per month.

2. **Nikunj Maheshkumar Vaghela: Whole-Time Director**

Pursuant to the resolutions passed by the Board of Directors on January 20, 2026, and subsequently approved by the shareholders on January 22, 2026, Nikunj Maheshkumar Vaghela has been re-designated as Whole-Time Director for a term of 5 years. His remuneration, which may comprise salary, dearness allowance, perquisites, and other allowances or a combination thereof, shall not exceed ₹2.00 lakhs per month.

**Payments or benefits to Directors:**

**The remuneration paid to our Directors in Fiscal 2026 is as follows:**

| Name of Director | Remuneration paid for F.Y. 2025-26 (in lakhs) |
|---|---|
| Maheshkumar Gordhandas Vaghela | 6.60 |
| Nikunj Maheshkumar Vaghela | 15.50 |
| Minaben Maheshkumar Vaghela | 5.76 |

**Bonus or Profit-Sharing Plan for our Directors:**

We have no bonus or profit-sharing plans for our directors.

**Sitting Fees:**

Our Board of Directors have resolved in their meeting dated January 20, 2026, for payment of sitting fees to independent directors of the Company, such sum as may be decided by the Board of Directors, which shall be Rs 5,000 (Rupees Five Thousand Only) per board/Committee meeting attended by such director.

**Shareholding of our Directors as on the date of this Draft Red Herring Prospectus:**

| Sr. No. | Name of the Directors | No. of Shares Held | Holding in % (pre-issue) |
|---|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela | 39,10,336 | 65.15 |
| 2. | Minaben Maheshkumar Vaghela | 17,42,628 | 29.03 |
| 3. | Nikunj Maheshkumar Vaghela | 2,78,744 | 4.64 |
| | **Total** | **59,31,708** | **98.82** |

None of the Independent Directors of the Company holds any Equity Shares of the Company as on the date of this Draft Red Herring Prospectus.

As on the date of filing this Draft Red Herring Prospectus, the Company does not have any Subsidiary company.

Our Articles of Association do not require our directors to hold any qualification of Equity Shares in the Company.

**INTEREST OF DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to the chapter titled ***"Our Management"*** beginning on page 163 of this Draft Red Herring Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any, held by them in our Company or held by their relatives. Further, our directors 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 ***"Statement of Financial Indebtedness"*** on page 230 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, our Company has not entered into any contracts, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the Directors are interested directly or indirectly, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

**Interest of Directors in the promotion and formation of our Company**

As on the date of this Draft Red Herring Prospectus, except for Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela, the Promoters of our Company, none of our other Directors and Key Managerial Personnel are interested in the promotion of our Company. For further details, see "***Our Promoters and Promoter Group***" on page 179.

**Interest of Directors in the property of Our Company:**

Except as disclosed under the ***"Immovable Properties"*** on page 145, our directors do not have any interest in any property acquired by our Company in the period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

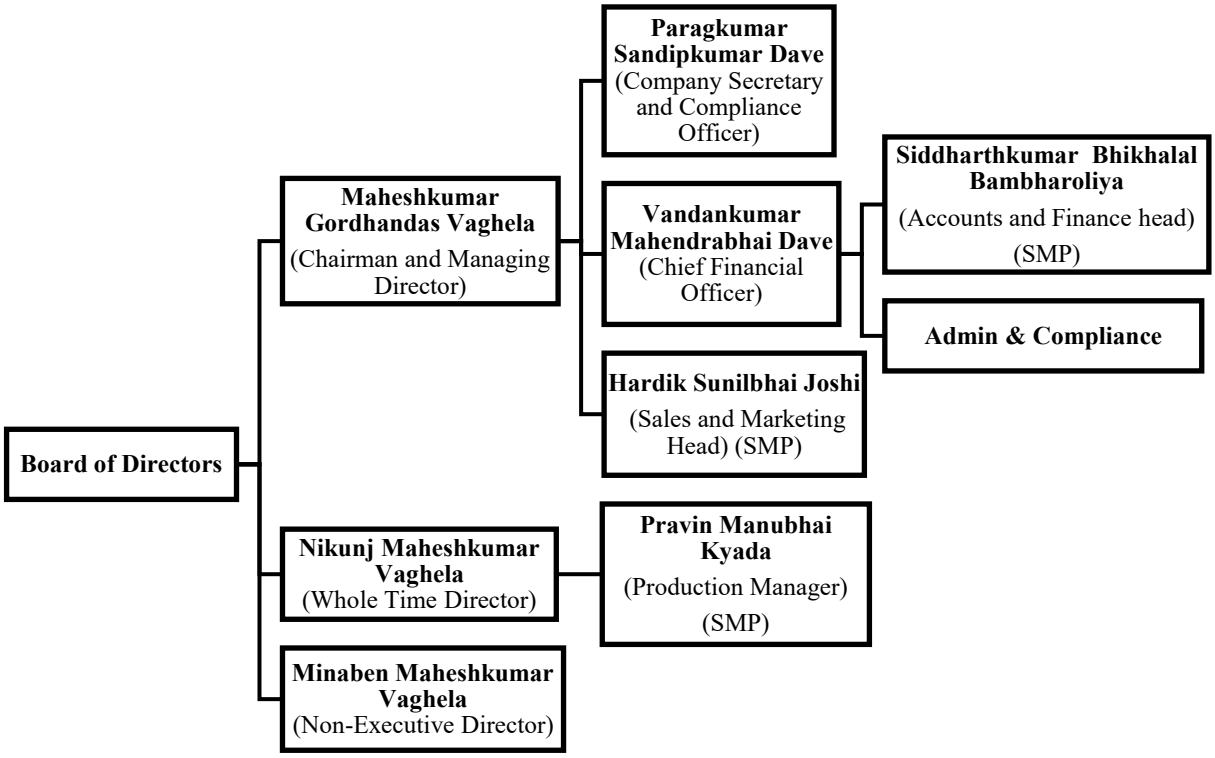
**Changes to our Board in the last three years**

The changes in our Board in the last three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

| Name of Director | Date of Change | Reasons for Change in Board |
|---|---|---|
| Maheshkumar Gordhandas Vaghela | December 13, 2024 | Appointed as First Director |
| Nikunj Maheshkumar Vaghela | December 13, 2024 | Appointed as First Director |
| Minaben Maheshkumar Vaghela | December 13, 2024 | Appointed as First Director |
| Maheshkumar Gordhandas Vaghela | January 20, 2026 | Re-designated as Chairman & Managing Director |
| Nikunj Maheshkumar Vaghela | January 20, 2026 | Re-designated as Whole-time Director |
| Arun Dash | January 22, 2026 | Appointed as Independent Director |
| Mahipal Singh Chouhan | January 22, 2026 | Appointed as Independent Director |
| Tushar Rai Sharma | January 22, 2026 | Appointed as Independent Director |
| Minaben Maheshkumar Vaghela | August 31, 2026 | Re-designated as Non-executive Director |

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organisation Structure:




## COMPLIANCE WITH CORPORATE GOVERNANCE

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 do not apply to our Company. In addition to the applicable provisions

of the Companies Act, 2013, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will apply to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with corporate governance requirements, particularly regarding the appointment of independent directors, including a woman director, on our Board, and the constitution of an Audit Committee, Stakeholder Relationship Committee, and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors consist of six (6) directors, out of which three (3) are Independent Directors, and we have one woman director on the Board. The constitution of our Board is in compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

**1. Audit Committee**

The Audit Committee was constituted by our Board on February 17, 2026, and the terms of reference were adopted on February 17, 2026. The current constitution of the Audit Committee is as follows:

| Name of the Director | Position in the Committee | Nature of Directorship |
|---|---|---|
| Arun Dash | Chairman | Independent Director |
| Mahipal Singh Chouhan | Member | Independent Director |
| Maheshkumar Gordhandas Vaghela | Member | Managing Director |

The Company Secretary of our 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 of the committee:**
The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:**
The committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one-third of the members of the committee, whichever is higher, but there shall be the presence of a minimum of two independent members at each meeting. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

**C. Power of the Committee:**
The Audit Committee shall have powers, including the following:
a) to investigate any activity within its terms of reference;
b) to seek information from any employee;
c) to obtain outside legal or other professional advice;
d) to secure attendance of outsiders with relevant expertise, if it is considered necessary as may be prescribed under the Companies Act, 2013 (together with the rules thereunder) and SEBI (LODR) Regulations, 2015; and
e) To have full access to information contained in the records of the Company.

**D. Role of the Committee:**
The Role of the Audit Committee, together with its powers as per Part C of Schedule II of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 shall be as under:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;

- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with 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;
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; and
g. Qualifications and modified opinions in the draft audit report.

- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/ application of funds raised through an Issue (public Offer, rights issue, preferential issue, etc.), the statement of funds utilised 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 or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public Issue by the Company;
- Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- Reviewing, with management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 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;
- Discussing with internal auditors any significant findings and follow-up thereon;
- 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;
- Discussing 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;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the whistleblower mechanism;
- Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilisation of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/investments;
- Considering and commenting on the rationale, cost-benefits and impact of schemes involving mergers, demergers, amalgamations etc., on the Company and its shareholders;
- Such roles may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable laws.

Further, the Audit Committee shall mandatorily review the following:

1) management discussion and analysis of financial condition and results of operations;
2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

3) management letters/letters of internal control weaknesses issued by the statutory auditors;
4) internal audit reports relating to internal control weaknesses;
5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6) statement of deviations:
   a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations, 2015;
   b. 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 (LODR) Regulations, 2015.

**2. Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee was constituted by our Board on February 17, 2026, and the terms of reference were adopted on February 17, 2026. The current constitution of the Stakeholders' Relationship Committee is as follows:

| Name of the Director | Position in the Committee | Nature of Directorship |
|---|---|---|
| Tushar Rai Sharma | Chairman | Independent Director |
| Mahipal Singh Chouhan | Member | Independent Director |
| Maheshkumar Gordhandas Vaghela | Member | Managing Director |

The scope and function of the Committee and its terms of reference shall include the following:

**i. Tenure of the committee:**
The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

**ii. Meetings of the committee:**
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.

**iii. Terms of Reference:**
The role of the Stakeholders Relationship Committee as per Part D of Schedule II of the SEBI (LODR) Regulations, 2015 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 & 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. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

8. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/ dividend warrants, non-receipt of annual report and any other grievance/ complaints with Company or any officer of the Company arising out in discharge of his duties;
9. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
10. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time;
11. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting; and
12. Such roles as may be delegated by the Board and/ or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

**3. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted by our Board on February 17, 2026, and the terms of reference were adopted on February 17, 2026. The current constitution of the Nomination and Remuneration Committee is as follows:

| Name of the Director | Position in the Committee | Nature of Directorship |
|---|---|---|
| Mahipal Singh Chouhan | Chairman | Independent Director |
| Arun Dash | Member | Independent Director |
| Tushar Rai Sharma | Member | Independent Director |

The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure of the committee:**
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 of the committee:**
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. Role of Terms of Reference:**
The role of the Nomination and Remuneration Committee as per Part D of Schedule II of the SEBI Listing Regulations and Companies Act, 2013 shall be as under:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For the appointment of an independent director, the 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 of directors of the Company 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 commitments of the candidates.
3. formulation of criteria for evaluation of the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and

carrying out evaluation of every director's performance;

6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending all remuneration to the Board, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analysing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation by an employee of any applicable laws in India or overseas, including:
    a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
    b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and

15. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI (LODR) Regulations, 2015, the Companies Act, 2013, each as amended or other applicable law.

**KEY MANAGERIAL PERSONNEL**

Our Company is supported by a team of professionals who have exposure to various operational aspects of our business. A brief detail about the Key Managerial Personnel of our Company is provided below:

| Name, Designation & Educational Qualification | Age (Years) | Date of Joining | Remuneration paid for F.Y. ended 2025-26 (in ₹ Lakhs) | Overall experience (in years) | Previous employment |
|---|---|---|---|---|---|
| **Maheshkumar Gordhandas Vaghela**<br>**Designation:** Chairman and Managing Director<br>**Educational Qualification:** Matriculation Pass<br>**Term of office:** For a period of 5 consecutive years w.e.f. January 20, 2026; liable to retire by rotation | 57 | December 13, 2024 | 6.60 | 36 | Weldor Engineering Pvt Ltd |
| **Nikunj Maheshkumar Vaghela**<br>**Designation:** Whole-time Director<br>**Educational Qualification:** Diploma in Mechatronics Engineering<br>**Term of office:** For a period of 5 consecutive years w.e.f. January 20, 2026; liable to retire by rotation | 27 | December 13, 2024 | 15.50 | 6 | NA |
| **Paragkumar Sandipkumar Dave**<br>**Designation:** Company Secretary and Compliance Officer<br>**Educational Qualification:** Company Secretary, B. Com<br>**Membership No.:** A54961 | 38 | February 17, 2026 | 0.11 | 4 | Steelco Gujarat Limited |

| Name, Designation & Educational Qualification | Age (Years) | Date of Joining | Remuneration paid for F.Y. ended 2025-26 (in ₹ Lakhs) | Overall experience (in years) | Previous employment |
|---|---|---|---|---|---|
| **Vandankumar Mahendrabhai Dave**<br>**Designation:** Chief Financial Officer<br>**Educational Qualification:** M.Com | 28 | February 17, 2026 (as CFO) | 0.13 | 5 | Riddhi Display Equipments Limited |

**BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL**

**Maheshkumar Gordhandas Vaghela-** Please refer to section ***"Brief Profile of our Directors"*** beginning on page 165 of this Draft Red Herring Prospectus for details.

**Nikunj Maheshkumar Vaghela-** Please refer to section ***"Brief Profile of our Directors"*** beginning on page 165 of this Draft Red Herring Prospectus for details.

**Paragkumar Sandipkumar Dave** is the Company Secretary and Compliance Officer of our Company, appointed with effect from February 17, 2026. He holds a Bachelor of Commerce degree from Gujarat University (2009). He became an Associate Member of the Institute of Company Secretaries of India (ICSI) in 2018. He brings over 4 years of comprehensive experience in corporate compliance, secretarial practices, and Stock Exchange compliances. He began his professional journey in October 2021 as a Qualified Company Secretary with Achyut Healthcare Limited and was associated with the said company until 2022. Thereafter, he joined Gujarat Lease Financing Limited in 2022 and was associated with the said company until 2024. He subsequently joined Steelco Gujarat Limited in 2024 and was associated with the said company until 2025. In his current role, he is responsible for overseeing the secretarial and regulatory compliance functions of our Company.

**Vandankumar Mahendrabhai Dave** is the Chief Financial Officer ("CFO") of our Company, appointed with effect from February 17, 2026. He holds a master's degree in commerce, completed in 2021 from Gujarat University. He possesses over 5 years of experience in the fields of finance and accounts. He commenced his career in the year 2021 as a Finance Executive at Vivek Varma & Associates and served there till 2024. Thereafter, he joined Riddhi Display Equipments Limited in the year 2024 and was associated with the said company until 2026. He is responsible for overseeing the overall finance and accounts functions of the Company.

**SENIOR MANAGEMENT PERSONNEL**

In addition to Vandankumar Mahendrabhai Dave (Chief Financial Officer) and Paragkumar Sandipkumar Dave (Company Secretary and Compliance Officer), whose details are provided in "Key Managerial Personnel", the details of our other Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

| Name, Designation and Education Qualification | Age (Years) | Date of Joining | Remuneration paid for F.Y. ended 2025-26 (in ₹ Lakhs) | Overall Experience in Years | Previous Employment |
|---|---|---|---|---|---|
| **Name:** Hardik Sunilbhai Joshi<br>**Designation:** Sales & Marketing Head<br>**Educational Qualification:** Higher Secondary | 32 | February 24, 2025 | 0.48 | 10 | Soham Impex |
| **Name:** Pravin Manubhai Kyada<br>**Designation:** Production Manager | 37 | December 18, 2024 | 0.89 | 16 | Weldor Engineering Pvt Ltd |

| | | | | | |
|---|---|---|---|---|---|
| **Educational Qualification:** Higher Secondary | | | | | |
| **Name:** Siddharthkumar Bhikhalal Bambharoliya<br>**Designation:** Accounts and Finance Head<br>**Educational Qualification:** Bachelor of Commerce (Accounting) | 25 | May 21, 2026 | Nil | 5 | Sunrise International Logistics |

**BRIEF PROFILE OF SENIOR MANAGEMENT PERSONNEL**

**Hardik Sunilbhai Joshi** holds the position of Sales & Marketing Head in the Company. He completed his Higher Secondary education from the Gujarat Secondary and Higher Secondary Education Board in 2011 and has over 10 years of experience in sales and administration. He commenced his career with Patel Computers in 2016 as a Computer Instructor and remained associated with the said entity until 2017. Thereafter, he joined Soham Impex in 2018 as a Sales Administration and Tender Executive and was associated with the said entity until 2025. He joined the Company in 2025 and was appointed as the Sales and Marketing Head in 2026. In his current role, he is responsible for overseeing the sales and marketing activities of the Company.

**Pravin Manubhai Kyada** holds the position of Production Manager in the Company. He completed his Higher Secondary education from the Gujarat Secondary and Higher Secondary Education Board in 2007. He commenced his career in 2010 with Weldor Engineering Pvt Ltd as a Production Supervisor and remained associated with the said company until 2015. Thereafter, he became associated with our Company in 2015, when it was carried on as a partnership firm, and has since been involved in its production and operational activities. He possesses approximately 16 years of experience in production and operations. In his current role, he is responsible for overseeing the production operations of the Company.

**Siddharthkumar Bhikhalal Bambharoliya** holds the position of Accounts and Finance Head. He completed his Bachelor of Commerce (Accounting) from Saurashtra University, Rajkot, in the year 2021. He commenced his career in 2021 with Sunrise International Logistics as an Accounts Manager and remained associated with the said entity until May 20, 2026. He was appointed as the Accounts and Finance Head of our Company in May 2026. He possesses approximately 5 years of experience in the accounts and finance fields. In his current role, he is responsible for overseeing the accounts and finance functions of our Company.

**We confirm that:**

a. All the persons named as our Key Managerial Personnel and Senior Management Personnel above are the permanent employees of our Company.
b. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned Key Managerial Personnel and Senior Management Personnel have been recruited.
c. None of our KMPs or SMPs, except Maheshkumar Gordhandas Vaghela and Nikunj Maheshkumar Vaghela, are also part of the Board of Directors.
d. In respect of all the above-mentioned Key Managerial Personnel and Senior Management Personnel, there has been no contingent or deferred compensation accrued for the Year ended March 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 or Senior Management.
g. None of the Key Managerial Personnel and personnel of Senior Management in our Company hold any shares of our Company as on the date of filing of this Draft Red Herring Prospectus except:

| Sr. No. | Name of the KMP's/Senior Management Personnel | No. of Shares held |
|---|---|---|
| 1 | Maheshkumar Gordhandas Vaghela | 39,10,336 |
| 2 | Nikunj Maheshkumar Vaghela | 2,78,744 |
| | **Total** | **41,89,080** |

**Nature of any family relationship between our Directors, Key Managerial Personnel (KMP) and Senior Management personnel.**

Except as mentioned below, none of our Directors, Key Managerial Personnel (KMP) and Senior Management personnel (SMP) of the Company are related to each other within the meaning of section 2 (77) of the Companies Act, 2013. Details of which are as follows:

| Sr. No. | Name of Director/KMP/Senior Management Personnel | Relationship with other Directors/KMPs/Senior Management Personnel |
|---|---|---|
| 1. | Maheshkumar Gordhandas Vaghela (Chairman and Managing Director) | • Spouse of Minaben Maheshkumar Vaghela (Non-Executive Director)<br>• Father of Nikunj Maheshkumar Vaghela (Whole-time Director) |
| 2. | Nikunj Maheshkumar Vaghela (Whole Time Director) | • Son of Maheshkumar Gordhandas Vaghela (Chairman and Managing Director)<br>• Son of Minaben Maheshkumar Vaghela (Non-Executive Director) |
| 3. | Minaben Maheshkumar Vaghela (Non-Executive Director) | • Spouse of Maheshkumar Gordhandas Vaghela (Chairman and Managing Director)<br>• Mother of Nikunj Maheshkumar Vaghela (Whole-time Director) |

**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 superannuation, ex-gratia/ rewards.

Except 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 provident fund and gratuity fund.

**Changes in the Key Managerial Personnel and Senior Management Personnel in last three years:**

The changes in the Key Managerial Personnel and Senior Management Personnel of our Company during the last 3 (three) years are stated below:

| Name | Designation (at the time of appointment/ Change in designation/ Cessation) | Date of Appointment/ Change in designation/ Cessation | Reason |
|---|---|---|---|
| Maheshkumar Gordhandas Vaghela | Re-designated as Chairman & Managing Director | January 20, 2026 | To ensure better Corporate Governance and compliance with the Companies Act, 2013 |
| Nikunj Maheshkumar Vaghela | Re-designated as Whole-time Director | January 20, 2026 | |
| Paragkumar Sandipkumar Dave | Appointed as Company Secretary & Compliance Officer | February 17, 2026 | |
| Vandankumar Mahendrabhai Dave | Appointed as Chief Financial Officer (CFO) | February 17, 2026 | |
| Hardik Sunilbhai Joshi | Appointed as Sales & Marketing Head (SMP) | February 24, 2025 | |
| Pravin Manubhai Kyada | Appointed as Production Manager (SMP) | December 18, 2024 | |
| Siddharthkumar Bhikhalal Bambharoliya | Appointed as Accounts and Finance head (SMP) | May 21, 2026 | |

**Interest of Our Key Managerial Persons and Senior Management Personnel**

Apart from the shares held in the Company and to the extent of remuneration allowed and reimbursement of expenses incurred by them for or on behalf of the Company and to the extent of loans and advances made to or borrowed from the Company, none of our KMP's and SMP's are interested in our Company. For details, please refer to the section titled ***"Financial information of the Company – Annexure 30- Related Party Disclosures"*** beginning on page 222 of this Draft Red Herring Prospectus.

**Interest of KMP's and SMP's in the property of Our Company:**

Except as disclosed in the section titled "***Our Business – Immovable Properties" and "Financial Information – Related party transactions***" on pages 145 and 222, our KMP's and SMP's do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

**Other Interests in our Company**

Except as stated in this section **"Our Management"** or the section titled ***"Financial information of the Company – Annexure-30 - Related Party Disclosure"*** beginning on page 222 of this Draft Red Herring Prospectus, and except to the extent of shareholding in our Company, our KMPs and SMPs do not have any other interest in our business.

**Details of Service Contracts of the Key Managerial Personnel and Senior Management Personnel**

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 with our Company for provision of benefits or payments of any amount upon termination of employment.

**Loans given/ availed by Directors/ Key Managerial Personnel/ Senior Management Personnel of Our Company**

For details of unsecured loan taken from or given to our Directors/ KMPs/ SMPs and for details of transactions entered by them in the past, please refer to ***"Annexure 30 – Related Party Disclosures"*** page 222 of this Draft Red Herring Prospectus.

**Employee Stock Options**

At present, we do not have any ESOP/ ESPS/Stock Appreciation Rights Scheme for our employees.

## OUR PROMOTERS & PROMOTER GROUP

### OUR PROMOTERS:

Maheshkumar Gordhandas Vaghela, Nikunj Maheshkumar Vaghela and Minaben Maheshkumar Vaghela are the promoters of our Company.

As of the date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 59,31,708 Equity shares of our Company, representing 98.82% of the pre-issue paid-up Equity Share capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see ***"Capital Structure –Equity Share Capital history of our Company"*****,** on page 75 of this Draft Red Herring Prospectus.

**Brief Profile of our Promoters is as under:**



**MAHESHKUMAR GORDHANDAS VAGHELA**
**(Chairman and Managing Director)**

**Qualification:** Matriculation Pass

**Experience:** 36 years

**Age:** 57 years

**Date of Birth**: January 09, 1969

**PAN**: AAWPV4229Q

**Address**: Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot– 360001, Gujarat, India.

**No. of Equity Shares & % of Shareholding (Pre-issue):** 39,10,336 equity shares aggregating to 65.15% of pre-issue Paid-up Share Capital of the Company.

**Other Directorship held:** Weldor Engineering Pvt Ltd

**Other Ventures:**

- Mahesh Gordhandas Vaghela (HUF)
- MGV Enterprises (Sole Proprietorship)



**NIKUNJ MAHESHKUMAR VAGHELA**
**(Whole-Time-Director)**

**Qualification:** Diploma in Mechatronics Engineering

**Experience:** 6 years

**Age:** 27 years

**Date of Birth**: November 21, 1998

**PAN**: AYMPV4416F

**Address**: Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India.

**No. of Equity Shares & % of Shareholding (Pre-issue):** 2,78,744 equity shares aggregating to 4.64% of pre-issue Paid-up Share Capital of the Company.

**Other Directorship held:** Nil
**Other Ventures:** Nil



**MINABEN MAHESHKUMAR VAGHELA**
**(Non-Executive Director)**

**Qualification:** Grade IX*

**Experience:** 10 years

**Age:** 53 years

**Date of Birth**: January 04, 1973

**PAN**: AAXPV6232G

**Address:** Madhuvan, 9 - Janta Society, L.I.C. Office, Mahila College, Rajkot, Gujarat – 360001, India.

**No. of Equity Shares & % of Shareholding (Pre-issue):** 17,42,628 equity shares aggregating to 29.03% of pre-issue Paid-up Share Capital of the Company.

**Other Directorship held:** Nil
**Other Ventures:** Nil

**The marksheet of Grade IX or any other documentary evidence in support of the aforesaid educational qualification of Minaben Maheshkumar Vaghela is not available. For further details, please refer to the risk factor titled "One of our Promoters, Minaben Maheshkumar Vaghela, has not been able to provide documentary evidence in support of her educational qualification, which may expose our Company to regulatory scrutiny or reputational risk." on page 45 of this Draft Red Herring Prospectus.*

For Brief Profile of Our Promoters, please refer to Chapter *"**Our Management**"* beginning on page 165 of this Draft Red Herring Prospectus for details.

**Confirmations:**

Our Company undertakes to ensure that the details of Permanent Account Number, Bank Account Number(s), Aadhaar Card Number, Driving License Number and Passport Number of the Individual Promoters will be submitted at the time of submission of this Draft Red Herring Prospectus to the BSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of ;(ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Our Promoters have not been declared as fugitive economic offenders as defined under the SEBI (ICDR) Regulations.

**Change in the control of our Company:**

There has been no change in control of our Company since its incorporation on December 13, 2024.

**Interest of our Promoters:**

**i. Interest in promotion and shareholding of Our Company:**

Our Promoters are interested in our Company to the extent that (i) they are the promoters of our Company and (ii) to the extent of their shareholding and shareholding of their relatives, from time to time, for which they are entitled to receive dividend payable, if any, and other distribution in respect of the Equity Shares held by them and their relatives. For details regarding the shareholding of our Promoters in our Company, please see ***"Capital Structure"*** on page 74 of this Draft Red Herring Prospectus

Our Promoters, who are also Directors and Key Managerial Personnel of our Company, may be deemed to be interested to the extent of the remuneration, as per the terms of their appointment and reimbursement of expenses payable to them for the rent, purchase and sale transactions. For details, please refer to ***Annexure - 30 – "Related Party Transactions"*** beginning on page 222 of this Draft Red Herring Prospectus.

**ii. Interest in the property of Our Company:**

Except as disclosed in the section titled ***"Our Business - Immovable Properties" and "Financial Information – Related party transactions"*** on pages 145 and 222, our Promoters do not have any other interest in any property acquired by our Company in the period of three years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of this Draft Red Herring Prospectus.

**iii. Other Interests in our Company**

*For transactions in respect of loans and other monetary transactions entered into in past, please refer to* ***Annexure - 30*** *on* ***"Related Party Transactions"*** *on page 222 forming part of* ***"Financial Information of the Company"*** *of this Draft Red Herring Prospectus.*

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Further, our promoters may be interested to the extent of personal guarantees given by them in favor of the Company, for the details of Personal Guarantee given by Promoters towards Financial facilities of our Company please refer to ***"Statement of Financial Indebtedness"*** and ***"Financial Information of Our Company"*** on page 230 and 185 respectively of this Draft Red Herring Prospectus.

**Payment or Benefits to our Promoter and Promoter Group during the last 2 years:**

Save and except as disclosed under ***"Compensation of our Managing Director"*** in the chapter titled ***"Our Management"*** beginning on page 167 of this Draft Red Herring Prospectus and also refer *"**Annexure - 30 on "Related Party Transactions"*** on page 222 of this Draft Red Herring Prospectus forming part of ***"Financial Information of the Company"***, there has been no other payments or benefits have been made to our Promoters during the two years preceding the date of this Draft Red Herring Prospectus.

**Companies/Firms with which our Promoters have disassociated in the last (3) three years**

Our promoters have not disassociated themselves from any of the Company, Firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus.

**Other ventures of our Promoter**

Save and except as disclosed in this section titled ***"Our Promoter & Promoter Group"*** beginning on page 179 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

**Litigation details pertaining to our Promoter**

For details on litigations and disputes involving our Promoters, please refer to the section titled *"**Outstanding Litigations and Material Developments**"* beginning on page 256 of this Draft Red Herring Prospectus.

**Experience of Promoters in the line of business**

Our Promoters have adequate experience in the business activities undertaken by our Company. For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled *"**Our Management**"* beginning on page 163 of this Draft Red Herring Prospectus.

**Related Party Transactions**

Except as stated in ***"Annexure – 30 - Related Party Transactions"*** beginning on page 222 of this Draft Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## OUR PROMOTER GROUP:

In addition to the Promoters named above, the following natural persons are part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018:

**i. Individuals forming part of the Promoter Group:**

| Relationship | Maheshkumar Gordhandas Vaghela | Nikunj Maheshkumar Vaghela | Minaben Maheshkumar Vaghela |
|---|---|---|---|
| Father | Late Gordhandas Dayabhai Vaghela | Maheshkumar Gordhandas Vaghela | Hasmukhlal Lavjibhai Sidhpura |
| Mother | Late Madhumatiben Gordhandas Vaghela | Minaben Maheshkumar Vaghela | Late Sarlaben Hasmukhlal Sidhpura |
| Spouse | Minaben Maheshkumar Vaghela | Hirva Sandeep Vasoya | Maheshkumar Gordhandas Vaghela |
| Brother(s) | Bharatkumar Gordhandas Vaghela | NA | Late Sunil Hasmukhlal Sidhpura |

| | | | |
|---|---|---|---|
| | Vijaykumar Gordhandas Vaghela | | |
| Sister | Sumita Girishbhai Mistry | Namrata Maheshkumar Vaghela | Kavitaben Jaybhai Parmar |
| Son | Nikunj Maheshkumar Vaghela | NA | Nikunj Maheshkumar Vaghela |
| Daughter | Namrata Maheshkumar Vaghela | NA | Namrata Maheshkumar Vaghela |
| Spouse's Father | Hasmukhlal Lavjibhai Sidhpura | Sandeep Ratilal Vasoya | Late Gordhandas Dayabhai Vaghela |
| Spouse's Mother | Late Sarlaben Hasmukhlal Sidhpura | Jhanvi Sandeep Vasoya | Late Madhumatiben Gordhandas Vaghela |
| Spouse's Brother(s) | Late Sunil Hasmukhlal Sidhpura | Prayaag Sandeep Vasoya | Bharatkumar Gordhandas Vaghela<br>Vijaykumar Gordhandas Vaghela |
| Spouse's Sister | Kavitaben Jaybhai Parmar | NA | Sumita Girishbhai Mistry |

**ii. Corporate Entities or Firms 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:

| S. No. | Nature of Relationship | Name of Entities |
|---|---|---|
| 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 their relatives is a member; | • Weldor Engineering Pvt Ltd<br>• Weldor Appliances Private Limited |
| 2. | Any body corporate in which a body corporate as provided in (A) above holds twenty per cent. or more, of the equity share capital; and | NA |
| 3. | any Hindu Undivided Family or Trust or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent of the total capital; | • Weldor Enterprise<br>• Jakson Engineers<br>• Kiran Engineers<br>• MGV Enterprises (Sole Proprietorship of Maheshkumar Gordhandas Vaghela)<br>• Mahesh Gordhandas Vaghela (HUF)<br>• Sandeep Ratilal Vasoya HUF<br>• Vraj Enterprise<br>• J H Vasoya |

**Other people included in Promoter Group:**

None of the other people forms part of the promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1)(pp)(v) of SEBI (ICDR) Regulations 2018.

## DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company was incorporated upon conversion of the erstwhile partnership firm, M/s Weldor CNC Machines, on December 13, 2024. Accordingly, dividend was not applicable in respect of periods prior to incorporation of our Company. The profits of the erstwhile partnership firm were dealt with through the partners' capital accounts in accordance with the terms of the applicable partnership deed.

Our Company has not declared or paid any dividend on its Equity Shares since incorporation. The absence of dividend payments in the past should not be considered indicative of the declaration or payment of dividends in the future. Any future declaration or payment of dividend will be subject to the applicable provisions of the Companies Act, 2013, our Articles of Association, the financial performance and position of our Company, capital requirements, contractual restrictions and such other factors as may be considered relevant by our Board.

## SECTION V – FINANCIAL INFORMATION OF THE COMPANY

## RESTATED FINANCIAL STATEMENTS

### INDEPENDENT AUDITOR'S EXAMINATION REPORT ON FINANCIAL RESTATED INFORMATION

To,
**The Board of Directors,**
**Weldor CNC Machines Limited**
Plot No. 6/A, Plot No. 6/B,
Revenue Survey no. 240p, Veraval (Shapar),
Rajkot, Kotda Sanghani, Gujarat, India, 360024.

Dear Sir/Madam,

**Sub: Examination report on the Restated Financial Information of Weldor CNC Machines Limited in connection with its proposed SME Initial Public Offer of equity shares**

1. We, SUNIT M CHHATBAR & CO, Chartered Accountants ("we" or "us") have examined the attached Restated Financial Information of **Weldor CNC Machines Limited** ***(the "Company" or the "Issuer")*** comprising the Restated Statement of Assets and Liabilities as at March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the Financial Year ended on March 31, 2026, March 31, 2025, March 31, 2024 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 22/09/2026 for the purpose of inclusion in the Prospectus ("Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares at the SME Platform of BSE Limited ("SME IPO").

2. The Company was originally formed as a partnership firm under the Partnership Act, 1932, in the name and style of **"Weldor CNC Machines"**, pursuant to a deed of partnership dated December 01, 2015. **"Weldor CNC Machines"** was thereafter converted from a partnership firm into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, in the name of **"Weldor CNC Machines Limited"**, vide Certificate of Incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of the Company is **U28229GJ2024PLC157041**.

3. These Restated Financial Information have been prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

4. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India ("SEBI"), Registrar of Companies (Ahmedabad), and the relevant stock exchange in connection with the proposed SME IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in **Annexure 4** to the Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

5. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 03rd August 2026, in connection with the proposed SME IPO of equity shares on the SME Platform of BSE Limited;

   b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

   c) The Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

   d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the SME IPO.

6. These Restated Financial Information have been compiled by the management from:

   a) The audited financial statements of the Company for the financial year ended March 31, 2026, prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, and other accounting principles generally accepted in India. We have issued our report dated August 31, 2026 on such audited financial statements, which have been approved by the Board of Directors.

   b) The audited financial statements of the Company for the financial year ended March 31, 2025, prepared by the Company in accordance with the Accounting Standards (Indian GAAP) as prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, and other accounting principles generally accepted in India. Such financial statements were audited by us and our report thereon was dated September 08, 2025.

   c) The financial information relating to the period prior to and subsequent to the conversion of the erstwhile partnership firm, **Weldor CNC Machines**, into **Weldor CNC Machines Limited** with effect from **December 13, 2024**. The financial information relating to the period during which the entity was a partnership firm was subject to tax audit under the applicable provisions of the Income-tax Act, 1961, and the financial information relating to the period subsequent to its conversion into a public limited company was subject to statutory audit under the applicable provisions of the Companies Act, 2013. Accordingly, the Restated Financial Information have been prepared based on the financial statements and underlying accounting records of the erstwhile partnership firm and the Company, as applicable, and the respective tax audit report and statutory audit report.

   d) The Restated Financial Information have been prepared for the three financial years/periods in accordance with the applicable requirements of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time.

7. For the purpose of our examination, we have relied on:

   a) Auditors' Reports issued by us dated August 31, 2026 and September 08, 2025 on the audited financial statements of the Company for the financial years ended March 31, 2026 and March 31, 2025, respectively.

   b) The tax audit report and financial statements of the erstwhile partnership firm, **Weldor CNC Machines**, for the period during which it operated as a partnership firm, and the statutory audit report and financial statements of **Weldor CNC Machines Limited** for the period subsequent to its conversion into a public limited company with effect from **December 13, 2024**.

   c) The books of account, underlying records, supporting documents and other information and explanations made available to us by the Management for the purpose of preparation and examination of the Restated Financial Information.

8. Based on our examination and according to the information and explanations given to us, we report that:

a) The **"Restated Summary Statement of Assets and Liabilities"** as set out in **Annexure 1** to this report, of the Company as at March 31, 2026, March 31, 2025, and March 31, 2024 have been prepared by the Company and approved by the Board of Directors after making such adjustments and regroupings/reclassifications retrospectively to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

b) The **"Restated Summary Statement of Profit and Loss"** as set out in **Annexure 2** to this report, of the Company for the Financial Years ended on March 31, 2026, March 31, 2025 and March 31, 2024 are prepared by the Company and approved by the Board of Directors after making such adjustments and regroupings/reclassifications retrospectively to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

c) The **"Restated Summary Statement of Cash Flow"** as set out in **Annexure 3** to this report, of the Company for the Financial Years ended on March 31, 2026, March 31, 2025 and March 31, 2024 are prepared by the Company and approved by the Board of Directors after making such adjustments and regroupings/reclassifications retrospectively to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

d) The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;

f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;

g) There are no extra-ordinary items that needs to be disclosed separately in the accounts other than those already disclosed.

h) There were no qualifications in the Auditors' Reports issued by us in respect of the financial statements of the Company for the financial years ended March 31, 2026 and March 31, 2025 which require adjustments in the Restated Financial Information. In respect of the financial information relating to the erstwhile partnership firm and the period subsequent to its conversion into the Company, there are no matters arising from the respective tax audit report and statutory audit report, as applicable, which, in our opinion, require adjustments in the Restated Financial Information.

i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure 4** to this report;

j) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Summary Statements;

k) Adjustments, wherever required, in the Restated Summary Statements have been made in accordance with the applicable accounting policies.

l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;

m) The company has not declared any dividend in past effective for the said period.

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 as at and for the financial years ended on March 31, 2026, March 31, 2025 and March 31, 2024.

| Annexure No. | Particulars |
|---|---|
| 1 | Restated Statement of Assets & Liabilities |
| 2 | Restated Statement of Profit & Loss |
| 3 | Statement of Cash Flow, As Restated |
| 4 | Statement of Significant Accounting Policies and Notes to Restated Financial Information |
| 5 | Restated Statement of Equity Share Capital/ Partner's Capital |
| 6 | Restated Statement of Reserve and Surplus |
| 7 | Restated Statement of Long-Term Borrowings |
| 8 | Restated Statement of Long-Term Provisions |
| 9 | Restated Statement of Short-Term Borrowings |
| 10 | Restated Statement of Trade Payables |
| 11 | Restated Statement of Other Current Liabilities |
| 12 | Restated Statement of Short-Term Provisions |
| 13 | Restated Statement of Property, Plant and Equipment and Intangible Assets |
| 14 | Restated Statement of Deferred Tax Assets |
| 15 | Restated Statement of Long-Term Loan & Advances |
| 16 | Restated Statement of Other Non-Current Assets |
| 17 | Restated Statement of Inventories |
| 18 | Restated Statement of Trade Receivables |
| 19 | Restated Statement of Cash and Cash Equivalents |
| 20 | Restated Statement of Short-Term Loans and Advances |
| 21 | Restated Statement of Other Current Assets |
| 22 | Restated Statement of Revenue from Operations |
| 23 | Restated Statement of Other Income |
| 24 | Restated Statement of Cost of Materials Consumed and Change in Inventories |
| 25 | Restated Statement of Employee Benefits Expenses |
| 26 | Restated Statement of Finance Costs |
| 27 | Restated Statement Depreciation and Amortization |
| 28 | Restated Statement of Other Expenses |
| 29 | Statement of Tax Shelter |
| 30 | Statement Showing Related Party Transaction, As Restated |
| 31 | Statement of Capitalization Statement |
| 32 | Statement of Mandatory Ratios and additional regulatory information. |

According to the information and explanations given to us, and as per the reliance placed on the audit reports referred to above, the said other financial information has been prepared by the Company in accordance with the Act, the ICDR Regulations and the Guidance Note.

10. We, M/s. **SUNIT M CHHATBAR & CO,** Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the **"Peer Review Board"** of the ICAI which is valid till 30th November 2027.

11. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the financial statements and financial information referred to in paragraphs 6 and 7 above, except for those events, if any, which have been specifically incorporated in the Restated Financial Information.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Board of Directors for inclusion in the Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, adjusted for 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 SUNIT M CHHATBAR & CO**
**Chartered Accountants**
Firm Reg. No: 141068W
PRC No. 018746

**S/d**

**CA Sunit M Chhatbar**
**Proprietor**
Membership No: 166095
Place: Rajkot
Date: 22/09/2026
UDIN: **26166095ZGILHR1949**

**ANNEXURE – 1**
**RESTATED FINANCIAL STATEMENTS OF ASSETS AND LIABILITIES**

***(₹ In Lakhs)***

| Particulars | Annexure | As at March 31, | | |
|---|---|---|---|---|
| | | 2026 | 2025 | 2024 |
| **I. EQUITY AND LIABILITIES** | | | | |
| **1. Shareholder's Fund** | | | | |
| a) Share Capital/Partner's Capital | 5 | 150.06 | 150.06 | 1.52 |
| b) Reserve and Surplus | 6 | 717.81 | 218.25 | - |
| | | | | |
| **2. Non-current liabilities** | | | | |
| a) Long Term Borrowings | 7 | 76.47 | - | 29.89 |
| b) Deferred Tax Liabilities (net) | | - | - | - |
| c) Other Non-Current Liabilities | | - | - | - |
| d) Long Term Provision | 8 | 15.43 | 9.48 | 7.24 |
| | | | | |
| **3. Current liabilities** | | | | |
| a) Short Term Borrowings | 9 | 743.74 | 255.58 | 436.55 |
| b) Trade Payable | 10 | | | |
| (ii) Total outstanding dues of micro enterprises and small enterprises | | | | |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 721.90 | 424.32 | 340.83 |
| c) Other Current Liabilities | 11 | 140.80 | 268.97 | 50.54 |
| d) Short Term Provision | 12 | 178.53 | 107.83 | 83.96 |
| **Total** | | **2,744.74** | **1,434.50** | **950.53** |
| | | | | |
| **II. ASSETS** | | | | |
| **3. Non-current assets** | | | | |
| a) Property, Plant and Equipment and Intangible Assets | | | | |
| (i) Property, Plant and Equipment | 13 | 529.52 | 182.51 | 158.40 |
| (ii) Intangible Assets | 13 | 2.30 | 0.24 | 0.26 |
| b) Non-Current Investments | | - | - | - |
| c) Deferred Tax Assets (net) | 14 | 8.75 | 7.16 | 5.37 |
| d) Long Term Loans & Advances | 15 | 276.03 | 172.75 | 172.75 |
| e) Other Non-Current Assets | 16 | 35.41 | 85.73 | 65.16 |
| | | | | |
| **f) Current Assets** | | | | |
| a) Current Investments | | - | - | - |
| b) Inventories | 17 | 898.10 | 384.00 | 315.55 |
| c) Trade Receivables | 18 | 707.49 | 310.38 | 70.12 |
| d) Cash and Bank Balances | 19 | 40.13 | 208.42 | 108.22 |
| e) Short Term Loans and Advances | 20 | 242.76 | 82.57 | 26.20 |
| f) Other Current Assets | 21 | 4.24 | 0.74 | 28.51 |
| **Total** | | **2,744.74** | **1,434.50** | **950.53** |
| | | | | |

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial Statement (Annexure 4 to 32) are an integral part of this statement.

This is the Restated financial Statement of Assets and Liabilities referred to in our report of even date.

As per our report of even date

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

**ANNEXURE – 2**
**RESTATED FINANCIAL STATEMENTS OF PROFIT AND LOSS**

***(₹ In Lakhs)***

| Particulars | | Annexure | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | 2026 | 2025 | 2024 |
| I | Revenue From Operations | 22 | 2,531.44 | 1,400.01 | 1,046.00 |
| II | Other Income | 23 | 0.83 | 4.60 | 49.41 |
| **III** | **Total Income (I + II)** | | **2,532.27** | **1,404.61** | **1,095.41** |
| IV | Expenses | | | | |
| | Cost of Material Consumed | 24 | 1,612.47 | 937.03 | 666.52 |
| | Change in Inventories | 24 | -323.64 | -86.77 | -57.69 |
| | Employee Benefits Expenses | 25 | 201.30 | 78.11 | 42.47 |
| | Finance Costs | 26 | 44.20 | 14.43 | 24.05 |
| | Depreciation and Amortization Expense | 27 | 71.46 | 33.77 | 30.86 |
| | Other Expenses | 28 | 254.37 | 108.07 | 155.43 |
| | **Total Expenses** | | **1,860.16** | **1,084.64** | **861.64** |
| **V** | **Profit before Exceptional and Extraordinary Item and Tax (III- IV)** | | **672.11** | **319.96** | **233.77** |
| VI | Prior Period Item | | - | - | - |
| **VII** | **Profit before extraordinary item and tax** | | **672.11** | **319.96** | **233.77** |
| VIII | Extraordinary Items | | - | - | - |
| **IX** | **Profit before tax (VII+VIII)** | | **672.11** | **319.96** | **233.77** |
| X | Tax Expense | | | | |
| | a) Current Tax | 29 | (174.15) | (103.51) | (83.76) |
| | b) Deferred Tax Asset / (Liability) | 14 | 1.59 | 1.79 | 2.88 |
| | c) Short/Excess Provision of Last Year | | - | - | - |
| **XI** | **Profit (Loss) for the period (IX + X)** | | **499.56** | **218.25** | **152.89** |
| | Earnings per equity share | | | | |
| | Basic | 32 | 8.32 | 3.64 | 2.55 |
| | Diluted | 32 | 8.32 | 3.64 | 2.55 |

The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial Statement (Annexure 4 to 32) are an integral part of this statement.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

As per our report of even date

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

**ANNEXURE – 3**
**RESTATED FINANCIAL STATEMENTS OF CASH FLOW**

***(₹ In Lakhs)***

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Cash flow from Operating Activities:** | | | |
| Net Profit Before tax as per Statement of Profit & Loss | 672.11 | 319.96 | 233.77 |
| **Adjustments for non-cash & non-operating items:** | | | |
| Depreciation & Amortisation Expense. | 71.46 | 33.77 | 30.86 |
| Finance Cost | 44.20 | 14.43 | 24.05 |
| Bad Debts | - | 0.30 | 1.01 |
| Interest on FD | (0.83) | (4.60) | (7.73) |
| Sundry Creditor W/off | - | - | (40.54) |
| Loss on Sale of Assets | 2.93 | - | - |
| Gratuity Expense | 6.16 | 2.28 | 3.27 |
| **Operating Profit before working capital changes** | **796.03** | **366.15** | **244.69** |
| **Adjusted for (Increase)/ Decrease in:** | | | |
| Trade Payable | 297.58 | 83.49 | 76.94 |
| Other Current Liabilities | (128.17) | 218.42 | (28.09) |
| Inventories | (514.10) | (68.44) | (168.00) |
| Other Current Assets | (3.51) | 27.77 | (12.72) |
| Trade Receivables | (397.11) | (240.56) | 74.89 |
| Short term loans and advances | (160.19) | (56.38) | 45.15 |
| **Cash Generated from Operations** | **(109.47)** | **330.46** | **232.85** |
| **Net Income Tax paid/ refunded** | (103.66) | (79.68) | - |
| **Net Cash Flow from Operating Activities (A)** | **(213.13)** | **250.78** | **232.85** |
| | | | |
| **Cash flow from Investing Activities** | | | |
| Purchase/Sale of Fixed Assets (Net) | (423.46) | (57.86) | (107.76) |
| Interest on Fixed Deposits | 0.83 | 4.60 | 7.73 |
| Long term loans and advance | (103.28) | - | (155.64) |
| Non-Current Asset | 50.33 | (20.58) | 119.65 |
| **Net Cash Flow from Investing Activities (B)** | **(475.59)** | **(73.84)** | **(136.03)** |
| | | | |
| **Cash Flow from Financing Activities** | | | |
| Addition During the Year | - | 181.10 | 12.32 |
| Withdrawal During the Year | - | -16.48 | -273.08 |
| Proceeds/ Repayment from Long Term Borrowings | 76.47 | (45.97) | (23.28) |
| Proceeds/ Repayment Short term borrowings | 488.16 | (180.96) | 253.10 |
| Finance Cost | (44.20) | (14.43) | (24.05) |
| **Net Cash Flow from Financing Activities (C)** | **520.43** | **(76.74)** | **(54.99)** |
| | | | |
| **Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)** | **(168.29)** | **100.20** | **41.83** |
| **Cash and Cash Equivalents as at Beginning of the Year** | **208.42** | **108.22** | **66.39** |
| **Cash and Cash Equivalents as at End of the Year** | **40.13** | **208.42** | **108.22** |

**Notes: -**

| Components of Cash and Cash Equivalents | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Cash In Hand** | 25.84 | 17.56 | 50.13 |
| **Balances with Bank:** | | | |
| Balances with bank in current accounts | 14.29 | 190.86 | 58.09 |
| **Cash and Cash Equivalents as per Cash Flow Statement** | **40.13** | **208.42** | **108.22** |

1.The above cash flow statement has been prepared under the "indirect method" as set out in the accounting standard 3 (AS 3),"Cash Flow Statements".

2. The accompanying summary of significant accounting policies, restated notes to accounts and notes on adjustments for restated financial statement (Annexure 4 to 32) are integral part of this statement.

This is the restated statement of cash flow referred to in our report of even date.

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

**ANNEXURE – 4**
**SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL INFORMATION**

## COMPANY OVERVIEW

The business was originally carried on as a partnership firm under the name and style of 'Weldor CNC Machines' pursuant to a partnership deed dated December 1, 2015. The partnership firm was subsequently converted into a public limited company in the name of Weldor CNC Machines Limited on December 13, 2024. The Corporate identification number of our Company is **U28229GJ2024PLC157041**. Weldor CNC Machines Limited is engaged in the manufacturing and supply of precision-engineered sheet metal machinery, including CNC Press Brakes, CNC Punch Press Shearing Machine, CNC- V Grooving Machines and, designed to deliver high accuracy, reliability and performance across various industrial applications.

## I. SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of preparation of Financial Statements:

The Restated Statement of Assets and Liabilities of the Company as at March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Statements of Profit and Loss for the year ended March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Cash Flow Statement for the year ended March 31, 2026, March 31, 2025, and March 31, 2024, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information") has been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The 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 company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the Company's operations and the time involved between the acquisition of goods/inventory and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

### B. Use of Estimates

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses including of warranty claims and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, etc.

### C. Accounting Convention

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

**1. Revenue Recognition**

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.

Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

**2. Property, Plant and Equipment and Intangible Assets**

**i. Property, Plant & Equipment:**

a) Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any; Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;

b) Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;

c) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;

d) Depreciation on fixed assets is being calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013. to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.

e) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end;

**ii. Intangible assets:**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and Impairment. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized. Amortisation on Intangible assets is calculated on Written down value method.

**3. Impairment**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**4. Inventories**

**Raw material, Work in Progress and finished goods:**

Raw Materials is valued at cost or net realizable value whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which

they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out (FIFO) basis.

Finished goods are valued at cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

**5. Foreign Exchange Transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction. Any gain/ loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currencies outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

**6. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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 are segregated.

**7. Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**8. Income Tax**

The accounting treatment for the Income Tax in respect of the Company's income is based on the Accounting Standard on 'Accounting for Taxes on Income' (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

**9. Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**10. Provisions and Contingent Liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**11. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**12. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary nature in value of investment.

**13. Government Grants and Subsidies**

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

**14. Contingencies and events occurring after the Balance Sheet date**

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

**15. Related Party Transactions**

Related parties as defined under Accounting Standard - 18 ‘Related Party Disclosures’ have been identified based on representations made by management and information available with the company. All transactions with related parties are in the ordinary course of business and on arm’s length basis.

**16. Leases**

The company has taken Office & factory on lease and classified as an Operating lease and the lease rentals are recognized in profit & loss account as per lease terms.

**17. Segment Reporting**

The Company operates in a single business segment, i.e., CNC Machines, and accordingly, no separate segment reporting is required.

**18. Employee Benefits**

**Defined Contribution:**

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees. The Company's contribution to Provident Fund is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

**Defined Benefits:**

Leave balances are not carried forward and are settled in the same year. Accordingly, there is no outstanding obligation for leave encashment as at the reporting date.

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year end. The Company has an unfunded gratuity plan. The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

| Details of Gratuity Expenses | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| **Profit and loss account for the period** | | | |
| Current service cost | 4.85 | 1.54 | 1.80 |
| Interest on obligation | 0.66 | 0.53 | 0.31 |
| Expected return on plan assets | - | - | - |
| Net actuarial loss/(gain) | 0.65 | 0.21 | 1.16 |
| Recognized Past Service Cost-Vested | - | - | - |
| Loss (gain) on curtailments | - | - | - |
| **Total included in 'Employee Benefit Expense'** | **6.16** | **2.28** | **3.27** |
| prior year charge | - | - | - |
| **Total Charge to P&L** | **6.16** | **2.28** | **3.27** |
| **Reconciliation of defined benefit obligation** | | | |
| Opening Defined Benefit Obligation | 9.73 | 7.44 | 4.17 |
| Transfer in/(out) obligation | - | - | - |
| Current service cost | 4.85 | 1.54 | 1.80 |
| Interest cost | 0.66 | 0.53 | 0.31 |
| Actuarial loss (gain) | 0.65 | 0.21 | 1.16 |
| Past service cost | - | - | - |
| Benefits paid | - | - | - |
| Prior year charge | - | - | - |
| **Closing Defined Benefit Obligation** | **15.88** | **9.73** | **7.44** |
| **Details of Gratuity Expenses** | | | |
| **Reconciliation of net defined benefit liability** | | | |
| Net opening provision in books of accounts | 9.73 | 7.44 | 4.17 |
| –Transfer in/(out) obligation | - | - | - |
| Transfer (in)/out plan assets | - | - | - |
| Employee Benefit Expense | 6.16 | 2.28 | 3.27 |
| Benefits paid by the Company | - | - | - |
| Contributions to plan assets | - | - | - |
| **Closing provision in books of accounts** | **15.88** | **9.73** | **7.44** |

| | | | |
|---|---|---|---|
| **Bifurcation of liability** | | | |
| Current Liability | 0.45 | 0.24 | 0.21 |
| Non-Current Liability | 15.43 | 9.48 | 7.24 |
| **Net Liability** | **15.88** | **9.73** | **7.44** |
| **Principle actuarial assumptions** | | | |
| Expected expenses for next year | - | - | - |
| Discount Rate | 7.60% | 6.90% | 7.20% |
| Expected Return on Plan Assets | - | - | - |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Employee turnover | 2.00% | 2.00% | 2.00% |
| Mortality rate | IALM (2012-2014) | IALM (2012-2014) | IALM (2012-2014) |

**19. Extraordinary Items, Exceptional Items, Prior Period Items & Changes in Accounting Policies**

a) Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements.

Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

b) On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company, is such that its disclosure improves an understanding of the performance of the company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

c) There were no changes in accounting policies requiring adjustments in the Restated Financial Statements, except for the accounting of retirement benefits in accordance with AS-15 (Revised) – 'Employee Benefits' and deferred tax in accordance with AS-22 – 'Accounting for Taxes on Income'. During the restatement, the Company has accounted for retirement benefits based on an actuarial valuation certificate and recognized deferred tax as per the requirements of AS-22.

**NOTES TO RESTATED SUMMARY STATEMENTS:**

**1. Contingent liabilities and commitments (to the extent not provided for)**

A disclosure for a contingent liability reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. Refer Annexure 28C

**2. Material Adjustments**

Appropriate adjustments have been made in the restated financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule III and Accounting Standards.

The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

**3. Realizations**

The Company evaluated the carrying amounts of property, plant and equipment, investments, inventories, loans and advances, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties, the Company, as at the date of approval of these Restated financials has used internal and external sources on the expected future performance of the Company and management expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least

another 12 months. Due to any unforeseen circumstances the final impact on the Company's assets in future may differ from that estimate as at the date of approval of these Restated Financials.

**4. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for in the Restated financial statements.

**5. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There have been no audit qualifications/observations in Statutory Auditor's Report / Tax Audit report for the F.Y. 2025-26, 2024-25 and FY 2023-24 which requires adjustments in restated financial statements. In case of Company Statutory audit report has been considered and for Partnership firm Tax Audit report has been considered.

**6. Amounts in the financial statements**

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**RECONCILIATION OF RESTATED PROFIT:**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Profit After Tax as per Books of Accounts** | **499.56** | **216.11** | **211.62** |
| Adjustment for provision of Depreciation | - | 3.36 | (5.09) |
| Adjustment for provision of Income Tax | - | 1.14 | (80.88) |
| Balance Written off | | | 30.51 |
| Adjustment for Provident Fund | | (0.09) | |
| Adjustment for Provision for Gratuity | - | (2.28) | (3.27) |
| **Profit After Tax as per Restated** | **499.56** | **218.25** | **152.89** |

The impact of the above has been suitably incorporated in the restated balance sheet.

**Reason for change**

Due to Provision for Gratuity (Employee benefits), Difference in Provident Fund, Balance Written off, Difference of WDV of Fixed Assets as per Companies Act, 2013, and Income Tax Act, 1961 during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year

**RECONCILIATION OF EQUITY AND RESERVES/ PARTNER'S CAPITAL:**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Reserve & Surplus as per Books of Accounts** | **717.81** | **216.11** | **69.37** |
| Adjustment in Profit & Loss Accounts | - | 2.13 | (58.73) |
| Adjustment in opening Balance | - | - | (9.12) |
| **Reserve & Surplus/ Partner's Capital as per Restated** | **717.81** | **218.24** | **1.52** |

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years**

**Note 1 - Adjustments having impact on Profit:**
Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**Note - Explanatory Notes regarding Adjustments**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

**ANNEXURE – 5**

**RESTATED FINANCIAL STATEMENTS SHOWING SHARE CAPITAL/ PARTNER'S CAPITAL**

***(Amount in Lakhs Except No. of Shares)***

**Statement showing details of authorised and paid-up capital:**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Authorized Share Capital** | | | |
| 15,10,000 Equity shares of Rs.10 each | 151.00 | 151.00 | - |
| **Issued, Subscribed and Paid-up Share Capital** | | | |
| 15,00,623 Equity Shares of Rs. 10 each fully paid up | 150.06 | 150.06 | - |
| **Total** | **150.06** | **150.06** | **-** |

**The reconciliation of the number of shares outstanding at each year end:**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Number of shares at the beginning of the year | 15,00,623.00 | - | - |
| Add: Share issued during the year | - | 15,00,623.00 | - |
| Add: Bonus share issued during the year | - | - | - |
| Number of shares at the end of the year | 15,00,623.00 | 15,00,623.00 | - |

* Up to 31 March 2025, the Company has issued 15,00,623 equity shares to the partners of the former partnership firm pursuant to its conversion into a company.

**Statement showing details of Partner's Capital:**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Partner's Capital account** | | | |
| Balances at the beginning of the year | - | 1.52 | 118.44 |
| Add - Addition | - | 181.10 | 12.32 |
| Less -Withdrawal | - | -16.48 | -273.01 |
| Add - Net Profit / (Loss) for the period | - | - | 152.89 |
| Less - Transferred to issue of equity Share | - | -150.06 | - |
| Less - Transferred to Unsecured Loans | - | -16.08 | - |
| Less- Prior Period Adjustment | - | - | -9.12 |
| **Balances at the end of the year** | - | - | 1.52 |

**Details of Shareholding more than 5% of the aggregate shares in the company:**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| | Shareholding in Company | | Partner's Profit-Sharing Ratio* |
| **Name of promoter and shareholder** | | | |
| **Maheshkumar Gordhandas Vaghela** | | | |
| Number of Shares | 9,77,584.00 | 9,77,584.00 | - |
| % of Holding | 65.15% | 65.15% | 60.00% |
| **Minaben Maheshkumar Vaghela** | | | |
| Number of Shares | 4,35,657.00 | 4,35,657.00 | - |
| % of Holding | 29.03% | 29.03% | 20.00% |

* The Partnership firm named Weldor CNC Machines converted into Weldor CNC Machines Limited in Financial Year 2024-25 hence we have shown Partner's Profit Sharing Ratio for Financial Year 2023-24.

**Details of Promoter's Shareholding:**

| Particulars | No. of shares held | % of total shares | % change during the year |
|---|---|---|---|
| **Aggregate number of equity shares held by promoters at the year-end:** | | | |

| | | | |
|---|---|---|---|
| **As at March 31, 2026** | | | |
| Maheshkumar Gordhandas Vaghela | 9,77,584.00 | 65.15% | - |
| Minaben Maheshkumar Vaghela | 4,35,657.00 | 29.03% | - |
| Nikunj Maheshkumar Vaghela | 69,686.00 | 4.64% | - |
| **As at March 31, 2025** | | | |
| Maheshkumar Gordhandas Vaghela | 9,77,584.00 | 65.15% | - |
| Minaben Maheshkumar Vaghela | 4,35,657.00 | 29.03% | - |
| Nikunj Maheshkumar Vaghela | 69,686.00 | 4.64% | - |

**Other Notes:**

I. Terms/rights attached to equity shares:
1. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.
2. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
3. No shares have been bought back or allotted by way of bonus issue during last 5 years immediately preceding March 31,2026.
4. The Figures disclosed above are based on the restated summary statement of assets and liabilities of the company.
5. Company does not have any Revaluation Reserve.
6. There were no class of shares allotted as fully paid up pursuant to contract without payment being received in cash during the reporting period
7. There are no calls unpaid by the Directors or Officers of the company.

II. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**Further Disclosure of Share Capital Issued in Five Years Immediately Preceding the Latest Period of Restatement**

(a) From FY 2021-22 till FY 2025-26, no bonus shares were issued by the company.
(b) From FY 2021-22 till FY 2025-26, no buyback of equity shares was done by the company
(c) From FY 2021-22 till FY 2025-26, no equity shares were issued pursuant to a contract

Note: The above statement should be read with the Significant Accounting Policies, Material Adjustments, and Restated Statements of Assets and Liabilities, Statement of Profits and Losses, and Statement of Cash Flows appearing in Annexures 4, 5, 1, 2, and 3.
Note: The company was incorporated on 13th December, 2024.

## ANNEXURE – 6
## RESTATED FINANCIAL STATEMENTS SHOWING RESERVES AND SURPLUS

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Reserve and Surplus Account** | | | |
| **i. Retained Earnings** | | | |
| General Reserve | - | - | - |
| Balances at the beginning of the year | 218.25 | - | - |
| Additions during the year | 499.56 | 218.25 | - |
| **Balances at the end of the year** | **717.81** | **218.25** | - |
| **ii. Securities Premium** | | | |
| Balances at the beginning of the year | - | - | - |
| Additions during the year | - | - | - |
| Less: Used for Bonus issued | - | - | - |
| **Balances at the end of the year** | - | - | - |
| **Total** | **717.81** | **218.25** | - |

1. Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities premium.

2. Retained Earnings: Retained earnings are the profits that the Company has earned till date, add/(less) any transfers from/(to) general reserve, securities premium and debenture redemption reserve, dividends or other distributions paid to shareholders.

**ANNEXURE – 7**

**RESTATED FINANCIAL STATEMENTS SHOWING LONG TERM BORROWINGS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | **2026** | **2025** | **2024** |
| **I. Secured Loan** | | | |
| From Scheduled Bank | - | 29.89 | 76.28 |
| From Non-Banking Financial Company | 65.26 | - | - |
| Less: Current Maturity of Long-Term Borrowing | 20.79 | 29.89 | 46.39 |
| **Total** | **44.47** | **-** | **29.89** |
| **II. Unsecured Loan** | | | |
| From Bank | 46.98 | - | - |
| Less: Current Maturity of Long-Term Borrowing | 14.98 | - | - |
| **Total** | **32.00** | - | - |
| **Total** | **76.47** | **-** | **29.89** |

**Notes:**

1. The terms and conditions and other information in respect of secured loans and Unsecured loans are given in annexure 7(A) & 7(B).
2. The company Does not have any continuing default in repayment of loans and interest as on the reporting date.
3. The company has not been declared as "wilful defaulter" by any bank or financial institution or other lender.
4. The company has not taken any loan from financial institution or banks for any specified purpose for which it is not utilized.
5. The figures disclosed above are based on the restated summary statement of assets and liabilities of the company.
6. The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, Profit and losses and cash flows appearing in annexures 1 2, 3 and 4.

**ANNEXURE 7 (A) & (B)**

**STATEMENT OF PRINCIPAL TERMS OF SECURED & UNSECURED LOANS AND ASSETS CHARGED AS SECURITY**

**A. Secured Loans**

| Sr No. | Name of Lender | Type | Purpose | Sanctioned Amount / Limit (₹ lakh) | Rate of Interest | Primary and Collateral Security | Re-Payment Schedule | Moratorium (in months) | Outstanding 31-03-2026 (₹ lakh) |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Union Bank of India* | Cash Credit | Working Capital | 350.00 | 8.40% | Note 1 | - | - | 328.23 |
| 2 | Union Bank of India | Overdraft | Business Loan | 110.00 | 9.40% | Fixed Deposit | - | - | 57.36 |
| 3 | Electronica Finance Limited | Business Loan | Business Loan | 70.00 | 14.55% | Collateral Security-Machineries | 36 monthly EMIs of ₹2.41 lakhs as per repayment schedule | - | 65.26 |
| 4 | ICICI Bank* | Cash Credit | Working Capital | 350.00 | 8.55% | Note 2 | On Demand | | 180.31 |
| **Total Secured Loan (A)** | | | | | | | | | **631.15** |

**Union Bank of India Facility**

***** Note: The Cash Credit facility of ₹350.00 lakh was sanctioned by Union Bank of India pursuant to the sanction letter dated July 13, 2025. Subsequently, the existing working capital limit was enhanced from ₹350.00 lakh to ₹850.00 lakh, including takeover of the existing Cash Credit facility of ₹350.00 lakh from ICICI Bank Limited. Accordingly, the revised working capital limit of ₹850.00 lakh has been disclosed under the "Statement of Financial Indebtedness" chapter of this DRHP.

Further, the aforesaid sanction letter also provides for a Term Loan facility of ₹65.00 lakh from Union Bank of India. Accordingly, the aggregate sanctioned facilities provided by Union Bank of India under the said sanction arrangement amount to ₹915.00 lakh, comprising a working capital limit of ₹850.00 lakh and a Term Loan of ₹65.00 lakh. The outstanding amounts as at March 31, 2026 have been disclosed based on the actual outstanding balances as on such date.

**B. Unsecured Loans**

**FROM BANK, DIRECTORS, RELATIVE OF DIRECTORS & OTHERS**

| Sr No. | Name of Lender | Type | Purpose | Sanctioned Amount (₹ lakh) | Rate of Interest | Re-Payment Schedule | 31st March 2026 (₹ lakh) |
|---|---|---|---|---|---|---|---|
| 1 | ICICI Bank | Business Loan | Business Loan | 50 | 14.50% | 36 monthly EMIs of ₹1.73 lakhs as per sanction/repayment terms | 46.98 |
| 2 | Maheshkumar Gordhandas Vaghela | | | | | Repayable on Demand | 98.05 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 3 | Minaben Maheshkumar Vaghela | | | | | Repayable on Demand | 35.24 |
| 4 | Nikunj Maheshkumar Vaghela | | | | | Repayable on Demand | 8.8 |
| | **Total Unsecured Loans (7B)** | | | | | | **189.06** |
| **Total Loans (A +B)** | | | | | | | **820.21** |

***Notes-***

**Note 1: -**Primary Security- Hypothecation of stock and book debt

Collateral Security: - EM / SM of Industrial factory Land & Building thereon land situated at Revenue Survey No 240, Plot No. 6, Sub Plot No. 6B, Near Arrow Technocast Pvt Ltd, Ananad Liners Gate, Off Rajkot Gondal National Highway, Village: Veraval (Shapar), Taluka: Kotada Sangani, Dist. Rajkot 360024 Gujarat Total area of Land 1887.74 Sq. Mt. Said property owned by Mr.. Maheshkumar G Vaghela- Realizable value Rs.433.25 lakhs.
The residual value of the property is Rs.433.25 Lakhs extended as collateral security towards the credit facilities and remaining portion to be covered under Hybrid CGTMSE Scheme.

**Details of Guarantees (Personal/Corporate):**
1. Mr. Maheshkumar. G. Vaghela
2. Minaben Maheshkumar Vaghela
3. Nikunj. Maheshkumar. Vaghela

**Note 2:-** Immovable Fixed Asset- Survey No 240, Plot No. 6, Sub Plot No. 6B, Near Arrow Technocast Pvt Ltd, Ananad Liners Gate, Off Rajkot Gondal National Highway, Village: Veraval (Shapar), Taluka: Kotada Sangani, Dist. Rajkot 360024.-owned byMr. Maheshkumar Vaghela
Current Assets- Weldor CNC Machines Limited

**Details of Guarantees (Personal/Corporate):**
1. Mr. Maheshkumar. G. Vaghela
2. Minaben Maheshkumar Vaghela
3. Nikunj. Maheshkumar. Vaghela

**ANNEXURE – 8**
**RESTATED FINANCIAL STATEMENTS SHOWING LONG TERM PROVISIONS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **I. Long Term Provision** | | | |
| Provision for Gratuity | 15.43 | 9.48 | 7.24 |
| **Total** | **15.43** | **9.48** | **7.24** |

1. For Details, Please Refer Point - 18 “Employee Benefits Expenses” Of Annexure - 4 Summary Statement of Significant Accounting Policies & Notes to Restated Financial Information.

**ANNEXURE – 9**
**RESTATED FINANCIAL STATEMENTS SHOWING SHORT TERM BORROWINGS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **I. Secured Loan** | | | |
| Working Capital Facility from Bank | 565.90 | 87.82 | 171.15 |
| **Current Maturity of Long-Term Borrowing** | | | |
| From Scheduled Bank and NBFC | 35.77 | 29.89 | 46.39 |
| | **601.66** | **117.72** | **217.54** |
| **II. Unsecured Loan** | | | |
| From Directors/Partners | 142.08 | 121.23 | 206.00 |
| From Others | - | 16.64 | 13.01 |
| | **142.08** | **137.87** | **219.01** |
| **Total** | **743.74** | **255.58** | **436.55** |

**Notes:**

1 The terms and conditions and other information in respect of secured loans and Unsecured loans are given in annexure 7(A & B).
2 The company Does not have any continuing default in repayment of loans and interest as on the reporting date.
3 The company has not been declared as "wilful defaulter" by any bank or financial institution or other lender.
4 The company has not taken any loan from financial institution or banks for any specified purpose for which it is not utilized.
5 The figures disclosed above are based on the restated summary statement of assets and liabilities of the company.
6 The above statement should be read with the significant accounting policies and notes to restated summary, statements of assets and liabilities, Profit and losses and cash flows appearing in annexures 1,2 3 and 4.

**ANNEXURE – 10**
**RESTATED FINANCIAL STATEMENTS SHOWING TRADE PAYABLES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2026 |
| **Trade Payables** | | | |
| a. Micro and small enterprises | - | - | - |
| b. Creditors other than Micro and small enterprises | 721.90 | 424.32 | 340.83 |
| **Total** | **721.90** | **424.32** | **340.83** |

**Notes:**

1. MSME category of Trade payables has been identified by the management and relied upon by the auditors.
2. Ageing of the Supplier, along with any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of age wise supplier balance is given below after considering from the date of transactions.

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Outstanding for following periods from due date of payment: | | | |
| **(i) MSME** | | | |
| Less than 1 year | - | - | - |
| 1 - 2 years | - | - | - |
| 2 - 3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | - | - | - |
| **(ii) OTHERS** | | | |
| Less than 1 year | 719.10 | 403.81 | 302.04 |
| 1 - 2 years | 2.80 | 4.28 | 33.20 |
| 2 - 3 years | - | 16.19 | 5.59 |
| More than 3 years | - | 0.05 | - |
| Total | **721.90** | **424.32** | **340.83** |
| **(iii) DISPUTED DUES - MSME** | | | |
| Unbilled | - | - | - |
| Less than 1 year | - | - | - |
| 1 - 2 years | - | - | - |
| 2 - 3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | - | - | - |
| **(iv) DISPUTED DUES - OTHERS** | | | |
| Unbilled | - | - | - |
| Less than 1 year | - | - | - |
| 1 - 2 years | - | - | - |
| 2 - 3 years | - | - | - |
| More than 3 years | - | - | - |
| Total | - | - | - |
| **TOTAL** | **721.90** | **424.32** | **340.83** |

3. The information required to be disclosed under MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with company. The details of amount outstanding to Micro & Small Enterprises are as under: -

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| (i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; | - | - | - |
| a) Principal Amount | - | - | - |
| b) Interest Payable | - | - | - |
| (ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - | - |
| (iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - | - |
| (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year | - | - | - |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

**ANNEXURE – 11**
**RESTATED FINANCIAL STATEMENTS SHOWING OTHER CURRENT LIABILITIES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Salary Payable | 18.43 | 10.63 | 3.08 |
| Statutory Payables* | 33.27 | 35.18 | 0.94 |
| Advance from Customers | 82.54 | 219.88 | 46.21 |
| Payable for expenses | 6.56 | 3.28 | 0.30 |
| **Total** | **140.80** | **268.97** | **50.54** |

* Statutory dues include GST payable, TDS payable, Professional Tax, and Provident Fund, recognized as liabilities to the extent outstanding at the reporting date.

**ANNEXURE – 12**
**RESTATED FINANCIAL STATEMENTS SHOWING SHORT TERM PROVISIONS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Provision for Income Tax | 178.08 | 107.59 | 83.76 |
| Provision for Gratuity | 0.45 | 0.24 | 0.21 |
| **Total** | **178.53** | **107.83** | **83.96** |

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**ANNEXURE – 13**

**RESTATED FINANCIAL STATEMENT SHOWING PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

***(Amount in Lakhs)***

**13.1 Statement showing details of Property, Plant and Equipment:**

**FY: 2025-26**

| Particulars | | Gross Block of Asset | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | As At 01-04-2025 | Addition | Sale/Scrap | As At 01-04-2026 | Upto 1-04-2025 | During the period | As At 01-04-2026 | As at 31 March 2026 | As at 31 March 2025 |
| I | Plant & Machinery | 190.37 | 419.31 | - | 609.68 | 53.77 | 62.17 | 115.95 | 493.74 | 136.60 |
| II | Building | 36.60 | - | - | 36.60 | 6.38 | 2.87 | 9.25 | 27.35 | 30.22 |
| III | Office Equipment | 11.44 | 0.91 | - | 12.35 | 7.29 | 1.94 | 9.22 | 3.12 | 4.15 |
| IV | Computer | 6.01 | 0.88 | - | 6.89 | 2.32 | 2.88 | 5.20 | 1.69 | 3.69 |
| V | Electric Equipment | 2.52 | 0.05 | - | 2.56 | 0.91 | 0.42 | 1.33 | 1.23 | 1.60 |
| VI | Vehicle | 12.54 | - | 2.93 | 9.61 | 8.38 | 0.38 | 8.76 | 0.85 | 4.16 |
| VII | Furniture | 4.12 | - | - | 4.12 | 2.02 | 0.54 | 2.57 | 1.55 | 2.09 |
| **Total** | | **263.58** | **421.15** | **2.93** | **681.81** | **81.08** | **71.21** | **152.29** | **529.52** | **182.51** |

**FY: 2024-25**

| Particulars | | Gross Block of Asset | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | As At 01-04-2024 | Addition | Sale/Scrap | As At 01-04-2025 | Upto 01-04-2024 | During the period | As At 01-04-2025 | As at 31 March 2025 | As at 31 March 2024 |
| I | Plant & Machinery | 142.29 | 48.08 | - | 190.37 | 29.95 | 23.83 | 53.77 | 136.60 | 112.34 |
| II | Building | 36.60 | - | - | 36.60 | 3.25 | 3.13 | 6.38 | 30.22 | 33.34 |
| III | Office Equipment | 7.62 | 3.82 | - | 11.44 | 5.30 | 1.99 | 7.29 | 4.15 | 2.32 |
| IV | Computer | 1.43 | 4.58 | - | 6.01 | 0.48 | 1.84 | 2.32 | 3.69 | 0.95 |
| V | Electric Equipment | 1.32 | 1.20 | - | 2.52 | 0.59 | 0.32 | 0.91 | 1.60 | 0.72 |
| VI | Vehicle | 12.54 | - | - | 12.54 | 6.61 | 1.77 | 8.38 | 4.16 | 5.93 |
| VII | Furniture | 4.12 | - | - | 4.12 | 1.33 | 0.70 | 2.02 | 2.09 | 2.79 |
| **Total** | | **205.90** | **57.68** | **-** | **263.58** | **47.51** | **33.57** | **81.08** | **182.51** | **158.40** |

**FY: 2023-24**

| Particulars | | Gross Block of Asset | | | | Depreciation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | As At 01-04-2023 | Addition | Sale/Scrap | As At 01-04-2024 | Upto 01-04-2023 | During the period | As At 01-04-2024 | As at 31 March 2024 | As at 31 March 2023 |
| I | Plant & Machinery | 64.37 | 77.92 | - | 142.29 | 8.41 | 21.53 | 29.95 | 112.34 | 55.95 |
| II | Building | 8.44 | 28.16 | - | 36.60 | 0.24 | 3.01 | 3.25 | 33.34 | 8.19 |
| III | Office Equipment | 7.62 | - | - | 7.62 | 3.39 | 1.91 | 5.30 | 2.32 | 4.23 |
| IV | Computer | 0.06 | 1.37 | - | 1.43 | 0.04 | 0.45 | 0.48 | 0.95 | 0.02 |
| V | Electric Equipment | 1.32 | - | - | 1.32 | 0.34 | 0.25 | 0.59 | 0.72 | 0.97 |
| VI | Vehicle | 12.54 | - | - | 12.54 | 3.91 | 2.69 | 6.61 | 5.93 | 8.62 |
| VII | Furniture | 4.12 | - | - | 4.12 | 0.35 | 0.97 | 1.33 | 2.79 | 3.76 |
| **Total** | | **98.45** | **107.45** | **-** | **205.90** | **16.69** | **30.81** | **47.51** | **158.40** | **81.76** |

**13.2 Statement showing details of Intangible Assets:**

| Particulars | Gross Block of Asset | | | | Amortisation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|
| | As At 01-04-2025 | Addition | Sale/Scrap | As At 01-04-2026 | Upto 1-04-2025 | During the period | As At 01-04-2026 | As at 31 March 2026 | As at 31 March 2025 |
| Computer Software | 0.54 | 2.31 | - | 2.85 | 0.30 | 0.25 | 0.56 | 2.30 | 0.24 |
| **Total** | **0.54** | **2.31** | **-** | **2.85** | **0.30** | **0.25** | **0.56** | **2.30** | **0.24** |

| Particulars | Gross Block of Asset | | | | Amortisation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|
| | As At 01-04-2024 | Addition | Sale/Scrap | As At 01-04-2025 | Upto 1-04-2024 | During the period | As At 01-04-2025 | As at 31 March 2025 | As at 31 March 2024 |
| Computer Software | 0.37 | 0.18 | - | 0.54 | 0.10 | 0.20 | 0.30 | 0.24 | 0.26 |
| **Total** | **0.37** | **0.18** | **-** | **0.54** | **0.10** | **0.20** | **0.30** | **0.24** | **0.26** |

| Particulars | Gross Block of Asset | | | | Amortisation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|
| | As At 01-04-2023 | Addition | Sale/Scrap | As At 01-04-2024 | Upto 1-04-2023 | During the period | As At 01-04-2024 | As at 31 March 2024 | As at 31 March 2023 |
| Computer Software | 0.11 | 0.26 | - | 0.37 | 0.06 | 0.05 | 0.10 | 0.26 | 0.05 |
| **Total** | **0.11** | **0.26** | **-** | **0.37** | **0.06** | **0.05** | **0.10** | **0.26** | **0.05** |

**ANNEXURE – 14**

**RESTATED FINANCIAL STATEMENTS SHOWING DEFERRED TAX ASSETS (NET)**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Opening | 7.16 | 5.37 | 2.48 |
| Add/less: for the year | 1.59 | 1.79 | 2.88 |
| **Closing Balance of (DTL)/DTA** | **8.75** | **7.16** | **5.37** |

**Notes:**

1. The Company has created/reversed DTA/(DTL) as per AS-22 issued by ICAI.
2. Major components of deferred tax arising on account of timing differences are:

| Calculation of DTA/(DTL) | | | | |
|---|---|---|---|---|
| **Particulars** | **FY 2025-26** | **FY 2024-25** | **FY 2024-25** | **FY 2023-24** |
| **Difference Due to Depreciation** | **Company** | **Company** | **Partnership Firm** | **Partnership Firm** |
| Timing Difference due to Depreciation | 0.17 | 0.74 | 2.63 | 5.28 |
| Deferred Tax Asset/ (liabilities) (A) | 0.04 | 0.19 | 0.89 | 1.78 |
| **Difference Due to Gratuity** | | | | |
| Timing Difference due to Gratuity | 6.16 | 0.57 | 1.71 | 3.27 |
| Deferred Tax Asset/ (liabilities) (B) | 1.55 | 0.14 | 0.58 | 1.10 |
| **Total DTA/(DTL) (A+B)** | **1.59** | **0.33** | **1.46** | **2.88** |

Note: The tax rate used for computation of Deferred Tax Assets ("DTA") and Deferred Tax Liabilities ("DTL") has been considered based on the applicable tax rate of the Partnership Firm up to the date of conversion into a Company, and thereafter, the applicable tax rate for the Company has been considered.

Note: The company was incorporated on 13th December 2024.

**ANNEXURE – 15**

**RESTATED FINANCIAL STATEMENTS SHOWING LONG-TERM LOANS AND ADVANCES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Advance for Capital Asset | 276.03 | 172.75 | 172.75 |
| **Total** | **276.03** | **172.75** | **172.75** |

**ANNEXURE – 16**

**RESTATED FINANCIAL STATEMENTS SHOWING OTHER NON-CURRENT ASSETS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Deposits** | | | |
| FD With Bank | 35.41 | 85.73 | 65.16 |
| **Total** | **35.41** | **85.73** | **65.16** |

**ANNEXURE – 17**
**RESTATED FINANCIAL STATEMENTS SHOWING INVENTORIES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Inventory of Finished Goods (Valued at Cost) | 407.52 | 119.98 | 77.99 |
| Stock of Raw Material (Valued at Cost) | 349.24 | 158.78 | 177.10 |
| Stock of WIP (Valued at Cost) | 141.34 | 105.24 | 60.46 |
| **Total** | **898.10** | **384.00** | **315.55** |

Note:
1. Refer Material Accounting Policy Annexure 4
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

**ANNEXURE – 18**
**RESTATED FINANCIAL STATEMENTS SHOWING TRADE RECEIVABLES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Trade Receivables** | | | |
| **A. Secured, Considered Good** | - | - | - |
| **B. Unsecured, Considered Good** | | | |
| Outstanding for a period less than 6 months | 515.35 | 250.53 | 11.82 |
| Outstanding for a period more than 6 months | 192.14 | 59.85 | 58.30 |
| **Total** | **707.49** | **310.38** | **70.12** |

Notes:
1. There are no unbilled trade receivables
2. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**Statement showing Ageing of Trade Receivable:**

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Outstanding for following periods from due date of payment:** | | | |
| (i) Undisputed trade receivables - considered good | | | |
| less than 6 months | 515.35 | 250.53 | 11.82 |
| 6 months - 1 year | 110.29 | 7.31 | 23.49 |
| 1-2 years | 81.85 | 23.49 | 29.93 |
| 2-3 years | - | 25.65 | 4.88 |
| More than 3 years | - | 3.40 | - |
| **Total** | **707.49** | **310.38** | **70.12** |
| (ii) Undisputed trade receivables - considered doubtful | | | |
| Unbilled | - | - | - |
| Not due | - | - | - |
| Less than 6 months | - | - | - |
| 6 months - 1 year | - | - | - |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | - | - |
| (iii) Disputed trade receivables - considered good | | | |
| Unbilled | - | - | - |
| Not due | - | - | - |
| Less than 6 months | - | - | - |
| 6 months - 1 year | - | - | - |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | - | - |
| (iv) Disputed trade receivables - considered doubtful | | | |
| Unbilled | - | - | - |
| Not due | - | - | - |
| Less than 6 months | - | - | - |
| 6 months - 1 year | - | - | - |
| 1-2 years | - | - | - |
| 2-3 years | - | - | - |
| More than 3 years | - | - | - |
| **Total** | - | - | - |
| **TOTAL** | **707.49** | **310.38** | **70.12** |

In the Opinion of management, there is no accounts receivable balances which requires provision towards bad and doubtful debts as on the end of respective year.

**ANNEXURE – 19**

**RESTATED FINANCIAL STATEMENTS SHOWING CASH AND CASH EQUIVALENTS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **I. Cash In Hand** | 25.84 | 17.56 | 50.13 |
| **II. Balances with Bank** | | | |
| In Current Account | 14.29 | 190.86 | 58.09 |
| **Total** | **40.13** | **208.42** | **108.22** |

**ANNEXURE – 20**
**RESTATED FINANCIAL STATEMENTS SHOWING SHORT-TERM LOANS & ADVANCES**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Advances Given to Vendors | 242.76 | 82.57 | 26.20 |
| **Total** | **242.76** | **82.57** | **26.20** |

**ANNEXURE – 21**
**RESTATED FINANCIAL STATEMENTS SHOWING OTHER CURRENT ASSETS**

***(Amount in Lakhs)***

| Particulars | As at March 31 | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Balance With Revenue & GST Authority | 1.56 | 0.74 | 25.01 |
| Advance Salary | 1.89 | - | - |
| Interest Receivable | 0.79 | - | 3.49 |
| **Total** | **4.24** | **0.74** | **28.51** |

**ANNEXURE – 22**
**RESTATED FINANCIAL STATEMENTS SHOWING REVENUE FROM OPERATIONS**

***(Amount in Lakhs)***

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Revenue from operations** | | | |
| Sale of Product | 2,531.44 | 1,400.01 | 1,046.00 |
| **Total** | **2,531.44** | **1,400.01** | **1,046.00** |
| **Breakup of revenue from Sale of Goods** | | | |
| Domestic Revenue | 2,531.44 | 1,400.01 | 1,046.00 |
| Export Revenue | - | - | - |
| **Total** | **2,531.44** | **1,400.01** | **1,046.00** |

**Breakup of Sale of Products**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **A. Sale of Product** | | | |
| CNC Press Brake Machines | 1,848.84 | 1,142.00 | 930.65 |
| Shearing Machine | 174.05 | 8.99 | - |
| CNC Punch Press | 165.00 | 112.60 | - |
| CNC/ NC Rolling Machines | 118.40 | 15.00 | - |
| Accessories | 101.08 | 51.46 | 35.47 |
| CNC V- Grooving | 34.50 | 22.81 | 37.51 |
| Others* | 89.58 | 47.15 | 42.37 |
| **Total** | **2,531.44** | **1,400.01** | **1,046.00** |

***Others includes revenue from sale of machines that do not fall under the principal product categories and revenue from ancillary services.**

Notes: - 1. Revenue from Operations and Other Operating Revenue doesn't include the GST amount.

**ANNEXURE – 23**
**RESTATED FINANCIAL STATEMENTS SHOWING OTHER INCOME**

***(Amount in Lakhs)***

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Fixed Deposit Interest Income | 0.83 | 4.60 | 7.73 |
| Amount Write off | - | - | 40.54 |
| Other Income | - | - | 1.14 |
| **Total** | **0.83** | **4.60** | **49.41** |

The classification of other income as recurring/ not recurring, related/ not related to business activity is based on the current operations and business activity of the company as determined by the management.

**ANNEXURE – 24**
**RESTATED FINANCIAL STATEMENTS SHOWING COST OF MATERIAL CONSUMED**

***(Amount in Lakhs)***

**Statement showing bifurcation of Cost of Material Consumed:**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Opening Stock of raw material | 158.78 | 177.10 | 66.79 |
| Purchases | 1,802.93 | 918.70 | 776.83 |
| Closing Stock of raw material | 349.24 | 158.78 | 177.10 |
| **Total** | **1,612.47** | **937.03** | **666.52** |

**Statement showing change in inventory:**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Opening Stock** | | | |
| Finished Goods | 119.98 | 77.99 | 58.79 |
| Work in Progress | 105.24 | 60.46 | 21.97 |
| **Closing Stock** | | | |
| Finished Goods | 407.52 | 119.98 | 77.99 |
| Work in Progress | 141.34 | 105.24 | 60.46 |
| **Total** | **-323.64** | **-86.77** | **-57.69** |

The inventory has been valued on a First-In, First-Out (FIFO) basis.

**Statement showing bifurcation of Purchase:**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Domestic Purchase | 1,801.80 | 918.70 | 776.83 |
| Import Purchase | 1.14 | - | - |
| | **1,802.93** | **918.70** | **776.83** |

**ANNEXURE – 25**
**RESTATED FINANCIAL STATEMENTS SHOWING EMPLOYEE BENEFIT EXPENSES**

*(Amount in Lakhs)*

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Salaries, Wages and Bonus | 156.38 | 63.96 | 38.68 |
| Director's Remuneration | 27.86 | 9.36 | - |
| Staff welfare Expenses | 3.21 | 1.29 | 0.52 |
| Gratuity Expenses | 6.16 | 2.28 | 3.27 |
| Contribution to PF and other funds | 7.70 | 1.22 | - |
| **Total** | **201.30** | **78.11** | **42.47** |

**ANNEXURE – 26**
**RESTATED FINANCIAL STATEMENTS SHOWING FINANCE COSTS**

*(Amount in Lakhs)*

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| Interest Expenses | 35.30 | 14.12 | 23.09 |
| Loan Processing Fees | 8.29 | - | 0.23 |
| Bank Charges | 0.61 | 0.31 | 0.73 |
| **Total** | **44.20** | **14.43** | **24.05** |

**ANNEXURE – 27**
**RESTATED FINANCIAL STATEMENTS SHOWING BIFURCATION OF DEPRECIATION AND AMORTISATION**

*(Amount in Lakhs)*

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Depreciation & Amortisation Expenses** | | | |
| Depreciation on Property, Plant and Equipment | 71.21 | 33.57 | 30.81 |
| Amortisation of Intangible Asset | 0.25 | 0.20 | 0.05 |
| **Total** | **71.46** | **33.77** | **30.86** |

**ANNEXURE – 28**
**RESTATED FINANCIAL STATEMENTS SHOWING OTHER EXPENSES**

*(Amount in Lakhs)*

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **Direct Expenses** | | | |
| Job Work Exp | 88.85 | 37.31 | 66.78 |
| Factory General Expenses | 7.10 | 14.58 | 13.99 |
| Transportation Expenses | 24.94 | 10.44 | 12.63 |
| | **120.88** | **62.33** | **93.40** |
| **Administrative Expenses** | | | |
| Repairs And Maintenance | 5.85 | 13.16 | 25.74 |
| Late Delivery Fees | - | 2.68 | - |
| Insurance Expenses | 1.09 | 0.22 | 0.23 |
| Rates & Taxes | 0.48 | 3.32 | 0.05 |
| Advertisement, Exhibition & Marketing Expenses | 49.76 | 1.42 | 13.37 |
| Stationery & Printing Exp. | 1.32 | 0.58 | 1.48 |

| | | | |
|---|---|---|---|
| Office Expenses | 13.51 | 6.04 | 6.41 |
| Legal Consulting & Professional Fees | 7.17 | 7.96 | 0.55 |
| Travelling & Conveyance | 21.33 | 7.81 | 6.56 |
| Courier Exp. | 0.58 | 0.84 | 0.40 |
| Audit Fees | 1.50 | 0.65 | 0.13 |
| Tender Fees | 1.24 | 0.49 | 6.09 |
| Bad Debts | - | 0.30 | 1.01 |
| Donation | 0.15 | 0.25 | - |
| Miscellaneous Expense | 0.72 | - | - |
| Rent Expenses | 12.36 | - | - |
| Interest on Income tax | 13.17 | - | - |
| Import Charges | 0.32 | - | - |
| Loss on sale of car | 2.93 | - | - |
| Forex Loss | 0.01 | - | - |
| | **133.48** | **45.74** | **62.02** |
| **Total** | **254.37** | **108.07** | **155.43** |

**1. Statement showing details of Payment to Auditor:**

| **Particulars** | **For the year ended March 31,** | | |
|---|---|---|---|
| | **2026** | **2025** | **2024** |
| Statutory Audit | 0.50 | 0.30 | - |
| Tax Audit | 0.50 | 0.35 | 0.13 |
| Certification and Other Matters | 0.50 | - | 0.55 |
| **Total** | **1.50** | **0.65** | **0.68** |

**2. CSR Expenditure**

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company is not required to undertake Corporate Social Responsibility (CSR) activities for the reporting period, as the Company does not meet the prescribed thresholds under the Act. Specifically, the Company has not met the following criteria that trigger CSR obligations:

A. Net worth of ₹500 crore or more

B. Turnover of ₹1,000 crore or more

C. Net profit of ₹5 crore or more

As the Company does not fall within the applicability criteria mentioned above, the CSR provisions are not applicable and therefore, no expenditure has been made on CSR activities during the financial year.

**3. Details of Contingent liabilities & Commitments**

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| **I. Contingent Liabilities** | | | |
| (a) claims against the company not acknowledged as debt; | - | - | - |
| (b) guarantees excluding financial guarantees; and | - | - | - |
| (c) other money for which the company is contingently liable. | - | - | - |
| **II. Commitments-** | | | |
| (a) estimated amount of contracts remaining to be executed on capital account and not provided for | - | - | - |
| (b) uncalled liability on shares and other investments partly paid | - | - | - |
| (c) other commitments | - | - | - |

**ANNEXURE – 29**

**RESTATED FINANCIAL STATEMENTS SHOWING TAX SHELTER**

***(Amount in Lakhs)***

| Particulars | FY 2025-26 | FY 2024-25 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|---|
| | Company | Company* | Partnership Firm | Partnership Firm |
| Restated Profit before tax | 672.11 | 86.42 | 233.54 | 233.77 |
| Tax Rate (%) | 25.17% | 25.17% | 33.69% | 33.69% |
| Tax at notional rate on profits | **169.16** | **21.75** | **78.68** | **78.76** |
| **Adjustments:** | | | | |
| **i. Permanent Differences** | | | | |
| Expenses disallowed under Income Tax Act, 1961 | | | | |
| Section 37 | 13.50 | 0.30 | 3.58 | 6.29 |
| | **13.50** | **0.30** | **3.58** | **6.29** |
| **ii. Temporary Differences** | | | | |
| Depreciation Differences | | | | |
| As per Income Tax Act, 1961 | 71.29 | 4.87 | 25.53 | 25.58 |
| As per Companies Act, 2013 | 71.46 | 5.61 | 28.16 | 30.86 |
| Gratuity Differences | 6.16 | 0.57 | 1.71 | 3.27 |
| | **6.33** | **1.32** | **4.34** | **8.55** |
| Taxable Income/(Loss) | **691.93** | **88.04** | **241.46** | **248.61** |
| Tax as per Normal Calculation | **174.15** | **22.16** | **81.35** | **83.76** |

| Particulars | FY 2025-26 | FY 2024-25 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|---|
| | Company | Company* | Partnership Firm | Partnership Firm |
| **Expenses disallowed under Income Tax Act, 1961** | | | | |
| **Section 37** | | | | |
| TDS Interest Expense & GST Expense | 0.18 | - | 3.32 | 0.05 |
| TDS Late Fees | - | - | - | - |
| GST Late Fee | - | - | - | - |
| Donation Expense | 0.15 | - | 0.25 | - |
| Interest on Income tax | 13.17 | - | - | - |
| Other Disallowances | - | - | - | 5.22 |
| Bad debt | - | 0.30 | - | 1.01 |
| | **13.50** | **0.30** | **3.58** | **6.29** |

****Note*: *Our Company was incorporated upon conversion of the partnership firm Weldor CNC Machines under Part I of Chapter XXI of the Companies Act, 2013.The company was incorporated on 13th December 2024.***

**ANNEXURE – 30**

**RESTATED FINANCIAL STATEMENTS SHOWING RELATED PARTY TRANSACTION**

**Statement showing details of related party and their relation with the company:**

| No | Name Of Person | Relation With The Company |
|---|---|---|
| 1 | MAHESHKUMAR GORDHANDAS VAGHELA | Promoter & Director |
| 2 | NIKUNJ MAHESHKUMAR VAGHELA | |
| 3 | MINABEN MAHESHKUMAR VAGHELA | |
| 4 | HIRVA SANDEEPBHAI VASOYA | Spouse of Nikunj Maheshkumar Vaghela |
| 5 | NAMRATA MAHESHKUMAR VAGHELA | Daughter of Maheshkumar Gordhandas Vaghela & Minaben Maheshkumar Vaghela & Sister of Nikunj Maheshkumar Vaghela |
| 6 | SUMITA GIRISHBHAI MISTRY | Sister of Maheshkumar Gordhandas Vaghela |
| 7 | MAHESHKUMAR GORDHANDAS VAGHELA (HUF) | Director's HUF |
| 8 | ARUN DASH | Independent Director |
| 9 | MAHIPAL SINGH CHOUHAN | Independent Director |
| 10 | TUSHAR RAI SHARMA | Independent Director |
| 11 | PARAGKUMAR SANDIPKUMAR DAVE | Company secretary |
| 12 | WELDOR ENGINEERING PRIVATE LIMITED | Company in which Maheshkumar Gordhandas Vaghela (Promoter & Director) is Interested |
| 13 | VANDANKUMAR MAHENDRABHAI DAVE | Chief Financial Officer |

**Statement showing details of related party transaction:**

***(Amount in Lakhs)***

| No | Particulars | Nature Of Transaction | For the year ended March 31, | | |
|---|---|---|---|---|---|
| | | | 2026 | 2025 | 2024 |
| 1 | MAHESHKUMAR GORDHANDAS VAGHELA | Opening balance Loan | 74.78 | 126.00 | - |
| | | Loan taken during the year | 57.92 | 1.36 | 126.00 |
| | | Loan repaid during the year | 34.65 | 52.59 | - |
| | | Closing balance- Loan Liability | 98.05 | 74.78 | 126.00 |
| | | Remuneration | 6.60 | 4.12 | - |
| | | Remuneration payable | - | 1.98 | |
| | | Rent Expenses | 12.00 | - | - |
| | | Rent expenses payable | 2.25 | - | - |
| 2 | MAHESHKUMAR GORDHANDAS VAGHELA (HUF) | Opening balance Loan | 16.64 | 11.64 | 11.64 |
| | | Loan taken during the year | - | 5.00 | - |
| | | Loan repaid during the year | 16.64 | - | - |
| | | Closing balance- Loan Liability | - | 16.64 | 11.64 |
| 3 | NIKUNJ MAHESHKUMAR VAGHELA | Opening balance Loan | 11.22 | 30.00 | - |
| | | Loan taken during the year | 2.45 | 1.03 | 30.00 |
| | | Loan repaid during the year | 4.87 | 19.82 | - |
| | | Closing balance- Loan Liability | 8.80 | 11.22 | 30.00 |
| | | Remuneration | 15.50 | 4.12 | - |
| | | Remuneration Payable | - | 1.98 | - |
| 4 | MINABEN MAHESHKUMAR VAGHELA | Opening balance Loan | 35.24 | 50.00 | - |
| | | Loan taken during the year | - | - | 50.00 |
| | | Loan repaid during the year | - | 14.76 | - |
| | | Closing balance- Loan Liability | 35.24 | 35.24 | 50.00 |
| | | Remuneration | 5.76 | 1.12 | - |
| | | Remuneration Payable | 0.48 | 0.48 | - |
| 5 | | Opening balance Loan | - | - | - |
| | | Loan taken during the year | - | - | - |

| | | | | | |
|---|---|---|---|---|---|
| | SUMITA GIRISHBHAI MISTRY | Loan repaid during the year | - | - | - |
| | | Closing balance- Loan Liability | - | - | - |
| | | Remuneration | - | 0.05 | |
| 6 | NAMRATA VAGHELA | Opening balance Loan | - | 1.37 | - |
| | | Loan taken during the year | - | - | 1.37 |
| | | Loan repaid during the year | - | 1.37 | |
| | | Closing balance- Loan Liability | - | - | 1.37 |
| 7 | WELDOR ENGINEERING PRIVATE LIMITED | Purchase of Goods/ Assets | 17.58 | - | 9.44 |
| | | Balance Written off | - | - | 30.51 |
| | | Payment made during the year | 37.50 | 15.50 | 1.87 |
| | | Sale of Goods | 71.46 | - | |
| | | Receipts from debtors | 15.44 | - | |
| | | Sundry Creditor/ (Advance) | -60.62 | 15.31 | 30.81 |
| 8 | HIRVA SANDEEPBHAI VASOYA | Remuneration | 11.76 | - | - |
| | | Remuneration payable | 6.11 | - | - |
| 9 | PARAGKUMAR SANDIPKUMAR DAVE | Salary | 0.11 | - | - |
| 10 | VANDANKUMAR MAHENDRABHAI DAVE | Salary | 0.13 | - | - |

Note:

1. Remuneration to key managerial personnel does not include provision for gratuity, as it is determined on an actuarial basis for the Company as a whole and cannot be identified with individual employees.
2. All transactions are carried out on an arm's length basis.
3. The amounts disclosed above in respect of the Statement of Profit and Loss items are exclusive of indirect taxes.

## ANNEXURE – 31
## CAPITALISATION STATEMENT AS AT MARCH 31, 2026

***(Amount in Lakhs)***

| Particulars | Pre Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| i. Long Term Debt (A) | 112.24 | * |
| ii. Short Term Debt (B) | 707.97 | * |
| **Total debts (C)** | **820.21** | * |
| **Shareholders' funds** | | |
| i. Equity share capital | 150.06 | * |
| ii. Reserve and surplus - as restated | 717.81 | * |
| **Total shareholders' funds** | **867.87** | * |
| **Long term debt / Shareholders funds** | **0.13** | * |
| **Total debt / Shareholders funds** | **0.95** | * |

* The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

1. Short term Debts represent which are expected to be paid/payable within 12 months and Excludes installments of term loans repayable in within 12 months.
2. Long term Debts represent debts other than Short-term Debts as defined above.

**ANNEXURE – 32**

**RESTATED STATEMENT OF ACCOUNTING RATIOS & ADDITIONAL REGULATORY INFORMATIONS AS RESTATED**

***(Amount in Lakhs except No. of Shares and EPS)***

| Particulars | For the year ended March 31, | | |
|---|---|---|---|
| | 2026 | 2025 | 2024 |
| EBITDA | 786.95 | 363.57 | 239.27 |
| Net Profit/(Loss) as Restated | 499.56 | 218.25 | 152.89 |
| Net Worth | 867.87 | 368.31 | 1.52 |
| Return on Net worth (%) | 57.56% | 59.26% | 10050.09% |
| Number of shares at the end of the year | 15,00,623.00 | 15,00,623.00 | 15,00,623.00 |
| Weighted average number of shares* | 60,02,492.00 | 60,02,492.00 | 60,02,492.00 |
| Profit After Tax (in Lakhs) | 499.56 | 218.25 | 152.89 |
| Earning Per Share (Rs.) | 33.29 | 14.54 | 10.19 |
| Earning Per Share (Rs.) - (Post Bonus with retrospective effect) | 8.32 | 3.64 | 2.55 |
| Net Asset Value/Book Value per Equity share (Based on the Weighted Average number of Shares) | 14.46 | 6.14 | 0.03 |

The Company was converted from a partnership firm into a company on 13th December 2024 and adopted the accounts of the partnership firm. Accordingly, for the purpose of computing Earnings Per Share ("EPS"), the Company has considered the same number of equity shares, i.e., 15,00,623 shares, for all the periods presented, assuming that the conversion had taken place at the beginning of the earliest period presented. Consequently, the EPS has been calculated using the same number of equity shares for all the years.

The company has been formed from conversion of Partnership Firm into Company vide a certificate of incorporation dated December 13, 2024. The Company has been converted with paid up equity share capital of Rs. 1.50,06,230 divided into 15,00,623 equity shares of Rs. 10 each. The status of the Company prior to December 13, 2024 was that of a Partnership Firm. Hence, EPS and NAV per share for all the years has been calculated by considering the number of shares outstanding post conversion of partnership firm into Company (i.e. 15,00,623 shares).

*The Company issued 45,01,869 bonus equity shares of face value ₹10 each to its existing shareholders in the ratio of 3:1 on 17th September 2026. In accordance with the applicable accounting standards, the basic and diluted Earnings Per Share (EPS) for all restated periods have been adjusted to give effect to the bonus issue.

**Note:**

1) The ratios have been computed as below:
   (a) Basic earnings per share (Rs.): - Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year.
   (b) Diluted earnings per share (Rs. ): - Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS.
   (c) Return on net worth (%): - Net profit after tax (as restated) / Net worth at the end of the period or year.
   (d) Net assets value per share: - Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year.

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements of the Company.

5) EBITDA has been calculated as Profit before tax + Depreciation + Finance cost - Other Income

**Statement Showing Ratios as Restated:**

***(Amount in Lakhs Except Ratios)***

| Particulars | As at 31 March 2026 | As at 31 March 2025 | Variance | Explanation for any change in ratio ( more than 25%) |
|---|---|---|---|---|
| | Ratio | Ratio | | |
| I. Current Ratio | 1.06 | 0.93 | 13.55% | NA |
| II. Debt Equity Ratio | 0.95 | 0.69 | 36.19% | Due Increase in the ratio was primarily due to an increase in debt relative to shareholders' equity. |
| III. Debt Service Coverage Ratio | 9.95 | 7.59 | 31.14% | Due to decrease in debt service the ratio is increased. |
| IV. Return on Equity Ratio | 80.82% | 118.02% | -31.52% | Due to increase in Average shareholder's equity the ratio is decreased |
| V. Inventory Turnover Ratio | 2.01 | 2.43 | -17.29% | NA |
| VI. Trade Receivables Turnover Ratio (in Times) | 4.97 | 7.36 | -32.41% | Due to increase in trade receivables the ratio is decreased |
| VII. Trade Payables Turnover Ratio (In Times) | 3.15 | 2.40 | 31.00% | Due to increase in Purchase the ratio is Increase |
| VIII. Net Profit Ratio | 19.73% | 15.59% | 26.59% | Due to Increase in Revenue Ratio Highly Increase |
| IX. Return on Capital Employed | 41.91% | 53.55% | -21.74% | Due to Capital Employed, Ratio Decreased |

| Particulars | As at 31 March 2025 | As at 31 March 2024 | Variance | Explanation for any change in ratio ( more than 25%) |
|---|---|---|---|---|
| | Ratio | Ratio | | |
| I. Current Ratio | 0.93 | 0.60 | 55.12% | Due to increase in Current assets ratio increase |
| II. Debt Equity Ratio | 0.69 | 306.60 | -99.77% | Due to increase in capital, Ratio decreased |
| III. Debt Service Coverage Ratio | 7.59 | 3.70 | 105.33% | Increase in Earnings available for debt service, Ratio also Increase |
| IV. Return on Equity Ratios | 118.02% | 271.73% | -56.56% | Due to increase in capital, Ratio decreased |
| V. Inventory Turnover Ratio | 2.43 | 2.63 | -7.55% | NA |
| VI. Trade Receivables Turnover Ratio (in Times) | 7.36 | 9.68 | -23.97% | NA |
| VII. Trade Payables Turnover Ratio (In Times) | 2.40 | 2.41 | -0.27% | NA |
| VIII. Net Profit Ratio | 15.59% | 14.62% | 6.65% | Due to increase in profit Ratio is increase |
| IX. Return on Capital Employed | 53.55% | 54.89% | -2.45% | Due to increase in Capital Employed, Ratio Decreased |

Notes: -

I- Current Ratio = Current Assets / Current Liabilities.
II- Debt- equity ratio = Total debt / Shareholders' equity.
III- Debt service coverage ratio = EBIT/ (Principal + Interest).
IV- Return on equity ratio= Net profit after taxes / Avg. Shareholder's Equity.
V- Inventory turnover ratio=Cost of goods sold or sales/Average inventory.
VI- Trade receivables turnover ratio (in Times) = Revenue from Operations /Average trade receivables.
VII- Trade payables turnover ratio=Direct Expenses/Average trade payables.
VIII- Net profit ratio=Net profit after taxes/Total Revenue.
IX- Return on capital employed=Earnings before interest and taxes/Capital employed.

**Additional Regulatory Information:**

**Title Deed of Immovable property**

(i) The title deeds of the Immovable Property (land) are not held in the name of the Company.

(ii) The company has not revalued its Property, Plant and Equipment. Accordingly, disclosures as required under this para is not applicable.

**Details of Loans and advances**

The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

**Details of Benami Property held**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**Stock statement**

The Company has borrowings from banks or financial institutions on the basis of security of current assets, in financial year 2025-26, 2024-25, and 2023-24.

**Statement of Reconciliation:**

| Particulars | As per Restated Financial Statements | As per Statement provided to bank | Discrepancies | % of Change | Reason for Change |
|---|---|---|---|---|---|
| **As on 31-03-2026** | 898.10 | 792.90 | 105.20 | 11.71% | Some Raw Materials & Work in progress is not included in the stock statement provided to bank. |

**Note: The amount relates to Inventories.**

**Disclosure regarding Derivative Instruments and Unhedged Foreign Currency Exposure**

**Disclosure of Unhedged Balances:**

| Particulars | Year ended 31.3.26 | Year ended 31.3.25 | Year ended 31.3.24 |
|---|---|---|---|
| **Trade receivables:** | | | |
| In USD lakhs | - | - | - |
| In INR lakhs | - | - | - |

**Details of Foreign Exchange Earnings and Expenditure**

| Particulars | Year ended 31.3.26 | Year ended 31.3.25 | Year ended 31.3.24 |
|---|---|---|---|
| Expenditure in foreign currency (In INR lakhs) | 1.04 | - | - |
| Earnings in foreign currency (In INR lakhs) | - | - | - |

**Wilful Defaulter**

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

**Relationship with Struck off Companies**

The Company does not have any transactions with companies struck off during the reporting period.

**Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has no pending charges or charges pending satisfaction which are yet to be registered with the ROC beyond the Statutory period.

**Compliance with number of layers of companies**

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**Compliance with approved Scheme(s) of Arrangements**

There are no Schemes of Arrangements that have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

**Discrepancy in utilization of borrowings**

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There is no discrepancy in utilization of borrowings.

**Indirect Loan/Advance/Investment**

The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
a) 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
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) 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;
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

**Foreign Currency Fluctuation Risk**

The Company does not use derivative financial instruments such as forward exchange contracts or options to hedge its risks associated with foreign currency fluctuations or for trading/speculation purpose.

**Undisclosed income**

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**Details of Crypto Currency or Virtual Currency**

The company has not traded or invested in Crypto currency or Virtual Currency.

No dividend was declared and paid during the year ended FY 25-26, 24-25 & 23-24.

Company does not have any intangible assets under development for the year ended FY 25-26, 24-25 & 23-24.

During the financial years ended 2025-26, 2024-25 & 2023-24, company has no extra ordinary items to be disclosed in accordance with the requirements of AS - 5.

As per our report of even date

**For,**
**SUNIT M CHHATBAR & CO**
**Chartered Accountants**
**Firm Registration No. 141068W**
**Peer Review No.: 018746**

**For and on behalf of Board of Directors**
**Weldor CNC Machines Limited**

S/d

**Maheshkumar Gordhandas Vaghela**
**Managing Director**
**DIN: 01642816**

**Nikunj Maheshkumar Vaghela**
**Whole time Director**
**DIN: 10870838**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**UDIN: 26166095ZGILHR1949**
**Place: Rajkot**
**Date: September 22, 2026**

**Vandankumar Mahendrabhai Dave**
**CFO**

**Paragkumar Sandipkumar Dave**
**Company Secretary**
**M. No.: A54961**

## OTHER FINANCIAL INFORMATION

The tax audit report and financial statements of the erstwhile partnership firm, **Weldor CNC Machines**, for the period prior to its conversion into a public limited company, and the statutory audit report and financial statements of **Weldor CNC Machines Limited** for the period subsequent to its conversion into a public limited company with effect from **December 13, 2024**, including the audited financial statements for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024, as applicable, together with the respective audit reports thereon (collectively, the "Audited Financial Statements"), are available on the website of our Company at https://weldorcncmachines.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of the Draft Red Herring Prospectus; (ii) Red Herring Prospectus or (ii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI (ICDR) Regulations are given below:

| Particulars | March 31, 2026 | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| Profit After Tax (Rs. in Lakhs) | 499.56 | 218.25 | 152.89 |
| Basic & Diluted Earnings per Share | 8.32 | 3.64 | 2.55 |
| Return on Net Worth (%) | 57.56% | 59.26% | 10050.09% |
| NAV per Equity Share (Based on Weighted Average Number of Shares) | 14.46 | 6.14 | 0.03 |
| Earnings before interest, tax, depreciation and amortization (EBITDA) | 786.95 | 363.57 | 239.27 |

## STATEMENT OF FINANCIAL INDEBTEDNESS

To,

**The Board of Directors,**
**Weldor CNC Machines Limited**
Plot No. 6/A, Plot No. 6/B,
Revenue Survey no. 240p, Veraval (Shapar),
Rajkot, Kotda Sanghani, Gujarat, India, 360024.

And

**Seren Capital Private Limited**
601 to 605, Raylon Arcade, Kondivita,
J.B. Nagar, Mumbai-400059

(**Seren Capital Private Limited** referred to as the "**Book Running Lead Manager**" or the "**BRLM**")

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each ("Equity Shares" and such initial public offer, an "IPO" or "Issue") of Weldor CNC Machines Limited (the "Company").**

**Dear Sirs,**

We, **Sunit M Chhatbar & Co.** Chartered Accountants are statutory auditors of Weldor CNC Machines Limited have received a request from the Company to issue a certificate on the Financial Indebtedness of the Company based on restated financial information prepared by the management of the company.

Based on the independent examination of Books of Accounts, Restated Financial Statements and other documents of Weldor CNC Machines Limited and as per the further explanations and information provided by the management of the company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on August 31, 2026 are mentioned below:

## ANNEXURE A

**1. Secured Loan: -**

**A. From NBFC** **(Rs. In Lakhs)**

| S. No. | Name of Lender | Purpose | Sanctioned Amount | Rate of interest | Primary & Collateral Security | Re-Payment Schedule | Moratorium | Outstanding amount as on 31.08.2026 |
|---|---|---|---|---|---|---|---|---|
| 1. | Electronica Finance Limited | Machine Loan | 70.00 | 14.55% | Hypothecation/charge over specified machines including Milling Machine, Horizontal Boring Machine, Radial Drill Machine and other machines | 36 monthly instalments of ₹2.41 | Nil | 56.96 |
| 2. | Electronica Finance Limited | Machine Loan | 50.00 | 16.00% | Hypothecation/charge over specified machines. Collateral machines include Milling Machine, Horizontal Boring Machine, Radial Drill Machine, Used Horizontal Boring Machine and Used Bed Milling Machine located at Weldor's factory premises. | 24 monthly instalments. | Nil | 46.41 |
| | | | | | | | **Total:** | **103.37** |

**B. From Bank** **(Rs. In Lakhs)**

| S. No. | Name of Lender | Purpose | Sanctioned Amount | Rate of interest | Primary & Collateral Security | Re-Payment Schedule | Moratorium | Outstanding amount as on 31.08.2026 |
|---|---|---|---|---|---|---|---|---|
| 1. | Union Bank of India* | Working Capital | 850.00 | EBLR + 0.15% | **Primary:** Hypothecation of stock and book debts. **Collateral:** EM/SM over industrial land situated at Revenue Survey No. 240, Sub Plot No. 6B, Veraval (Shapar), owned by Maheshkumar Gordhandas Vaghela, and additional property at Plot No. 6/A, Veraval (Shapar). **Personal guarantees** of Maheshkumar Gordhandas Vaghela, Minaben Maheshkumar Vaghela and Nikunj Maheshkumar Vaghela. | Repayable on demand | Nil | 535.16 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 2. | Union Bank of India | Over draft | 110.00 | 7.25% | Fixed Deposits | NA | NA | 51.83 |
| | | | | | | | **Total:** | **586.99** |

*The aforesaid sanction letter also provides for a Term Loan facility of ₹65.00 lakhs from Union Bank of India, which has not been availed by our Company. Accordingly, the aggregate facilities sanctioned by Union Bank of India under the said sanction arrangement amount to ₹915.00 lakhs, comprising a working capital facility of ₹850.00 lakhs and a Term Loan facility of ₹65.00 lakhs.

**Unsecured Loan: -**

**A. From Bank and NBFC** **(Rs. In Lakhs)**

| Sr No. | Name of Lender | Purpose | Sanctioned Amount | Rate of interest | Re-Payment Schedule | Outstanding amount as on 31.08.2026 |
|---|---|---|---|---|---|---|
| 1 | ICICI Bank | Business Loan | 50 | 14.50% | 36 monthly instalments of ₹1.73 lakhs | 41.00 |
| 2 | Bajaj Finance Limited | Business Loan | 63.81 | 15.50% | 36 months | 11.61 |
| 3 | IDFC FIRST Bank Limited | Business Loan | 51 | 14.50% | 36 monthly EMIs of ₹1.76 lakhs | 48.71 |
| 4 | Kotak Mahindra bank Limited | Business Loan | 50 | 14.75% | 30 monthly instalments of ₹2.00 lakhs | 47.24 |
| 5 | L&T Finance Limited | Business Loan | 75 | 14.75% | 48 monthly instalments. EMI of ₹2.08 lakhs per month | 72.67 |
| 6 | Poonawala Fincorp Limited | Flexi Business Loan DSCR | 50.2 | 16.00% | Flexi Business Loan with tenure of 37 months. Interest-only instalments of ₹14,590 up to October 2028, thereafter principal repayment commences. Repayment period from 07.07.2026 to 07.06.2029. | 10.94 |
| 7 | Tata Capital Limited | Business Loan (Unsecured) | 50 | 15.00% | 24 monthly instalments of ₹2.42 lakhs | 46.53 |
| 8 | The Karur Vysya Bank Ltd. | Unsecured Business Loan | 50 | 14.50% | 36 monthly instalments of ₹1.72 lakhs | 47.75 |
| 9 | Axis Bank Limited | Business Loan (SBB Business Power) | 35 | 14.50% | 24 monthly instalments of ₹1.69 lakhs | 31.01 |
| | **Total** | | | | | **357.46** |

**B. Loan from Directors & Relatives of Director -** **(Rs. In Lakhs)**

| S. No. | Name of Lender | Purpose | Re-Payment Schedule | Outstanding amount as on 31.08.2026 |
|---|---|---|---|---|
| 1 | Maheshbhai Vaghela | Working Capital | Repayable on demand | 100.3 |
| 2 | Minaben Maheshkumar Vaghela | Working Capital | Repayable on demand | 35.24 |
| 3 | Nikunjbhai Vaghela | Working Capital | Repayable on demand | 6.50 |
| | **Total** | | | **142.04** |

Yours faithfully,

**For Sunit M Chhatbar & Co.**
**Chartered Accountants**
**Firm Registration No.: 141068W**

**CA Sunit M Chhatbar**
**Proprietor**
**Membership No. 166095**
**Place: Rajkot**
**Date: 24th September 2026**
**UDIN: 26166095GBCHAL5633**

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled "Financial Information of the Company" beginning on page 185. You should also read the section titled "Risk Factors" on page 22 and the section titled "Forward Looking Statements" on page 21 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements. Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated September 22, 2026 which is included in this Draft Red Herring Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### Business Overview

Our Company was originally formed as a partnership firm under the name and style of "Weldor CNC Machines", pursuant to a partnership deed dated December 01, 2015. Subsequently, the partnership firm was converted into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, in the name of "Weldor CNC Machines Limited", pursuant to a certificate of incorporation dated December 13, 2024 issued by the Registrar of Companies, Central Registration Centre.

Our Company is engaged in the manufacture and supply of machinery used across metalworking and fabrication processes. Our principal product portfolio comprises CNC Press Brake Machines, Shearing Machines, CNC Punch Presses, CNC/NC Rolling Machines and CNC V-Grooving Machines, together with related accessories. Our machines are offered across varying capacities, control systems and configurations to cater to customer-specific requirements based on material specifications, processing requirements and intended applications.

Our machines cater to customers across diverse manufacturing sectors, including general engineering, steel and metal processing and fabrication, storage and display systems, automotive and heavy equipment, electrical and electronics, railways, aerospace, refrigeration, HVAC/ventilation, solar and energy-related industries, among others. Our customers deploy our machines across various stages of their manufacturing and fabrication processes for producing components, structures and assemblies with varying dimensions, material specifications and processing requirements.

The principal applications of our machines are set forth below:

| Type of machines | Principal application |
|---|---|
| CNC Press Brake Machines | Used for bending and forming metal sheets and plates into specified angles and profiles. |
| Shearing Machines | Used for cutting metal sheets and plates to required dimensions for further processing and fabrication. |
| CNC Punch Presses | Used for punching holes, slots and other specified shapes in metal sheets and plates. |
| CNC/NC Rolling Machines | Used for rolling metal plates into curved, cylindrical and other required profiles. |
| CNC V-Grooving Machines | Used for creating V-shaped grooves in metal sheets to facilitate precise bending and forming. |

We undertake our manufacturing operations at our facility located at Veraval (Shapar), Taluka Kotda Shangani, District Rajkot, Gujarat, admeasuring approximately 2,772.72 square metres. Our manufacturing process comprises fabrication and machining of machine structures and components, mechanical assembly, integration of hydraulic, electrical and CNC control systems, finishing, testing and inspection. Our manufacturing capabilities enable us to offer machines across varying capacities and configurations and to incorporate customer-specific technical

requirements relating to machine dimensions, capacity, control systems, tooling and other operating parameters. Each machine undergoes trial runs and functional testing prior to dispatch, followed by installation and commissioning at the customer's premises, as applicable.

During Fiscals 2024, 2025 and 2026, we catered to 146 customers across 16 states and 3 union territories in India and supplied 175 machines during such period. Our customer base spans multiple end-use industries and geographies, reflecting the applicability of our product portfolio across varied metalworking and fabrication requirements.

Our Company is led by our Promoters and Directors, Mr. Maheshkumar Gordhandas Vaghela and Mr. Nikunj Maheshkumar Vaghela, who possess over 36 years and 6 years of experience, respectively, in the sheet metal forming machinery industry. Their experience spans technical, manufacturing, operational and business functions relevant to our operations, and they are actively involved in the management and strategic direction of our business.

**Key Performance Indicators**

Our key performance indicators for the last three fiscals ending 31st March 2026 are as follows:

***(Rs. In Lakhs except percentages and ratios)***

| Key Financial Performance | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from operations [(1)] | 2,531.44 | 1,400.01 | 1,046.00 |
| EBITDA [(2)] | 786.95 | 363.57 | 239.27 |
| EBITDA Margin [(3)] | 31.09% | 25.97% | 22.87% |
| PAT [(4)] | 499.56 | 218.25 | 152.89 |
| PAT Margin [(5)] | 19.73% | 15.59% | 14.62% |
| RoE (%) [(6)] | 80.82% | 118.03% | 271.73% |
| RoCE (%) [(7)] | 41.91% | 53.55% | 54.89% |
| Net Worth [(8)] | 867.87 | 368.31 | 1.52 |
| Repetitive customers % [(9)] | 38.90% | 18.91% | 9.17% |
| Number of Machines Sold [(10)] | 83 | 55 | 37 |

***Notes:***

*[(1)] Revenue from operation means revenue from sale of products.*

*[(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 taken as Profit for the year attributable to the Shareholders of the Company*

*[(5)] PAT Margin is calculated as Profit for the year attributable to Shareholders of the Company divided by revenue from operations.*

*[(6)] Return on Equity is the ratio of Profit for the year attributable to Shareholders of the Company and Average Shareholder Equity.*

*[(7)] Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings and short-term borrowings + deferred tax liability*

*[(8)] Net Worth is calculated as total shareholder's funds.*

*[(9)] Revenue from repeat customers represents revenue generated during the relevant fiscal year or period from customers who were also invoiced in the immediately preceding financial year. The percentage of revenue from repeat customers is calculated by dividing revenue from repeat customers by total revenue from operations for the respective fiscal year or period.*

*[(10)] Number of Machines Sold represents the total number of machines sold by the Company during the respective financial year.*

**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. |
| ROCE (%) | RoCE provides how efficiently our Company generates earnings from the capital employed in the business. |
| Repetitive customers (%) | Percentage (%) of Revenue from Repeat Customers = (Revenue from customers invoiced in both the current period and the immediately preceding financial year ÷ Revenue from Operations) × 100 |
| Number of Machines sold | The total number of machines sold by the Company during the respective financial year. |

**SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of preparation of Standalone Financial Statements:**

The Restated Statement of Assets and Liabilities of the Company as at March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Statements of Profit and Loss for the year ended March 31, 2026, March 31, 2025, and March 31, 2024, the Restated Cash Flow Statement for the year ended March 31, 2026, March 31, 2025, and March 31, 2024, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information") has been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The 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 company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the Company's operations and the time involved between the acquisition of goods/inventory and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**B. Use of Estimates**

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses including of warranty claims and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements

are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, etc.

**C. Accounting Convention**

The Company follows the mercantile system of accounting, recognizing income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to specifically otherwise, are consistent with the generally accepted accounting principles.
The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

**1. Revenue Recognition**

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.

Sales of goods are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

**2. Property, Plant and Equipment and Intangible Assets**

**i. Property, Plant & Equipment:**

a) Property, Plant and Equipment are stated as per Cost Model i.e., at cost less accumulated depreciation and impairment, if any; Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management;

b) Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs & maintenance costs are recognized in the Statement of profit & Loss when incurred;

c) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit or Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell;

d) Depreciation on fixed assets is calculated using the Written Down Value (WDV) method, which involves applying depreciation rates prescribed under Schedule II to the Companies Act 2013 to the carrying amount of the asset. The carrying amount is reduced each year by the amount of depreciation charged.

e) Depreciation methods, useful lives, and residual values are reviewed periodically, including at each financial year end.

**ii. Intangible assets**:

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and Impairment. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized. Amortisation of Intangible assets is calculated on Written down value method.

**3. Impairment**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable

amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**4. Inventories**

**Raw material, Work in Progress and finished goods:**
Raw Materials are valued at cost or net realizable value, whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First (FIFO) basis.
Finished goods are valued cost or net realizable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

**5. Foreign Exchange Transactions**

All transactions in foreign currency are recorded at the rates of exchange prevailing at the date of transaction. Any gain/ loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currencies outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss on account of the fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

**6. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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 are segregated.

**7. Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**8. Income Tax**

The accounting treatment for the Income Tax in respect of the Company’s income is based on the Accounting Standard on ‘Accounting for Taxes on Income’ (AS-22). The provision made for Income Tax in Accounts comprises both, the current tax and deferred tax. Provision for Current Tax is made on the assessable Income Tax rate applicable to the relevant assessment year after considering various deductions available under the Income Tax Act, 1961.

Deferred tax is recognized for all timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Such deferred tax is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date, and consequential adjustments are carried out.

**9. Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equities shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**10. Provisions and Contingent Liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the likely future outflow of economic benefits required to settle the obligation at the reporting date.

Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are not recognized in financial statements since this may result in the recognition of income that may never be realized.

**11. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**12. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary nature in value of investment.

**13. Government Grants and Subsidies**

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

**14. Contingencies and events occurring after the Balance Sheet date**

Events that occur between balance sheet date and date on which these are approved, might suggest the requirement for an adjustment(s) to the assets and the liabilities as at balance sheet date or might need disclosure. Adjustments are required to assets and liabilities for events which occur after balance sheet date which offer added information substantially affecting the determination of the amounts which relates to the conditions that existed at balance sheet date.

**15. Related Party Transactions**

Related parties as defined under Accounting Standard - 18 'Related Party Disclosures' have been identified based on representations made by management and information available with the Company. All transactions with related parties are in the ordinary course of business and on arms' length basis.

**16. Leases**

The company has taken Office & factory on lease and classified as an Operating lease and the lease rentals are recognized in profit & loss account as per lease terms.

**17. Segment Reporting**

The Company operates in a single business segment, i.e., CNC Machines, and accordingly, no separate segment reporting is required.

**18. Employee benefits**

**Defined-contribution plans:**

All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees. The Company's contribution to Provident Fund is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis.

**Defined Benefits:**

Leave balances are not carried forward and are settled in the same year. Accordingly, there is no outstanding obligation for leave encashment as at the reporting date.

The Company has made provision for payment of Gratuity to its employees. This Provision is made as per the method prescribed under the Payment of Gratuity Act. The cost of providing gratuity under this plan is determined on the basis of actuarial valuation at year end. The Company has an unfunded gratuity plan. The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

**(Rs in Lakhs)**

| Details of Gratuity Expenses | 2025-26 | 2024-25 | 2023-24 |
|---|---|---|---|
| **Profit and loss account for the period** | | | |
| Current service cost | 4.85 | 1.54 | 1.80 |
| Interest on obligation | 0.66 | 0.53 | 0.31 |
| Expected return on plan assets | - | - | - |
| Net actuarial loss/(gain) | 0.65 | 0.21 | 1.16 |
| Recognized Past Service Cost-Vested | - | - | - |
| Loss (gain) on curtailments | - | - | - |
| **Total included in 'Employee Benefit Expense'** | **6.16** | **2.28** | **3.27** |
| prior year charge | - | - | - |
| **Total Charge to P&L** | **6.16** | **2.28** | **3.27** |
| **Reconciliation of defined benefit obligation** | | | |
| Opening Defined Benefit Obligation | 9.73 | 7.44 | 4.17 |

| | | | |
|---|---|---|---|
| Transfer in/(out) obligation | - | - | - |
| Current service cost | 4.85 | 1.54 | 1.80 |
| Interest cost | 0.66 | 0.53 | 0.31 |
| Actuarial loss (gain) | 0.65 | 0.21 | 1.16 |
| Past service cost | - | - | - |
| Benefits paid | - | - | - |
| Prior year charge | - | - | - |
| **Closing Defined Benefit Obligation** | **15.88** | **9.73** | **7.44** |
| **Details of Gratuity Expenses** | | | |
| **Reconciliation of net defined benefit liability** | | | |
| Net opening provision in books of accounts | 9.73 | 7.44 | 4.17 |
| –Transfer in/(out) obligation | - | - | - |
| Transfer (in)/out plan assets | - | - | - |
| Employee Benefit Expense | 6.16 | 2.28 | 3.27 |
| Benefits paid by the Company | - | - | - |
| Contributions to plan assets | - | - | - |
| **Closing provision in books of accounts** | **15.88** | **9.73** | **7.44** |
| **Bifurcation of liability** | | | |
| Current Liability | 0.45 | 0.24 | 0.21 |
| Non-Current Liability | 15.43 | 9.48 | 7.24 |
| **Net Liability** | **15.88** | **9.73** | **7.44** |
| **Principle actuarial assumptions** | | | |
| Expected expenses for next year | - | - | - |
| Discount Rate | 7.60% | 6.90% | 7.20% |
| Expected Return on Plan Assets | NA | NA | NA |
| Salary Escalation Rate | 5.00% | 5.00% | 5.00% |
| Employee turnover | 2.00% | 2.00% | 2.00% |
| Mortality rate | IALM (2012-2014) | IALM (2012-2014) | IALM (2012-2014) |

**19. Extraordinary items, Exceptional items, Prior period items & changes in accounting policies**

a) Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements.
Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

b) On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

c) There were no changes in accounting policies requiring adjustments in the Restated Financial Statements, except for the accounting of retirement benefits in accordance with AS-15 (Revised) – 'Employee Benefits' and deferred tax in accordance with AS-22 – 'Accounting for Taxes on Income'. During the restatement, the Company has accounted for retirement benefits based on an actuarial valuation certificate and recognized deferred tax as per the requirements of AS-22.

**II. NOTES TO RESTATED SUMMARY STATEMENTS:**

**1. Contingent liabilities and commitments (to the extent not provided for)**

A disclosure for a contingent liability reported in the notes to restated financial restatements when there is a possible obligation that may, require an outflow of the Company's resources. Refer Annexure 28C**.**

**2. Material Adjustments**

Appropriate adjustments have been made in the restated financial statements, whenever required, by a reclassification of the corresponding items of assets, liabilities, and cash flow statement, in order to ensure consistency and compliance with requirements of Schedule VI and Accounting Standards.

The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

**3. Realizations**

The Company evaluated the carrying amounts of property, plant and equipment, investments, inventories, loans and advances, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties, the Company, as at the date of approval of these Restated financials has used internal and external sources on the expected future performance of the Company and management expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Due to any unforeseen circumstances the final impact on the Company's assets in future may differ from that estimate as at the date of approval of these Restated Financials.

**4. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided in the Restated financial statements.

**5. Impact of Audit Qualifications/Observations in Statutory Auditor's Report on Financial Statements**

There have been no audit qualifications/observations in Statutory Auditor's Report / Tax Audit report for the F.Y. 2025-26, 2024-25 and FY 2023-24 which requires adjustments in restated financial statements. In case of Company Statutory audit report has been considered and for Partnership firm Tax Audit report has been considered.

**6. Amounts in the financial statements**

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**RECONCILIATION OF RESTATED PROFIT:**

**(Rs in lakhs)**

| Particulars | For the year ended | | |
|---|---|---|---|
| | March 31, 2026 | March 31, 2025 | March 31, 2024 |
| **Profit After Tax as per Books of Accounts** | **499.56** | **216.11** | **211.62** |
| Adjustment for provision of Depreciation | - | 3.36 | (5.09) |
| Adjustment for provision of Income Tax | - | 1.14 | (80.88) |
| Balance Written off | - | - | 30.51 |
| Adjustment for Provident Fund | - | (0.09) | - |
| Adjustment for Provision for Gratuity | - | (2.28) | (3.27) |
| **Profit After Tax as per Restated** | **499.56** | **218.25** | **152.89** |

The impact of the above has been suitably incorporated in the restated balance sheet.

**Reason for Change**

Due to Provision for Gratuity (Employee benefits), Difference in Provident Fund, Balance Written off, Difference of WDV of Fixed Assets as per Companies Act, 2013, and Income Tax Act, 1961 during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal Tax rate applicable at the end of relevant year.

**RECONCILIATION OF EQUITY AND RESERVES/ PARTNER'S CAPITAL:**

**(Rs in lakhs)**

| Particulars | For the year ended | | |
|---|---|---|---|
| | **March 31, 2026** | **March 31, 2025** | **March 31, 2024** |
| **Reserve & Surplus as per Books of Accounts** | **717.80** | **216.11** | **69.37** |
| Adjustment in Profit & Loss Accounts | - | 2.13 | (58.73) |
| Adjustment in opening Balance | - | - | (9.12) |
| **Reserve & Surplus as per Restated** | **717.80** | **218.24** | **1.52** |

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.**

**Note 1 - Adjustments having impact on Profit:**
Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount has arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the profit / (loss) of prior period.

**Note - To give Explanatory Notes regarding Adjustments**
Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of Income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

**Our Result of Operations**

*The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the financial years ended 2026, 2025 and 2024.*

***(Rs in lakhs)***

| Particulars | Annexure | For the year ended | | | | | |
|---|---|---|---|---|---|---|---|
| | | **March 31, 2026** | **% of Total Income** | **March 31, 2025** | **% of Total Income** | **March 31, 2024** | **% of Total Income** |
| **Income:** | | | | | | | |
| Revenue From Operations | 22 | 2,531.44 | 99.97% | 1,400.01 | 99.67% | 1,046.00 | 95.49% |
| Other Income | 23 | 0.83 | 0.03% | 4.60 | 0.33% | 49.41 | 4.51% |
| **Total Income** | | **2,532.27** | **100%** | **1,404.60** | **100%** | **1,095.41** | **100%** |
| **Expenses:** | | | | | | | |
| Cost of Material Consumed | 24 | 1,612.47 | 63.68% | 937.03 | 66.71% | 666.52 | 60.85% |
| Changes in Inventories | 24 | -323.64 | -12.78% | -86.77 | -6.18% | -57.69 | -5.27% |
| Employee Benefit Expenses | 25 | 201.30 | 7.95% | 78.11 | 5.56% | 42.47 | 3.88% |
| Finance Costs | 26 | 44.20 | 1.75% | 14.43 | 1.03% | 24.05 | 2.20% |
| Depreciation and Amortization expenses | 27 | 71.46 | 2.82% | 33.77 | 2.40% | 30.86 | 2.82% |
| Other Expenses | 28 | 254.37 | 10.04% | 108.07 | 7.69% | 155.43 | 14.19% |
| **Total Expenses** | | **1,860.16** | **73.46%** | **1,084.64** | **77.22%** | **861.64** | **78.66%** |
| **Profit/(Loss) Before Exceptional, Extraordinary Items & Tax** | | **672.11** | **26.54%** | **319.96** | **22.78%** | **233.77** | **21.34%** |
| Less/(Add): Exceptional/Extraordinary Items and Prior period items | | **-** | | **-** | | **-** | |
| **Profit/(Loss) Before Tax** | | **672.11** | **26.54%** | **319.96** | **22.78%** | **233.77** | **21.34%** |
| **Tax expense:** | | | | | | | |
| Tax Expenses for Current Year | 29 | -174.15 | **-6.88%** | -103.51 | **-7.37%** | -83.76 | **-7.65%** |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Deferred Tax Expense/(Income) | 14 | 1.59 | **0.06%** | 1.79 | **0.13%** | 2.88 | **0.26%** |
| **Profit/(Loss) after Tax for the Period** | | **499.56** | **19.73%** | **218.25** | **15.54%** | **152.89** | **13.96%** |

**Key Components of Income and Expenses**

We report on our income and expenditure in the following manner:

**Total Income:**
Our total income comprises of revenue from operations and other incomes.

**Revenue from operations:**
Revenue from operations mainly consists of revenue from sale of products which includes CNC Press Brake, Shearing Machine, CNC Punch Press, CNC/NC Rolling Machines, Accessories, CNC V- Grooving, and Others (includes revenue from ancillary services).

The following table sets forth the bifurcation of revenue (product-wise) for the fiscal years 2026, 2025 and 2024.

**(Rs in Lakhs)**

| Particulars | For the year ended March 31,2026 | For the year ended March 31, 2025 | For The year ended March 31,2024 |
|---|---|---|---|
| **Sale of Products** | | | |
| CNC Press Brake Machines | 1,848.84 | 1,142.00 | 930.65 |
| Shearing Machine | 174.05 | 8.99 | - |
| CNC Punch Press | 165.00 | 112.60 | - |
| CNC/ NC Rolling Machines | 118.40 | 15.00 | - |
| Accessories | 101.08 | 51.46 | 35.47 |
| CNC V- Grooving | 34.50 | 22.81 | 37.51 |
| Others* | 89.58 | 47.15 | 42.37 |
| **Total** | **2,531.44** | **1,400.01** | **1,046.00** |

***Notes: -***
*Others include revenue from sale of machines that do not fall under the principal product categories and revenue from ancillary services.

**Other Income:**
Other income comprises of Interest income from Fixed Deposits, Creditors written off and other miscellaneous income.

**Total Expenses:**
Total expenses consist of operating cost like the Cost of material consumed, Change in Inventories, Employee benefit expenses, Finance costs, Depreciation and Amortization Expenses and Other Expenses.

**Cost of Material Consumed:**
Cost of Material consumed expenses primarily comprise of purchase of raw material as adjusted with opening and closing stock.

**Change in Inventories:**
Changes in inventories show the statement of changes in finished goods and WIP between the opening and closing dates of a reporting period.

**Employee benefits expense:**
Employee benefit expense primarily comprises of Salaries, wages and Bonus, Director's remuneration, Gratuity, Staff welfare expenses and Contribution to PF and other funds.

**Finance Costs:**
Our finance cost includes Interest expenses and other Financial charges like loan processing fees and bank charges.

**Depreciation and Amortization Expenses:**
Depreciation includes depreciation on tangible assets such as Plant and Machinery, Building, Office Equipment, Computers, Electric Equipment, Vehicle, and Furniture. Amortization includes amortization on intangible asset such as software.

**Other Expense:**
Other Expenses includes Direct expenses like Job work expenses, Factory General expenses, And Transportation expenses and administrative expenses primarily comprising of Advertisement, Exhibition and Marketing expenses, Office expenses, Travelling and conveyance expenses, Interest on income tax, Rent expenses, Legal, Consulting and Professional fees, Repairs and maintenance, etc.

**FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026:**

**Total Income:**
Total income for the year ended March 31, 2026, stood at Rs. 2,532.27 lakhs. The total income consists of revenue from operations and other income.

**Revenue from Operations:**
During the year ended March 31, 2026, the Company reported revenue from operations of Rs. 2,531.44 lakhs, which was entirely derived from the sale of products in the domestic market. The Company's revenue was primarily driven by the sale of CNC Press Brakes, which accounted for approximately 73% of the Company's revenue from operations during the year.

**Other Income:**
During the year ended March 31, 2026, the Other Income of our Company stood at Rs. 0.83 lakhs, entirely from Interest Income on Fixed Deposits.

**Total Expenses:**
Total expenses consist of operating costs like the Cost of material consumed, Change in Inventories, Employee benefit expenses, Finance costs, Depreciation and Amortization Expenses and Other Expenses. During the year March 31, 2026 the total expenses of our Company stood at Rs. 1,860.16 lakhs.

**Cost of Material Consumed:**
During the year ended March 31, 2026, the Cost of Material Consumed stood at Rs.1,612.47 lakhs. The same primarily comprised procurement of raw materials required for the Company's manufacturing, assembling and repair of CNC Machines.

**Change in Inventories**:
During the year ended March 31, 2026, the Change in inventories stood at Rs. (323.64) lakhs.

**Employee Benefits Expense:**
During the year ended March 31, 2026, the Employee Benefit Expenses of our Company stood at Rs. 201.30 lakhs. The components of the Employee Benefits Expense includes Salaries, Wages and Bonus of Rs. 156.38 lakhs, Staff Welfare Expenses amounting to Rs. 3.21 lakhs, Director's Remuneration of Rs. 27.86 lakhs, Gratuity of Rs. 6.16 lakhs and Contribution to PF & other funds amounting to Rs. 7.70 lakhs.

**Finance Costs:**
During the year ending March 31, 2026, the finance costs of our Company stood at Rs. 44.20 lakhs. Our finance cost includes Interest expenses of Rs. 35.30 lakhs, Loan Processing fees of 8.29 lakhs and Bank charges amounting to Rs. 0.61 lakhs.

**Depreciation and Amortization Expenses:**

During the year ended March 31, 2026, the Depreciation on Property Plant & Equipment and Amortization of Intangible Assets of our company stood at Rs. 71.21 lakhs and Rs. 0.25 lakhs respectively.

**Other Expenses:**
Other expenses for the year ending March 31, 2026, were Rs. 254.37 lakhs, including Direct expenses like Job work expenses, Factory General Expenses, Transportation expenses and Administrative Expenses like Advertisement, Exhibition and Marketing expenses, Office expenses, Travelling and conveyance expenses, rent expenses, Interest on Income tax, and other indirect expenses.

**Restated Profit before tax:**
The Company reported Restated Profit Before Tax (PBT) for the year ending March 31, 2026, of Rs. 672.11 Lakhs.

**Restated profit after tax:**
The Company reported Restated Profit After Tax (PAT) for the year ending March 31, 2026, of Rs. 499.56 Lakhs.

**FINANCIAL YEAR ENDED 31st MARCH 2026 COMPARED TO FINANCIAL YEAR ENDED 31st MARCH 2025:**

**Total Income:**
The total income for FY 2025-26 stood at Rs. 2,532.27 lakhs as compared to Rs. 1,404.61 lakhs in FY 2024-25, reflecting an increase of 80.28%. The increase in Total income was primarily due to the increased Revenue from Operations generated in FY 2025-26.

**Revenue from Operations:**

In FY 2025-26, Revenue from Operations stood at Rs. 2,531.44 lakhs as compared to Rs. 1,400.01 lakhs in FY 2024-25, reflecting an aggregate increase of 80.82%. The increase was primarily due to increased sales of CNC Press Brakes (Rs. 1,848.84 lakhs in FY 2025-26 from Rs. 1,142 lakhs in FY 2024-25), Shearing Machine (Rs. 174.05 lakhs in FY 2025-26 from, Rs. 8.99 lakhs in FY 2024-25), CNC/NC Rolling Machines (Rs 118.40 lakhs in FY 2025-26, from Rs. 15 lakhs in FY 2024-25), Accessories (Rs. 101.08 lakhs in FY 2025-26 from Rs 51.46 lakhs in FY 2024-25).

**Other Income:**
Other Income for FY 2025-26 stood at Rs. 0.83 lakhs, compared to Rs. 4.60 lakhs in FY 2024–25, reflecting a total decline of 81.96%. The decrease was entirely attributable to lower Interest on Fixed deposits.

**Total Expenses:**
Total Expenses for FY 2025–26 stood at Rs. 1,860.16 lakhs, compared to Rs. 1,084.64 lakhs in FY 2024–25, reflecting a significant rise of 71.50%. Such high increase was primarily driven by increase in all the components of total expenses as explained below.

**Cost of Material Consumed:**
The cost of material consumed increased from Rs. 937.03 lakhs in FY 2024-25 to Rs. 1,612.47 lakhs in FY 2025-26 mainly due to increased purchases during the year, in line with the revenue of operations of the company.

**Change in inventories:**
The Company reported a change in inventories of Rs. (323.64) lakhs in FY 2025-26 as compared to Rs. (86.77) lakhs in FY 2024-25. The variation was primarily attributable to changes in inventory levels of Finished Goods and Work in Progress during the respective years.

**Employee Benefits Expense:**
Employee Benefits Expense for FY 2025–26 stood at Rs. 201.30 lakhs, compared to Rs. 78.11 lakhs in FY 2024–25, reflecting a significant rise of 157.72%. Such high increase was primarily attributable to the increased salaries, wages and bonus (Rs, 156.38 lakhs in FY 2025-26 from Rs. 63.96 lakhs in FY 2024-25), Director's Remuneration (Rs. 27.86 lakhs in FY 2025-26 from Rs. 9.36 lakhs in FY 2024-25), Gratuity expenses (Rs. 6.16 lakhs in FY 2025-26 from Rs. 2.28 lakhs in FY 2024-25), and Contribution to PF and other funds (Rs. 7.70 lakhs in FY 2025-26 from Rs. 1.22 lakhs in FY 2024-25).

**Finance Costs:**
Our Company has incurred Rs. 44.20 lakhs as Finance Cost during FY 2025-26 as compared to Rs. 14.43 lakhs in FY 2024-25 reflecting a significant rise of 206.33%. Such high increase was primarily due to increased Interest costs (Rs. 35.30 lakhs in FY 2025-26 from Rs. 14.12 lakhs in FY 2024-25) and Loan processing charges (Rs. 8.29 lakhs in FY 2025-26 v/s NIL in FY 2024-25).

**Depreciation and Amortization Expenses:**
Depreciation for the financial year 2025-26 stood at Rs. 71.46 lakhs as against Rs. 33.77 lakhs during FY 2024-25. The rise in depreciation was around 111.57%, mainly due to rise in additions of Property, plant and equipment. Also, amortization charges for FY 2025-26 amounted Rs. 0.25 lakhs as against Rs. 0.20 lakhs in FY 2024-25.

**Other Expenses:**
Our Company incurred Rs. 254.37 lakhs in other expenses during FY 2025-26, compared to Rs. 108.07 lakhs in FY 2024-25, showing an increase of 135.38%. This significant increase was driven primarily by rise in Job work expenses, Transportation expenses, Advertisement, Exhibition and Marketing expenses, Office expenses, Travelling and conveyance expenses, rent expenses, interest on income tax expense, and other indirect expenses.

**Restated Profit Before Tax:**
Net Profit Before Tax (PBT) for FY 2025-26 increased to Rs. 672.11 lakhs as compared to Rs. 319.96 lakhs in FY 2024-25. Consequently, the PBT margin improved from 22.78% to 26.54% of Total Income. This significant growth was primarily driven by the factors mentioned above.

**Restated Profit for the year:**
As a result of the foregoing factors, our Profit After Tax (PAT) increased from 15.54% to 19.73% of Total Income, rising from Rs. 218.25 lakhs in FY 2024–25 to Rs. 499.56 lakhs in FY 2025–26.

**FINANCIAL YEAR ENDED 31st MARCH 2025 COMPARED TO FINANCIAL YEAR ENDED 31st MARCH 2024:**

**Total Income:**
The total income for FY 2024-25 stood at Rs. 1,404.61 lakhs, compared to Rs. 1,095.41 lakhs in FY 2023-24, reflecting a growth of 28.23%. This increase was primarily driven by higher Revenue from Operations.

**Revenue for Operations:**
In FY 2024-25, Revenue from Operations increased significantly to Rs.1,400.01 lakhs from Rs. 1,046.00 lakhs in FY 2023–24, registering a growth of 33.84%. Geographically, the company only had Domestic sales which contributed the total Revenue from Operations.

**Other Income:**
Other income of the Company stood at Rs. 4.60 lakhs for FY 2024-25, as compared to Rs. 49.41 lakhs in FY 2023-24, representing a decrease of 90.69%. The decline was primarily attributable to the absence of amounts written off, which stood at Rs. 40.54 lakhs in FY 2023-24 as compared to Nil in FY 2024-25, and other miscellaneous income, which stood at Rs. 1.14 lakhs in FY 2023-24 as compared to Nil in FY 2024-25.

**Total Expenses:**
Total Expenses for FY 2024–25 stood at Rs. 1,084.64 lakhs, compared to Rs. 861.64 lakhs in FY 2023–24, registering a significant increase of 25.88%. The increase in the Total Expenses was due to material rise in cost of materials consumed (Rs. 937.03 lakhs in FY 2024-25 as compared to Rs. 666.52 lakhs in FY 2023-24), and Employee benefits expenses (Rs. 78.11 lakhs in FY 2024-25 as compared to Rs. 42.47 lakhs in FY 2023-24).

**Cost of Material Consumed:**
The cost of material consumed increased from Rs. 666.52 lakhs in FY 2023-24 to Rs. 937.03 lakhs in FY 2024-25 mainly due to a rise in purchases during the year, in line with the revenue from operations of the company.

**Change in Inventories:**

Our Company has incurred Rs. (86.77) Lakhs as Change in inventories during FY 2024-25 as compared to Rs. (57.69) Lakhs in FY 2023-24.

**Employee benefits expense:**
Our Company has incurred Rs. 78.11 lakhs as Employee benefits expense during FY 2024-25 as compared to Rs. 42.47 Lakhs on FY 2023-24. The increase was due to increase in (i) Salaries, wages and Bonus from Rs. 38.68 lakhs in FY 2023-24 to Rs. 63.96 lakhs in the FY 2024-25 and (ii) Contribution to funds such, PF from Rs. NIL in FY 2023-24 to Rs. 1.22 lakhs in FY 2024-25. (iii) Director's Remuneration from Rs. NIL in FY 2023-24 to Rs. 9.36 lakhs in FY 2024-25 and Staff welfare expenses from Rs. 0.52 lakhs in FY 2023-24 to Rs. 1.29 lakhs in FY 2024-25.

**Finance Cost:**
Our Company has incurred Rs. 14.43 lakhs as Finance Cost during FY 2024-25 as compared to Rs. 24.05 Lakhs in FY 2023-24, reflecting a total decline of 40%. The decline was primarily due to decreased interest costs (Rs. 14.12 lakhs in FY 2024-25 as compared to Rs. 23.09 lakhs in FY 2023-24), Loan processing charges (Rs. NIL in FY 2024-25 as compared to Rs. 0.23 lakhs in FY 2023-24), and Bank charges (Rs. 0.31 lakhs in FY 2024-25 as compared to Rs. 0.73 lakhs in FY 2023-24).

**Depreciation and Amortization Expenses:**
Depreciation for FY 2024-25 stood at Rs. 33.77 lakhs as against Rs. 30.86 lakhs during FY 2023-24. The increase in depreciation was of 9.43% was due to purchase of Property, plant and Equipment, and Amortization of intangible assets amounted Rs. 0.20 lakhs in FY 2024-25 as against Rs. 0.05 lakhs in FY 2023-24.

**Other Expenses:**
Our Company incurred Rs. 108.07 lakhs in Other Expenses during FY 2024-25, compared to Rs. 155.43 lakhs in FY 2023-24, a fall of 30.47%. This fall was primarily driven by decrease in Job work expenses (Rs. 66.78 lakhs in FY 2023-24 as against Rs. 37.31 lakhs in FY 2024-25), Repairs and Maintenance expenses (Rs. 25.74 lakhs in FY 2023-24 as against Rs. 13.16 lakhs in FY 2024-25), Advertisement, Exhibition and Marketing expenses (Rs. 13.37 lakhs in FY 2023-24 as against Rs. 1.42 lakhs in FY 2024-25), Tender fees (Rs. 6.09 lakhs in FY 2023-24 as against Rs. 0.49 lakhs in FY 2024-25) and other indirect expenses.

**Restated Profit before Tax:**
Net Profit Before Tax (PBT) for FY 2024-25 increased to Rs. 319.96 lakhs as compared to Rs. 233.77 lakhs in FY 2023-24, marking a increase of 36.87%. This rise was primarily driven by the factors mentioned above.

**Restated Profit for the year:**
As a result of the foregoing factors, our Profit After Tax (PAT) increased by 42.75%, rising from Rs. 152.89 lakhs in FY 2023-24 to Rs. 218.25 lakhs in FY 2024-25.

**Cash Flows and Cash and Cash Equivalents:**

**(Rs in Lakhs)**

| **Particulars** | **For the year ended March 31,** | | |
|---|---|---|---|
| | **2026** | **2025** | **2024** |
| Net cash (used)/generated from operating activities | (213.13) | 250.78 | 232.85 |
| Net cash (used)/generated from investing activities | (475.59) | (73.84) | (136.03) |
| Net cash (used)/ generated from financing activities | 520.43 | (76.74) | (54.99) |
| **Net increase / (decrease) in cash and cash equivalents at the end of the year** | **(168.29)** | **100.20** | **41.83** |
| Cash and Cash equivalents at the beginning of the year | 208.42 | 108.22 | 66.39 |
| Cash and Cash equivalents at the end of the year | **40.13** | **208.42** | **108.22** |

**Operating Activity:**

**FY 2025-26**

Our Net cash utilized in operating activities was Rs. 213.13 lakhs for FY 2025-26. While our Net Profit Before Tax was Rs. 672.11 lakhs, we had an operating profit before working capital changes of Rs. 796.03 lakhs for FY 2025-26 which was primarily due to Finance Cost of Rs. 44.20 lakhs, Depreciation of Rs. 71.46 lakhs, and Provision for Gratuity of Rs. 6.16 lakhs. Our changes in working capital for FY 2025-26 primarily consisted of an increase in trade receivables by Rs. 397.11 lakhs, increase in inventories by Rs. 514.10 lakhs, increase in Trade payables by Rs. 297.58 lakhs and decrease in Other current liabilities by Rs. 128.17 lakhs. Our net income taxes paid were Rs. 103.66 lakhs for FY 2025-26.

**FY 2024-25**

Our Net cash generated from operating activities was Rs. 250.78 lakhs for FY 2024-25. While our net Profit Before Tax was Rs. 319.96 lakhs, we had an operating profit before working capital changes of Rs. 366.15 lakhs for FY 2024-25 which was primarily due to Finance Cost of Rs. 14.43 lakhs, Depreciation of Rs. 33.77 lakhs and Provision for Gratuity of Rs. 2.28 lakhs. Our changes in working capital for FY 2024-25 primarily consisted of an increase in trade receivables by Rs. 240.56 lakhs, increase in inventories by Rs. 68.44 lakhs, increase in Trade payables by Rs. 83.49 lakhs and increase in Other current liabilities by 218.42 lakhs. Our net income taxes paid were Rs. 79.68 lakhs for FY 2024-25.

**FY 2023-24**

Our Net cash generated from operating activities was Rs. 232.85 lakhs for FY 2023-24. While our net Profit Before Tax was Rs. 233.77 lakhs, we had an operating profit before working capital changes of Rs. 244.69 lakhs for FY 2023-24 which was primarily due to Finance Cost of Rs. 24.05 lakhs, Depreciation of Rs. 30.86 lakhs, Sundry creditors written off of Rs. 40.54 lakhs and Provision for Gratuity of Rs. 3.27 lakhs. Our changes in working capital for FY 2023-24 primarily consisted of a decrease in trade receivables of Rs. 74.89 lakhs, increase in inventories by Rs. 168.00 lakhs, increase in Trade payables by Rs. 76.94 lakhs and decrease in Other current liabilities by Rs. 28.09 lakhs.

**Investing Activity:**

**FY 2025-26**
Our Net cash outflow in investing activities was Rs. 475.59 lakhs for FY 2025-26, primarily comprising of increase in payment for purchase of fixed assets of Rs. 423.46 lakhs and long-term loans and advances advanced for Rs 103.28 lakhs.

**FY 2024-25**
Our Net cash outflow in investing activities was Rs. 73.84 lakhs for FY 2024-25, primarily comprising of increase in payment for purchase of fixed assets of Rs. 57.86 lakhs.

**FY 2023-24**
Our Net cash outflow in investing activities was Rs. 136.03 lakhs for FY 2023-24, primarily comprising of increase in payment for purchase of fixed assets of Rs. 107.76 lakhs, long term loans and advances advanced for Rs. 155.64 lakhs and Sale of Non-current Asset of Rs. 119.65 lakhs.

**Financing Activity:**

**FY 2025-26**
Net cash flow generated from financing activities was Rs.520.43 lakhs for FY 2025-26, primarily comprising of Proceeds from Short-term borrowings Rs.488.16 lakhs, proceeds from long-term borrowing of Rs. 76.47 lakhs and expense related to finance cost of Rs. 44.20 Lakhs.

**FY 2024-25**

Net cash flow used in financing activities was Rs. 76.74 lakhs for FY 2024-25, primarily comprising of addition in Share capital and partner's capital of Rs. 181.10 lakhs, withdrawal of Rs. 16.48 lakhs, Repayment of Long-term borrowings of Rs. 45.97 lakhs, Repayment of Short-term borrowings of Rs. 180.96 lakhs and expenses related finance costs of 14.43 lakhs.

**FY 2023-24**

Net cash flow used in financing activities was Rs. 54.99 lakhs for FY 2023-24, primarily comprising of addition in share capital of Rs. 12.32 lakhs, withdrawal during the year amounting 273.08 lakhs, Repayment of Long-term borrowings amounting Rs. 23.28 lakhs, proceeds from short term borrowings amounting Rs. 253.10 lakhs, and expense related to finance costs amounting Rs. 24.05 lakhs.

**Details of change in the Revenue, EBITDA and PAT year on year are as below:**

***(Rs. in lakhs)***

| Particulars | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Revenue from Operations | 2,531.44 | 1,400.01 | 1,046.00 |
| % Rise in Revenue from operations year on year | 80.82% | 33.84% | 24.51% |
| EBITDA | 786.95 | 363.57 | 239.27 |
| EBITDA margin (%) | 31.09% | 25.97% | 22.87% |
| % rise/decline in EBITDA year on year | 116.45% | 51.95% | 91.76% |
| PAT | 499.56 | 218.25 | 152.89 |
| % PAT margin to revenue | 19.73% | 15.59% | 14.62% |

**Rationale for increase/ decrease in Revenue, EBITDA and PAT from F.Y 2023-24 to F.Y 2024-25 to F.Y 2025-26:**

**FY 2024-25 to FY 2025-26**

The Revenue from Operations of the Company increased from Rs. 1,400.01 lakhs in FY 2024–25 to Rs.2,531.44 lakhs in FY 2025–26, representing a increase of Rs. 1,131.43 lakhs or 80.82%. This rise was entirely attributable to higher domestic sales amounting Rs. 2,531.44 lakhs as against Rs. 1,400.01 lakhs in the previous year. The rise in revenue was also influenced by higher sales volumes and sale of machines/ products.

From a product-wise perspective, the rise in revenue was mainly driven by higher revenue from CNC Press Brake (Rs. 1,848.84 lakhs in FY 2025-26 as against 1,142.00 lakhs in FY 2024-25), Shearing Machine (Rs. 174.05 lakhs in FY 2025-26 as against 8.99 lakhs sales in FY 2024-25), CNC Punch Press (Rs.165 lakhs in FY 2025-26 as against Rs.112.60 lakhs in FY 2024-25), CNC/NC Rolling Machines (Rs 118.40 lakhs in FY 2025-26 as against Rs. 15 lakhs in FY 2024-25), Accessories (Rs. 101.08 lakhs in FY 2025-26 as against Rs. 51.46 lakhs in FY 2024-25) and sale of Other ancillary machines and ancillary services.

Profit After Tax ("PAT") increased from Rs.218.25 lakhs in FY 2024–25 to Rs. 499.56 lakhs in FY 2025–26, representing an increase of Rs. 281.31 lakhs. Consequently, the Net Profit Ratio improved from 15.59% in FY 2024–25 to 19.73% in FY 2025–26 as compared with revenue from operations. The improvement in profitability was primarily driven by better cost optimisation, lower finance costs, improved operating efficiencies and effective control over operating expenses.

Cost of material consumed as a percentage of Revenue from Operations increased from approximately 66.93% in FY 2024–25 to 63.70% in FY 2025–26. Although the Cost of Materials Consumed increased in absolute terms from Rs. 937.03 lakhs to Rs.1,612.47 lakhs in line with the higher scale of operations, the increase in Cost of material consumed as a percentage of revenue reflects improved procurement efficiency, better inventory management and a relatively favourable product mix during the year.

As a result of the improved cost structure and higher material consumption, the Company's EBITDA increased from Rs. 363.57 lakhs in FY 2024–25 to Rs. 786.95 lakhs in FY 2025–26, in line with increase in revenue. The improvement in EBITDA reflects stronger operating efficiency and better margin realisation achieved through disciplined cost management.

Employee Benefits Expense increased from Rs. 78.11 lakhs in FY 2024–25 to Rs. 201.30 lakhs in FY 2025–26 and, as a percentage of revenue, it rose consistently, reflecting continued focus on manpower productivity. Other Expenses also reduced inspite of the higher scale of operations, demonstrating effective control over administrative, selling and operating overheads. Depreciation and Amortisation Expense rose from Rs. 33.77 lakhs to Rs. 71.46 lakhs, reflecting better utilisation of the Company's asset base during the year which has improved the production capacity.

Accordingly, the improvement in the Company's EBITDA and Net Profit Ratio during FY 2025–26 was primarily driven by lower material costs as a percentage of revenue, improved operating efficiency, better cost control, reduction in finance costs and depreciation, and a favourable shift in product mix towards higher-value products.

**FY 2023-24 to FY 2024-25**

The Revenue from Operations of the Company increased from Rs. 1,046.00 lakhs in FY 2023–24 to Rs. 1,400.01 lakhs in FY 2024–25, representing an increase of Rs. 354.01 lakhs or 33.84%. This rise was entirely attributable to higher domestic sales amounting Rs. 1,400.01 lakhs as against Rs. 1046.00 lakhs in the previous year. The rise in revenue was also influenced by higher sales volumes across certain key products.

From a product-wise perspective, the rise in revenue was mainly driven by higher revenue from CNC Press Brake (Rs. 1,142.00 lakhs in FY 2024-25 as against 930.65 lakhs in FY 2023-24), Shearing Machine (Rs. 8.99 lakhs in FY 2024-25 as against NIL sales in FY 2023-24), CNC Punch Press (Rs. 112.60 lakhs in FY 2024-25 as against NIL sales in FY 2023-24), CNC/NC Rolling Machines (Rs 15.00 lakhs in FY 2024-25 as against NIL in FY 2023-24), Accessories (Rs. 51.46 lakhs in FY 2024-25 as against Rs. 35.47 lakhs in FY 2023-24) and sale of other machines and ancillary services related to machines.

Profit After Tax ("PAT") increased from Rs.152.89 lakhs in FY 2023–24 to Rs.218.25 lakhs in FY 2024–25, representing an increase of Rs.65.36 lakhs. Consequently, the Net Profit Ratio improved from 14.62% in FY 2023–24 to 15.59% in FY 2024–25 as compared to revenue from operations. The improvement in profitability was primarily driven by better cost optimisation, lower finance costs, improved operating efficiencies and effective control over operating expenses.

Cost of material consumed as a percentage of Revenue from Operations increased from approximately 63.72% in FY 2023–24 to 66.93% in FY 2024–25. Although the Cost of Materials Consumed increased in absolute terms from Rs. 666.52 lakhs to Rs. 937.03 lakhs in line with the higher scale of operations, the increase in Cost of material consumed as a percentage of revenue reflects improved procurement efficiency, better inventory management and a relatively favourable product mix during the year.

As a result of the improved cost structure and higher material consumption, the Company's EBITDA increased from Rs. 239.27 lakhs in FY 2023–24 to Rs. 363.57 lakhs in FY 2024–25, in line with increase in revenue. The improvement in EBITDA reflects stronger operating efficiency and better margin realisation achieved through disciplined cost management.

The Company also benefited from improved operating leverage during FY 2024–25. Employee Benefits Expense increased from Rs. 42.47 lakhs in FY 2023–24 to Rs. 78.11 lakhs in FY 2024–25 and, as a percentage of revenue, it rose consistently, reflecting continued focus on manpower productivity. Other Expenses also reduced inspite of the higher scale of operations, demonstrating effective control over administrative, selling and operating overheads.

Finance Costs declined significantly from Rs. 24.05 lakhs in FY 2023–24 to Rs. 14.43 lakhs in FY 2024–25 due to lower borrowing levels and improved working capital management. Depreciation and Amortisation Expense rose from Rs. 30.86 lakhs to Rs. 33.77 lakhs, reflecting better utilisation of the Company's asset base during the year.

Accordingly, the improvement in the Company's EBITDA and Net Profit Ratio during FY 2024–25 was primarily driven by lower material costs as a percentage of revenue, improved operating efficiency, better cost control, reduction in finance costs and depreciation, and a favourable shift in product mix towards higher-value products.

**Year-on-Year Analysis of Cost of Material Consumed in relation to Revenue from Operations:**

**(Rs. in lakhs)**

| Particulars | FY 2025-26 | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Cost of Material Consumed(a) | 1,612.47 | 937.03 | 666.52 |
| Change in Inventories (b) | -323.64 | -86.77 | -57.69 |
| Total Cost (a+ b) | 1,288.83 | 850.26 | 608.83 |
| Revenue from Operations | 2,531.44 | 1,400.01 | 1,046.00 |
| Cost as a % of Revenue from Operations | 50.91% | 60.73% | 58.21% |

Rationale for changes in Cost of Goods as a percentage of Revenue from Operations from FY 2023-24 to FY 2024-25 to FY 2025-26:

- The total cost of materials consumed, including changes in inventories, amount increased from Rs. 608.83 lakhs in FY 2023–24 to Rs. 850.26 lakhs in FY 2024–25, in line with the higher scale of operations. Consequently, cost increased as a percentage of Revenue from Operations from 58.21% to 60.73%, reflecting improved procurement efficiency, better inventory management and a favorable product mix during the year.

- The total cost of materials consumed, including changes in inventories, increased from Rs. 850.26 lakhs in FY 2024–25 to Rs. 1288.83 lakhs in FY 2025–26, primarily due to the significant increase in business volumes. Cost as a percentage of Revenue from Operations decreased from 60.73% to 50.91%, reflecting improved procurement efficiency, better inventory management and a favorable product mix during the year.

**Discussion on Balance Sheet Items**

**Long / Short term borrowings:**

Our borrowings comprise of secured and unsecured borrowings from banks and non-banking financial institutions. As at March 31, 2026, the company's net long term borrowings (after current maturities) stood at Rs. 76.47 lakhs compared to Nil in FY 2024-25 and Rs. 29.89 lakhs in FY2023-24. The reduction was primarily attributable to the scheduled repayment of term loans and the reclassification of current maturities of long-term borrowings to short-term borrowings as they became due.

The Company's short-term borrowings comprise secured and unsecured loans. Secured borrowings stood at Rs. 601.66 lakhs as at March 31, 2026, compared to Rs. 117.72 lakhs as at March 31, 2025 and Rs. 217.54 lakhs as at March 31, 2024. The increase in secured borrowings during FY 2025-26 was primarily attributable to an increase in working capital facilities from banks, which increased from Rs. 87.82 lakhs as at March 31, 2025 to Rs. 565.90 lakhs as at March 31, 2026. Current maturities of long-term borrowings stood at Rs. 35.77 lakhs, Rs. 29.89 lakhs and Rs. 46.39 lakhs as at March 31, 2026, 2025 and 2024, respectively. Unsecured borrowings stood at Rs. 142.08 lakhs as at March 31, 2026, compared to Rs. 137.87 lakhs as at March 31, 2025 and Rs. 219.01 lakhs as at March 31, 2024, comprising primarily loans from Directors/Partners and other parties.

**Trade Receivables:**

Trade Receivables increased from Rs. 70.12 lakhs in FY 2023-24, to Rs. 310.38 lakhs in FY 2024-25, primarily due to higher sales during FY 2024–25, in the domestic markets, which resulted in a larger outstanding receivables balance at the year-end. Subsequently, trade receivables rose to Rs.707.49 lakhs in FY 2025-26, mainly on account of higher revenue from operations during the year resulting in higher outstanding balances from customers in the normal course of business as at the year end. The Company continues to monitor its receivables closely and maintains adequate provisions for doubtful debts wherever considered necessary, reflecting its prudent credit risk management practices.

**Trade Payables:**

Trade Payables increased from Rs. 340.83 lakhs in FY 2023-24, to Rs. 424.32 lakhs in FY 2024-25 to 721.90 lakhs in FY 2025-26, primarily due to increase in purchases of raw materials and other inputs in line with the growth in the Company's scale of operations. The higher level of trade payables as at FY 2025-26 amounting to Rs. 721.90 lakhs also reflects the timing of purchases and the corresponding credit terms extended by suppliers as at the reporting date.

Overall, the increase in trade payables was in line with the Company's increased procurement requirements during the period.

**Inventories:**

Inventories increased from Rs. 315.55 lakhs in FY 2023-24 to Rs. 384.00 lakhs in FY 2024-25, representing a growth of 21.69%, primarily due to an increase in inventory of finished goods and work-in-progress during the period in line with the company's production and sale requirement. Subsequently, inventories increased significantly to Rs. 898.10 lakhs as at FY 2025-26, representing a growth of 133.88%, primarily attributable to the substantial increase in sales and the corresponding increase in raw material and finished goods requirements during the period.

**Loans and Advances:**

Long-term loans and advances stood at Rs. 276.03 lakhs in FY 2025-26, as compared to Rs. 172.75 lakhs in FY 2024-25 and FY 2023-24. The increase during FY 2025-26 was entirely attributable to an increase in advances for capital assets, reflecting the Company's investment in and procurement of capital assets to support its expanding business operations.

Short-term loans and advances increased from Rs. 26.20 lakhs in FY 2023-24 to Rs. 82.57 lakhs in FY 2024-25, and further to Rs. 242.76 lakhs in FY 2025-26, entirely due to an increase in advances to suppliers. The increase was primarily attributable to the growth in procurement requirements in line with the Company's expanding scale of operations and business volumes.

**Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions:**

There have not been any unusual events or transactions on account of our business activity.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations:**

Other than as described in the section titled "Risk Factors" beginning on page 22of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations:**

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 22 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in the relationship between costs and revenues:**

Other than as described in the sections **"Risk Factors", "Our Business"** and **"Management's Discussion and Analysis of Financial Condition and Results of Operations"** on pages 22, 131 and 234 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. Segment Reporting:**

Our company operates in a single segment, i.e. manufacture and assembly of CNC Machines.

**6. Status of any publicly announced New Products or Business Segment:**

Our Company has not announced any new product or service during the last three financial years, i.e FY 2025-26, 2024-25 and 2023-24 except as disclosed under Business Chapter.

**7. Seasonality of business:**

Our business is not subject to seasonality. For further information, see "Industry Overview" and "Our Business" on pages 110 and 131 respectively.

**8. Dependence on single or few customers:**

Substantial portion of our revenue has been dependent upon few customers with which we do not have any firm commitments. For details, please refer to risk factor "Substantial portion of our revenue has been dependent upon few customers with which we do not have any firm commitments. The loss of any one or more of our major customers would have a material adverse effect on our business, cash flows, results of operations and financial conditions" on page 23 of this DRHP.

**9. Competitive conditions**:

Competitive conditions are as described under the Chapter "Our Business – Competition" beginning on page 143 of this Draft Red Herring Prospectus.

**10. Details of material developments after the date of last balance sheet i.e., March 31, 2026:**

1. After the date of last Balance sheet i.e., 31st March 2026, the following material events occurred after the last audited period. The authorised share capital was increased from ₹151.00 lakh, comprising 15,10,000 Equity Shares of ₹10 each, to ₹1,200.00 lakh, comprising 1,20,00,000 Equity Shares of ₹10 each, on June 15, 2026.

2. Pursuant to the requisite corporate approvals, 45,01,869 Equity Shares were allotted as bonus shares on September 17, 2026, in the ratio of 3:1, i.e., three Bonus Equity Shares for every one Equity Share held.

3. The Company passed a Board Resolution on 31.08.2026 and obtained Shareholders' Resolution on 16.09.2026 for the proposed IPO and listing of its equity shares on the BSE SME platform.

## CAPITALISATION STATEMENT

## CAPITALISATION STATEMENT AS AT MARCH 31, 2026

*(Amount in Lakhs)*

| Particular | Pre Issue | Post Issue |
|---|---|---|
| **Borrowings** | | |
| i. Long Term Debt (A) | 112.24 | * |
| ii. Short Term Debt (B) | 707.97 | * |
| **Total debts (A+B)** | **820.21** | * |
| | | |
| **Shareholders' funds** | | |
| i. Equity share capital | 150.06 | * |
| ii. Reserve and surplus - as restated | 717.81 | * |
| | | |
| **Total shareholders' funds** | **867.87** | * |
| **Long term debt / Shareholders funds** | **0.13** | * |
| **Total debt / Shareholders funds** | **0.95** | * |

* The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

1. Short term Debts represent which are expected to be paid/payable within 12 months and Excludes instalments of term loans repayable in within 12 months.
2. Long term Debts represent debts other than Short-term Debts as defined above.

## SECTION VI – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no:(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoter in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.*

*Our Board, in its meeting held on July 20, 2026, determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation ("Material Litigation") if the aggregate amount involved in such individual litigation exceeds 1.00% of profit after tax of the Company, as per the last restated financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputation of the Company. Further, as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, other pending litigations shall also be classified as material based on the lower of the threshold criteria mentioned below –*

i. *As per the policy of materiality defined by the board of directors of the issuer and disclosed in the offer document; or*
ii. *Litigation where the value or expected impact in terms of value exceeds the lower of the following:*

a) *two percent of turnover, as per the latest annual restated financial statements of the issuer; or*
b) *two percent of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or*
c) *five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.*

*Accordingly, other pending litigations involving the Company, Directors and Promoters, which meet the abovementioned thresholds, have also been considered while determining material litigations.*
*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding dues to any one of them exceed 5.00% of the Company's trade payables as per the last restated financial statements.*

### A. LITIGATION INVOLVING THE COMPANY

#### (a) Criminal proceedings against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Company.

#### (b) Criminal proceedings filed by the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Company.

#### (c) Actions by statutory and regulatory authorities against the Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory and regulatory authorities against the Company.

#### (d) Tax Proceedings

**(i) Direct Tax: -**

**Income Tax: -**NIL

**TDS: -**

Our Company was incorporated upon conversion of the partnership firm "Weldor CNC Machines" ("Erstwhile Partnership Firm") under Part I of Chapter XXI of the Companies Act, 2013. The income tax and TRACES credentials of the Erstwhile Partnership Firm (PAN: AACFW1825D) have not yet been closed, and TDS defaults aggregating ₹0.04 Lakhs are reflected on the TRACES portal, comprising ₹0.03 Lakhs for FY 2023-24 (being interest on payments default under Section 201 of ₹0.03 Lakhs and late filing fee under Section 234E of ₹0.002 Lakhs) and ₹0.003 Lakhs for prior years (being interest on payments default under Section 201 of ₹0.002 Lakhs and interest under Section 220(2) of ₹0.001 Lakhs).

**(ii) Indirect Tax:**

**GST: -** NIL

**(e) Other pending material litigations against the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigations against the Company.

**(f) Other pending material litigations filed by the Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding material litigations filed by the Company.

**B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY**

**(a) Criminal proceedings against the Promoters & Directors of the Company.**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings against the Promoters & Directors of the Company.

**(b) Criminal proceedings filed by the Promoters & Directors of the Company.**

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

**(c) Actions by statutory and regulatory authorities against the Promoters & Directors of the Company.**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Promoters and Directors.

**(d) Tax Proceedings:**

**(i) Direct Tax**

**Income Tax:** NIL

**TDS:** NIL

**(ii) Indirect Tax**

**GST:** NIL

**(e) Other pending material litigations involving the Promoters & Directors of the Company.**

As on the date of this Draft Red Herring Prospectus, there are no pending material litigations involving the Promoters and Directors.

**(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action.**

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor have any penalties been imposed in the last five years.

## C. LITIGATIONS INVOLVING OUR GROUP COMPANIES WHICH HAVE A MATERIAL IMPACT ON OUR COMPANY

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigations, proceedings or claims involving our Group Companies that may have a material adverse impact on our Company.

## D. ACTIONS BY STATUTORY AND REGULATORY AUTHORITIES AGAINST THE KEY MANAGERIAL PERSONNEL("KMP") (OTHER THAN DIRECTORS AS COVERED ABOVE) AND SENIOR MANAGEMENT PERSONNEL("SMP")

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against KMPs or SMPs of the Company.

## E. CRIMINAL PROCEEDINGS INVOLVING KEY MANAGERIAL PERSONNEL ("KMP") AND SENIOR MANAGEMENT PERSONNEL ("SMP")

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings involving KMPs or SMPs of the Company.

## F. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

Our Board of Directors, pursuant to a resolution, has approved the materiality policy for the identification of material creditors. In terms of the said policy, dues owed by our Company to any individual creditor exceeding 5.00% of the Company's total trade payables as per the last restated financial statements are considered 'material' dues for the Company.

Accordingly, the Company considers dues exceeding 5% of the Company's trade payables as per the last Restated Financial Statements as material dues to other creditors. Accordingly, based on total trade payables of Rs. 721.90 Lakhs, dues exceeding Rs. 36.10 Lakhs (being 5% of trade payables) have been considered material. The aggregate amount of such material dues to other creditors is Rs. 493.13 Lakhs

The table below sets forth a summary of the outstanding dues to our trade creditors as of March 31, 2026:

**Summary of Outstanding Dues to Creditors:**

| Category of Creditors | Number of Creditors | Amount Outstanding (in ₹ Lakhs) |
|---|---|---|
| Dues to Material Creditors (A) | 6 | 493.13 |
| Dues to Micro, Small and Medium Enterprises (MSMEs) (B) | - | - |
| Dues to Other / Small Trade Creditors (C) | 89 | 228.77 |
| **Total Trade Payables (A +B+ C)** | **95** | **721.90** |

**As certified by Sunit M Chhatbar & Co., Chartered Accountants, Statutory Auditors of our Company, vide certificate dated September 24, 2026.*

## MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:

Except as disclosed in the Chapter titled ***"Management's Discussion & Analysis of Financial Conditions & Results of Operations"*** beginning on page no. 234 of this Draft Red Herring Prospectus, there have been no material developments that have occurred after the last Balance Sheet date.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Offer or continue our business activities, and except as disclosed under 'Applications Made by Our Company but Pending Approval' and 'Material Licenses / Approvals for which the Company is Yet to Apply', our Company has obtained material approvals required for its present business.*

*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 obtained in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies do not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association of our Company and the objects incidental thereto enable our Company to carry out its activities.*

*The Company has obtained the following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.*

### Approvals In Relation to Our Company's Incorporation

1. Certificate of Incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre, under the Companies Act, 2013, in the name of the Company, "Weldor CNC Machines Limited".

### Approvals for the Issue

***Corporate Approvals:***

1. Our Board, pursuant to resolutions passed at its meeting held on August 31, 2026 authorized the Issue, subject to the approval by the shareholder of our Company under Section 62(1) (c) of the Companies Act, 2013.

2. Our shareholders have, pursuant to a resolution dated September 16, 2026, under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

3. Our Board of Directors has, pursuant to a resolution dated September 30, 2026 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, respectively, with the SME Platform of BSE Limited.

***Approvals from Stock Exchange:***

Our Company has received in- principal listing approval from the [●] dated [●] for listing of Equity Shares issued pursuant to the Issue.

***Agreements with NSDL and CDSL:***

1. The Company has entered into a tripartite agreement dated March 05, 2026 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.

2. The Company has entered into an agreement dated March 10, 2025, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.

3. The International Securities Identification Number (ISIN) of our Company is INE1R3T01012.

**APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

**A. TAX RELATED APPROVALS**

| S.no | Description | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Permanent Account Number (PAN) | AADCW9864G | Income Tax Department, Government of India | December 13, 2024 | Valid till Cancelled |
| **2.** | Tax Deduction and Collection Account Number (TAN) | RKTW00738D | Income Tax Department, Government of India | September 17, 2026 | Valid till Cancelled |
| 3. | Certificate of Registration under Goods and Services Tax (GST)<br><br>(Gujarat) | 24AADCW9864G1ZX | State Tax Officer, Ghatak 92 (Rajkot)<br><br>Department Of Gujarat State Tax | Date of Issue: September 02, 2026<br><br>& Validity From:<br><br>December 13, 2024 | Valid till Cancelled |
| 4. | Certificate of Enrolment under Section 5 of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 (P.T.E.C) | 0906351030 | Professional Tax Officer, Veraval (Shapar) Gram Panchayat | May 02, 2025 | Valid till Cancelled |
| 5. | Certificate of Registration under Section 5(1) of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 (P.T.R.C) | 0906351030 | Professional Tax Officer, Veraval (Shapar) Gram Panchayat | May 02, 2025 | Valid till Cancelled |

**B. BUSINESS RELATED APPROVALS:**

| S.no | Description | Licence/Registration Number | Issuing Authority | Date of Issue / Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|

| | | | | | |
|---|---|---|---|---|---|
| 1. | Importer-Exporter Code (IEC) | AADCW9864G | Directorate General of Foreign Trade, Ministry of Commerce and Industry | March 06, 2025<br><br>Modification Date:<br>September 16, 2026 | Valid until Cancelled |
| 2. | Udyam Registration Certificate | UDYAM-GJ-20-0219902 | Ministry of Micro, Small and Medium Enterprises, Government of India | January 30, 2025 | Valid Until Cancelled |
| 3. | Legal Entity Identifier (LEI) Certificate | 3358009H7L6FHTJILI68 | LEI Register India Limited | September 01, 2025 | September 20, 2027 |
| ***Approvals for Manufacturing Unit-I situated at Plot no.6/B & 6/A, Revenue Survey No. 240p of village Veraval (shaper), Taluka Kotda Shangani, District-Rajkot-360024, Gujarat, India.*** | | | | | |
| 4. | Factory License* | 2657/25920/2016 | Joint Director,<br>Industrial Safety and Health, Rajkot | Date of issuance: June 09, 2025<br><br>Plan approved dated: July 26, 2016 | December 31, 2029 |
| 5. | Stability Certificate | - | Registered Structural Engineer | July 20, 2026 | Valid Until Cancelled |
| 6. | Intimation under White Category | - | Gujarat Pollution Control Board | September 25, 2026 | Valid Until Cancelled |

**Note: Please note that the Company was incorporated pursuant to the conversion of the erstwhile partnership firm, Weldor CNC Machines, into a Company. The erstwhile partnership firm held a valid factory licence since August 24, 2016.*

**C. LABOUR RELATED APPROVALS***

| Sr. No | Description | Registration number | Authority | Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Registration under Employees Provident Fund | GJRAJ3447510000 | Employees Provident Fund Organisation | December 13, 2024 | Valid until cancelled |

| | | | | | |
|---|---|---|---|---|---|
| 2. | Labour Welfare Fund | Organisation Account Number: RAJ/0012708 | Gujarat Labour Welfare Board | Receipt Date: August 24, 2026 | Valid Until Cancelled |
| 3, | LIN | 1624823464 | Ministry of Labour and Employment, Government of India | Verified from Shram Suvidha Portal | Valid until cancelled |
| 4. | LIN | 1712534361 | Ministry of Labour and Employment, Government of India | Verified from Shram Suvidha Portal | Valid until cancelled |

**The Employees State Insurance Corporation (ESIC) is not applicable to the Company, as the Company does not fall within the implemented area of the ESIC Gujarat Regional Office.*

**PROVIDENT FUND ("PF")**

**Details of PF Registration and Contributions of our Company:**

| Particulars | Number of Employees |
|---|---|
| Total no. of Employees in the Company as on March 31, 2026 | 40 |
| Total no. of Employees eligible to be registered under PF as on March 31, 2026 | 40 |
| Total no. of Employees registered under PF as on March 31, 2026 | 40 |

***(₹ in lakhs)***

| PF Details | F.Y. 2023-24 | F.Y. 2024- 25 | F.Y. 2025- 26 |
|---|---|---|---|
| Employer's Share of Contribution | NA | 1.11 | 6.95 |
| Employee's Share of Contribution | NA | 1.02 | 6.42 |
| **Total Contribution** | **NA** | **2.13** | **13.37** |

**D. QUALITY CERTIFICATIONS**

| Sr. No | Description | Certificate Number | Authority | Date of Issue | Date of Expiry |
|---|---|---|---|---|---|
| 1. | ISO 9001:2015 Certificate for manufacture of CNC press brakes and types, hybrid press brakes | 26RN02GZ | Royal Impact Certification Limited | February 23, 2026 | February 22, 2029 |

| | | | | | |
|---|---|---|---|---|---|
| | (HBD) model, premium series press break, MS series press brake, plate rolling machine, section bending machine, panel bander, NC & CNC shearing machines. | | | | |
| 2. | Machinery Directive 2006/42/EC for manufacture of CNC press brakes and types, hybrid press brake (HBD) model, premium series press brake, MS series press brake, S series press brake, plate rolling machine, section bending machine, panel bander, NC & CNC shearing machine. | QSA-2509015 | QSA International Limited | September 26, 2025 | September 25, 2028 |

## E. APPROVALS OBTAINED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS (IPR)

As on the date of this Draft Red Herring Prospectus, the Company does not have any registered trademarks in its name.

## F. APPLICATIONS MADE IN RELATION TO INTELLECTUAL PROPERTY RIGHTS (IPR)

| S.no. | Brand Name/Logo Trademark | Class | Type | Application Number and date | Issuing Authority | Current Status |
|---|---|---|---|---|---|---|
| 1. | WCM WELDOR CNC MACHINES LTD | 35 | Device | 7756068<br>May 29, 2026 | Registrar of Trademark | Ready for Examination |
| 2. | WCM WELDOR CNC MACHINES LTD<br>WCM WITH WELDOR CNC MACHINES LTD | 07 | Device | 7756067<br>May 29, 2026 | Registrar of Trademark | Ready for Examination |

## G. APPROVALS IN RESPECT OF THE ISSUE

| S.no | Description | Licence/Registration Number | Issuing Authority | Date of Issue / Date of Certificate | Date of Expiry |
|---|---|---|---|---|---|
| 1. | Intimation under White Category* | - | Gujarat Pollution Control Board | September 25, 2026 | Valid Until Cancelled |

**The Company has intimated the Gujarat Pollution Control Board pertaining to the set-up of the proposed manufacturing unit located at No. 240P, Veraval (Shapar), Kotda Sangani, Rajkot – 360024, Gujarat.*

Note: Our Company shall make the relevant applications in the ordinary course, at the appropriate stage of establishment and prior to commencement of operations of the aforesaid proposed manufacturing unit. For further details, please refer to section "*Objects of the Issue*" on page 87 of this Draft Red Herring Prospectus.

## H. APPLICATIONS MADE BY OUR COMPANY BUT PENDING APPROVAL

1. Our Company has filed an application dated August 08, 2026, bearing application number IND/GJ/2026/11461 with the Central Ground Water Authority, Department of Water Resources, River Development and Ganga Rejuvenation, seeking a No Objection Certificate (NOC) for groundwater abstraction for its operations. The said application is currently pending.

2. Our Company has filed an application dated August 12, 2026, bearing application number 10001539715, with the Gondal Municipality, seeking a Fire NOC Certificate for the Manufacturing Unit-I. The said application is pending.

3. Our Company has submitted an application dated September 23, 2026, with the Industrial Safety and Health Department, Rajkot, seeking an amendment in the address for the Manufacturing Unit-I located at S.R. No. 240 P, Plot No. 6, Sub Plot No. 6/A & 6/B, Village Veraval (Shapar), Taluka Kotda Sangani, District Rajkot-360024, Gujarat, India. The said application is currently pending.

4. Our Company has submitted an application dated August 27, 2026, to the Regional Provident Fund Commissioner, Rajkot, seeking rectification of the ownership type from "Private Limited Company" to "Limited Company" as erroneously mentioned in the PF Code allotment letter bearing Code No. GJRAJ3447510000. The said application is currently pending.

5. Our Company has submitted an application dated September 21, 2026 to the Regional Provident Fund Commissioner, Rajkot, for the updation of address to Plot No. 6/A & 6/B, Revenue Survey No. 240P of Village Veraval (Shapar), Taluka Kotda Shangani, District Rajkot-360024, Gujarat, India. The said application is currently pending.

6. Our Company has submitted Form TM-M dated September 15, 2026 with the Registrar of Trademarks, seeking correction of the applicant's registered address under Rule 37 of the Trade Marks Rules, 2017, in respect of Trademark Application No. 7756068 (Class 35) and 7756067 (Class 7), to read as Plot No. 6/A & 6/B, Revenue Survey No. 240P of village Veraval (Shaper), Taluka Kotda Shangani, District-Rajkot-360024, Gujarat, India. The said application is currently pending.

7. Our Company has submitted an application dated September 21, 2026, to the Labour Welfare Department for rectification of the name of our Company, which was inadvertently mentioned in the receipt as "Weldor CNC Machine Limited" instead of "Weldor CNC Machines Limited". The said application is currently pending.

## I. MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

NIL

## OUR GROUP COMPANIES

As per the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Companies, our Company has considered those companies as our Group Companies with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and stub period (if any) and others as considered material by our Board. Further, pursuant to a resolution of our Board dated July 20, 2026 for the purpose of disclosure in relation to Group Companies in connection with the Issue, a company shall be considered material and disclosed as Group Company if such company fulfils the below mentioned conditions:

a. The companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements ("Restated Financial Statements"); or

b. If such company fulfils both the below mentioned conditions: -

i. Such company that forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations; and

ii. Our Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the company as per Restated Financial Statements.

Except as stated below, there are no other companies falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company

1. Weldor Engineering Pvt Ltd (WEPL)

**Details of our Group Company:**

### 1. Weldor Engineering Pvt Ltd (WEPL)

Weldor Engineering Pvt Ltd ("WEPL") was incorporated on February 26, 1990 under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Ahmedabad.

**Its details are as follows:**

| | |
|---|---|
| **CIN** | U28999GJ1990PTC013440 |
| **PAN** | AAACW1904A |
| **Registered Office** | Survey No. 240, Plot No. 01, Behind Gram Swaraj Mandal, N.H.-27, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India. |

**Nature of Business**

Current Business Activities: Weldor Engineering Private Limited ("WEPL") is engaged in operations relating to mechanical press brakes, hydraulic press brakes, mechanical and hydraulic shearing machines, power presses and iron works, CNC machines.

The main objects of WEPL are to carry on the business of the manufacturers, processors, refiners, smelters, makers, converters, fabricators, repairers, finishers, forgers, importers, exporters, agents, buyers, sellers, and dealers in all kind of machineries, plants, equipments, machine tools, sheet metal machineries, sheet metal forming sections and other tools, parts and accessories for engineering industry and to undertake steel fabrication jobs.

**Capital Structure**

As on the date of this Draft Red Herring Prospectus, the authorised share capital of WEPL is ₹ 20,00,000 divided into

20,000 equity shares of ₹ 100 each and its issued, subscribed and paid-up share capital is ₹ 20,00,000 divided into 20,000 equity shares of ₹100 each.

**Financial Information**

In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements of our group company are available on the website of our company at https://weldorcncmachines.com/

It is clarified that such details available on our Group Companies' websites do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Group Companies' website, as mentioned above, would be doing so at their own risk.

**Other Confirmations:**

a) Our Group Company is not listed on any stock exchange, nor has our Group Company made any public and/or rights issue of securities in the preceding three years.
b) The above-mentioned Group Company is not in default in meeting any statutory, bank or institutional dues, and no proceedings have been initiated against our Group Company for any economic offence.
c) The above-mentioned Group Company is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 and is not subject to any winding-up or insolvency proceedings.
d) Our Group Company has not been debarred from accessing the capital market by SEBI or any other regulatory authority.

**Common pursuits**

Weldor Engineering Pvt Ltd has objects similar to those of our Company as stated in its Memorandum of Association. Accordingly, the possibility of overlap in the business activities and business opportunities of WEPL and our Company cannot be ruled out. Our Company and our Promoters shall endeavour to ensure that the respective business activities are undertaken independently and will use their best efforts to avoid any material conflict of interest or overlap in business opportunities between WEPL and our Company. For further details, please refer to the "***Risk factor"*** titled "*Our Group Company and certain Promoter Group entities are engaged in businesses similar to those undertaken by our Company, which may give rise to potential conflicts of interest.*" on page 28 of this Draft Red Herring Prospectus.

**Nature and extent of interest of our Group Company**

**a) Interest in the promotion of our Company**

Our Group Company does not have any interest in the promotion of our Company.

**b) Interest in the property acquired or proposed to be acquired by the Company**

Our Group Company does not have any interest in any property acquired by our Company during the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

**c) Interest in transactions for acquisition of land, construction of building, or supply of machinery**

Our Group Company is not interested, directly or indirectly, in any transaction relating to the acquisition of land, construction of buildings or supply of machinery to our Company.

**Related business transactions and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section ***"Financial Information –Related Party Transactions",*** there are no related business transactions between the Group Company and our Company.

**Business interest of our Group Company in our Company**

Except as disclosed in the section ***"Financial Information –Related Party Transaction,*** our Group Company have no business interests in our Company.

**Litigations**

Except as disclosed in the section ***"Outstanding Litigations and Material Developments,*** beginning on page 256 our Group Company does not have any pending litigation which can have a material impact on our Company.

**Undertaking / Confirmations by our Group Company**

None of our Promoters or Promoter Group or Group Company or person 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, person in control of our Company 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 a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities with which they are or were connected 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 regards to the Group companies, are also available on the website of our company i.e. https://weldorcncmachines.com/*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

**Authority for the Issue**

**Corporate Approvals:**

The Board of Directors, pursuant to a resolution passed at their meeting held on August 31, 2026, authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at Annual General Meeting held on September 16, 2026, authorized the Issue.

**In-principle Approval:**

Our Company has obtained in-principle approval from the BSE SME (SME Platform) for using its name in the Issue Documents pursuant to an approval letter dated [●], BSE is the Designated Stock Exchange.

**Prohibition by SEBI, RBI or governmental authorities**

As on date of this Draft Red Herring Prospectus, we confirm that our Company, our Promoters, our Promoter Group, our directors, person(s) in control of the promoter, our Group Companies or the natural person(s) in control of our 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 the Board or any securities market regulator in any other jurisdiction or any other authority/court.

The companies, with which our directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

None of our Directors or the entities that our directors are associated with as promoter or directors is in any manner associated with the securities market and there has been no action taken by the SEBI against our Directors or any entity in which our Directors are associated with as promoter or directors.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

**Prohibition with respect to wilful defaulter or a fraudulent borrower**

Neither our Company, our Promoter, our Directors, Group Companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulter or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

**Prohibition by RBI**

Neither our Company nor any of our Promoters or Directors has been declared as willful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

**Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Red Herring Prospectus.

**Eligibility for the Issue**

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital does not exceed Rs. 10 crore rupees and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange [in this case being the "SME Platform of BSE (BSE SME)"].

**We confirm that:**

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the BRLM 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 70 of this Draft Red Herring Prospectus.

2. 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. If such money is not repaid within Four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of Four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act, 2013.

3. In terms of Regulation 246(3) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate Form A of Schedule V to which the site visit report of the issuer prepared by the lead manager(s) shall also be annexed including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus.

4. 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 SME Platform of BSE (BSE SME). For further details of the arrangement of market making please refer to section titled ***"General Information- Details of the Market Making Arrangements for this Issue"*** beginning on page 71 of this Draft Red Herring Prospectus.

5. In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.

6. In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.

7. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to SME Platform of BSE (BSE SME).

8. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

9. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.

10. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

11. Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated March 05, 2026 and National Securities Depository Limited (NSDL) dated March 10, 2025 for establishing connectivity.

12. Our Company has a website i.e. https://weldorcncmachines.com/

13. In cases where there is a complete change of promoter of the Company 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**

14. No regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

15. The Promoter(s) or directors shall not be promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE:-

1) Our Company was originally constituted as a partnership firm under the Partnership Act, 1932, in the name and style of "Weldor CNC Machines", pursuant to a deed of partnership dated December 01, 2015. Thereafter, pursuant to an amended partnership deed dated October 1, 2024, the partnership firm was reconstituted upon the admission of new partners. Subsequently, the partnership firm was converted into a public limited company under Part I of Chapter XXI of the Companies Act, 2013, and was incorporated in the name of "Weldor CNC Machines Limited" pursuant to a certificate of incorporation dated December 13, 2024, issued by the Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U28229GJ2024PLC157041.

2) The present paid-up capital of our Company is ₹ 6.00 Crores, and we are proposing issue of up to 23,30,000 Equity Shares of Face Value of ₹ 10 each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. The post issue paid up capital of the company will be up to 83,32,492 shares of face value of ₹ 10 aggregating up to ₹ 8.33 Crores which is less than ₹ 25 Crores.

3) Our Company, together with the erstwhile partnership firm, "Weldor CNC Machines" has a track record of at least 3 years for the year ended March 31, 2026, March 31, 2025, and March 31, 2024, as on the date of filling Draft Red Herring Prospectus.

   Based on the Restated Financial Statements, Company's Net Tangible Assets for the financial year ended March 31, 2026, March 31, 2025, were more than Rs. 3 Crores and the working is given below:

***(Rs. in lakhs)***

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Net Worth | 867.87 | 368.31 |
| Less: Intangible Assets | (2.30) | (0.24) |
| **Net Tangible Assets** | **865.57** | **368.07** |

4) The company confirms that it has made operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth as on March 31, 2026, is positive.

***(Rs. in Lakhs)***

| Particulars | March 31, 2026 | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| Net Worth | 867.87 | 368.31 | 1.52 |
| EBITD | 786.70 | 363.37 | 239.23 |

**EBITD is calculated as Profit before tax + Depreciation + finance Cost - Other Incomes, as these are directly attributable to financing arrangements and form part of finance costs in accordance with Schedule III of the Companies Act, 2013 and the Guidance Note issued by the ICAI.)*

5) The Leverage ratio (Total Debts to Equity) of the Company which is less than the limit of 3:1. The working is given below:-

***(Rs. in lakhs)***

| Particulars | March 31, 2026 |
|---|---|
| Debt (ST+LT) | 820.21 |
| Net worth | 867.87 |
| **Leverage Ratio** | **0.95** |

6) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter, Group Companies, companies promoted by the promoter of the Company;

7) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR);

8) Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.

9) None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.

10) There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.

11) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company

12) The directors of the issuer are not associated with the securities market in any manner and there is no outstanding action against them initiated by the Board in the past five years.

13) We confirm that:

i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.

ii. There is no default in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.

iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies) except as stated in the section titled "***Outstanding Litigation and Material Developments***" beginning on page 256 of this Draft Red Herring Prospectus.

iv. There are no criminal cases/investigation/offences filed against the director of the company with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder,

rape, forgery, economic offences, except as stated in the section titled "***Outstanding Litigation and Material Developments***" beginning on page 256 of this Draft Red Herring Prospectus.

14) 100% of Equity Shares held by the Promoters are in dematerialised form.

15) Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.

16) There has not been any complete change of promoters of our Company, nor have any new promoter(s) acquired more than 50% of the shareholding of our Company. Accordingly, the provisions of the SEBI ICDR Regulations, which require an issuer to file a draft offer document only after the expiry of one year from the date of such change, are not applicable to our Company. There has been no change in the Promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME

17) Our composition of the board is in compliance with the requirements of Companies Act, 2013.

18) The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.

19) Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE. The Company, together with the erstwhile partnership firm, has a track record of at least 3 years as on the date of filling Draft Red Herring Prospectus.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT OFFER DOCUMENT/ OFFER DOCUMENT 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 OFFER DOCUMENT/ OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, SEREN CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. 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 THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/ OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, SEREN CAPITAL PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SEREN CAPITAL PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2026 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A)OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT OFFER DOCUMENT/ OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ 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 OFFER DOCUMENT/ OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26 and 33 of the Companies Act, 2013.

**Statement on Price Information of Past Issues handled by Seren Capital Private Limited:**

| Sr. No. | Issue name | Issue size (₹ in Cr.) | Issue Price (₹) | Listing date | Opening Price on listing date | +/-% change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | Patil Automation Limited | 69.61 | 120 | 23rd June, 2025 | 155.00 | +86.92% [+0.99%] | +62.58% [+0.92%] | +57.88% [+4.80%] |
| 2. | Mehul Colours Limited | 21.66 | 72 | 6th August, 2025 | 85.00 | +9.72% [+0.21%] | +14.58% [+3.62%] | -4.33% [+1.39%] |
| 3. | Karbonsteel Engineering Limited | 59.30 | 159 | 16th September, 2025 | 185.10 | +16.67% [+1.32%] | +8.18% [+3.44%] | -10.28% [-8.35%] |
| 4. | Gallard Steel Limited | 37.50 | 150 | 26th November, 2025 | 223.10 | 35.67% [-0.66%] | +2.73% [-3.95%] | +7.33% [-10.65%] |
| 5. | Msafe Equipments Limited | 66.42 | 123 | 04th February, 2026 | 144.00 | -16.87% [-5.84%] | +12.56% [-8.11%] | +57.48% [-6.18%] |
| 6. | Recode Studios Limited | 44.59 | 158 | 12th May, 2026 | 213.10 | +26.14% [+1.30%] | +60.95% [+5.34%] | NA |
| 7. | Rajnandini Fashion India Limited | 18.21 | 63 | 3rd June, 2026 | 63.00 | -40.87% [+4.59%] | -48.89% [+3.49%] | NA |
| 8. | Susan Electricals India Limited | 70.38 | 127 | 18th June, 2026 | 186.00 | +88.97% [+0.96%] | +139.25% [-3.97%] | NA |
| 9. | G V Electricals Limited | 42.25 | 130 | 12th August, 2026 | 158 | +85.54% [-4.08%] | NA | NA |

*(Source: Price Information from www.nseindia.com and www.bseindia.com, Issue Information from respective Prospectus).*

**Summary statement of Disclosure:**

| Financial Year | Total no. | Total amount of | No. of IPOs trading at discount- 30th | No. of IPOs trading at Premium- 30th | No. of IPOs trading at discount- 180th | No. of IPOs trading at Premium- 180th |
|---|---|---|---|---|---|---|

| | of IPOs | funds raised (₹ Cr.) | calendar 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% |
| 2025-2026 | 5[(1)] | 254.49 | - | - | - | 1 | 1 | 3 | - | - | 2 | 2 | - | 1 |
| 2026-2027 | 4[(2)] | 175.43 | - | 1 | -1 | 1 | 1 | - | - | - | - | - | - | - |

*[(1)] The scrip of Patil Automation Limited was listed on 23rd June 2025, Mehul Colours Limited was listed on August 06, 2025, Karbonsteel Engineering Limited was listed on 16th September,2025, Gallard Steel Limited was listed on November 26,2025 and Msafe Equipments Limited was listed on February 04, 2026.*

*[(2)] The scrip of Recode Studios Limited was listed on 12th May, 2026, Rajnandini Fashion India Limited was listed on 3rd June, 2026 and Susan Electricals India Limited was listed on 18th June, 2026 and G.V. Electricals Limited was listed on August 12, 2026.*

**Note:**

a) Based on date of listing.
b) BSE SENSEX and NIFTY 50 have been considered as the benchmark index.
c) Prices on BSE/NSE are considered for all the above calculations.
d) In case 30th /90th /180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
e) In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
f) N.A. – Period not completed.
g) As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided.

**Track Record of past issues handled by Seren Capital Private Limited**

For details regarding track record of BRLM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the BRLM at https://serencapital.in/offer-documents.php.

**Disclaimer from our Company and the Book Running Lead Manager**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in the advertisements or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Seren Capital Private Limited) and our Company on September 19, 2026 and the Underwriting Agreement dated [●] entered into between the Underwriter and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

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 collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with and perform services for, our Company, our Promoter Group, Group Companies, 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, Group Companies and our affiliates or associates for which they have received and may in future receive compensation.

**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and 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 Underwriter 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.

**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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative 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 the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**Disclaimer Clause of the SME Platform of BSE**

BSE Limited ("BSE") has vide its letter dated [●], given permission to " Weldor CNC Machines Limited" to use its name in the Issue Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

1) warrant, certify or endorse the correctness or completeness of any of the contents of this issue document; or
2) warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or

3) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
4) warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this issue document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
5) BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this issue document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
6) The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai.

**Disclaimer Clause under Rule 144A of the U.S. Securities Act**

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 Regulations 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 Regulations 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.

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 and legislations in each jurisdiction, including India.

**Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ RoC**

The Draft Red Herring Prospectus is being filed with BSE Limited, 25th Floor,P J Towers Dalal Street, Mumbai, Maharashtra, India, 400001

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the issue Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at https://siportal.sebi.gov.in.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contract & documents required to be filed, will be filed with the RoC 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 https://www.mca.gov.in.

**Listing**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on SME Platform of BSE Limited (BSE SME).

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the BSE SME is not granted by BSE, our Company shall forthwith repay, all moneys received from the applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days of the Bid/Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within three (3) Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with 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.

**Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

i. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

ii. 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

iii. 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 to action under section 447 of the Companies, Act 2013

**Consents**

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Peer reviewed Statutory Auditor, Independent Chartered Accountant, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Independent Chartered Engineer, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank*, Syndicate Members*, Underwriter* to the Issue and Market Maker* to the Issue to act in their respective capacities have been be obtained as required under section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

**The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, Sunit M Chhatbar & Co., Chartered Accountants, Statutory Auditors of the Company has agreed to provide their written consent to act as Peer review Statutory Auditor as well as inclusion of their respective reports on Statement of Possible Tax Benefits relating to the special tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Prospectus in

the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus for registration with the RoC.

**Experts Opinion**

Except for (i) the Installed Capacity and Actual Capacity Utilization Certificate issued by the Independent Chartered Engineer, (ii) the Independent Chartered Accountant certificates issued in connection with this issue, and (iii) the certificates provided in the sections titled "***Financial Statements***" and "***Statement of Possible Tax Benefits***" on pages 185 and 107, respectively, of this Draft Red Herring Prospectus by the Statutory Auditor, our Company has not obtained any expert opinions. However, the term "expert" shall not be interpreted as defined under the U.S. Securities Act of 1933.

**Fees, Brokerage and Selling Commission payable**

The total fees payable to the Book Running Lead Manager will be as per the (i) Agreement dated September 19, 2026 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement [●] with the Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated September 19, 2026, a copy of which is available for inspection at our Company's Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

**Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to the section titled ***"Capital Structure"*** beginning on page 74 of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Previous capital issue during the last three years by listed Group Companies of our Company**

None of our Group Companies are listed. Further, none of our Group Companies have made any capital issue of securities in the preceding three years.

**Performance vis-à-vis objects**

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 promise versus performance is not applicable to us.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

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

**Partly Paid-Up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments**

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

**Option to Subscribe**

a. Investors will get the allotment of specified securities in dematerialization form only.
b. The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

**Stock Market Data for our Equity Shares**

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. Thus, there is no stock market data available for the Equity Shares of our Company.

**Investor Grievances and Redressal System**

The agreement between the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) years from the last date of dispatch of the letters of allotment and Demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there were no investors complaints received during the three years preceding the filing of this Draft Red Herring Prospectus. Since there were no investors complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary, where the Application Form was submitted, quoting the full name of the sole or first Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, address of the Applicant, number of Equity Shares applied for, date of Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Applicant shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. Our Company, BRLM and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

**Disposal of Investor Grievances 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 within 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 appointed Paragkumar Sandipkumar Dave, as the Company Secretary and 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:

**Paragkumar Sandipkumar Dave**
Company Secretary and Compliance Officer
**Weldor CNC Machines Limited**
**Address:** Plot No. 6/A, Plot No. 6/B, Revenue Survey no. 240p, Veraval (Shapar), Rajkot, Kotda Sanghani, Gujarat-360024, India.
**Tel. No.:** +91 9274396173
**Email:** cs@weldorcncmachines.com
**Website:** https://weldorcncmachines.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 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in.

Our Board by a resolution on February 17, 2026, constituted a Stakeholders Relationship Committee. For further details, please refer to section titled ***"Our Management"*** beginning on page 163 of this Draft Red Herring Prospectus.

**Status of Investor Complaints**

We confirm that we have not received any investor complaint specific attention are invited during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

**Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

**Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled ***"Statement of Possible Tax Benefits"*** beginning on page 107 of this Draft Red Herring Prospectus.

**Purchase of Property**

Other than as disclosed in Section ***"Our Business"*** beginning on page 131 of this Draft Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

**Capitalization of Reserves or Profits**

Save and except as stated in ***"Capital Structure"*** on page 74 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

**Revaluation of assets**

There has not been any revaluation of assets since incorporation of the Company.

**Servicing Behavior**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under chapter titled ***"Our Management"*** beginning on page 163 and chapter ***"Financial Information"*** beginning on page 185 of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**Exemption from complying with any provisions of securities laws, if any**

As on date of the Draft Red Herring Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

## SECTION VII- ISSUE RELATED INFORMATION

## TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue 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 Issue.*

*Please note that, in terms of SEBI ICDR Master Circular dated February 9, 2026, and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only the 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 SEBI ICDR Master Circular dated February 9, 2026, 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 who apply for minimum application size applying through Designated Intermediaries was made effective, along with the existing process timeline of T+3 days.*

*Further, vide the said circular, the Registrar to the Issue and Depository Participants have also been authorised to collect the Application forms. Investors may visit the official website of the concerned Registrar to the Issue and Depository Participants for any information on operationalisation of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

**Authority for the Issue**

The present Public Issue of upto 23,30,000 Equity Shares having face value of Rs. 10 each has been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 31, 2026, and was approved by the Shareholders of the Company by passing Special Resolution at the Annual General Meeting held on September 16, 2026, in accordance with the provisions of Section 23(1)(a), 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

**Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank pari passu in all respects with the existing Equity Shares of our Company, including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section titled, ***'Main Provisions of Article of Association'***, beginning on page 333 of this Draft Red Herring Prospectus.

**Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of the Companies Act, 2013, the Articles of Association, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and 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. We shall pay dividends in cash and as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any is declared) will be approved by the Board of Directors. For further details, please refer to the sections titled ***"Dividend Policy"*** and ***"Main Provisions of Articles of Association"***

beginning on page 184 and 333 respectively of this Draft Red Herring Prospectus.

**Face Value and Issue Price**

The face value of each Equity Share is ₹ 10.00, 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 size will be decided by our Company in consultation with the BRLM and will be advertised, at least 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 [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. 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 Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point in time, there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

**The Issue**

The Issue comprises a Fresh issue by our Company. Expenses for the Issue shall be paid by the Company in the manner specified in "Objects of the Issue" on page 87 of the Draft Red Herring Prospectus.

**Compliance with SEBI ICDR Regulations, 2018**

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.

**Compliance with Disclosure and Accounting Norms**

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 the Articles of Association, the equity shareholders shall have the following rights:

a) Right to receive dividends, 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;
e) Right to receive an offer for rights shares and be allotted bonus shares, if announced;
f) Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
g) Right of free transferability of the Equity Shares; and
h) Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to the section titled ***"Main Provisions of the Articles of Association"*** beginning on page 333 of this Draft Red Herring Prospectus.

**Allotment only in Dematerialised Form**

As per the provisions of the Depositories Act, 1996 and Section 29(1) of the Companies Act, 2013, the Equity Shares

to be allotted must be in dematerialised form, i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialised form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated March 10, 2025, between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 05, 2026, between CDSL, our Company and Registrar to the Issue.

**Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE SME (SME platform of BSE) 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.

**Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018, the minimum number of allottees in the Issue shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by SCSB's collected shall be unblocked within T+3 days of closure of the Issue forthwith.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Rajkot, Gujarat, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

**Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate any one person in whom, in the event of the death of the sole applicant or, in case of joint applicants, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 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 the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be 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 Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue 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 transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board 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 is in dematerialised form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**Period of Subscription List of Public Issue**

| Event | Indicative Dates |
|---|---|
| Bid/ Issue Opening Date | [●][1] |
| Bid/ Issue Closing Date | [●][2] |
| Finalisation of Basis of Allotment with the Designated Stock Exchange(T+1) | On or about [●] |
| Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID-linked Bank Account*(T+2) | On or about [●] |
| Credit of Equity Shares to Demat Accounts of Allottees(T+2) | On or about [●] |
| Commencement of Trading of The Equity Shares on the Stock Exchange(T+3) | On or about [●] |

*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 BRLM, 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 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, 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. The Bidder shall be compensated 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 the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, 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, and the SEBI ICDR Master Circular, 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, 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.
The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation of compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 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. and SEBI Master Circular No. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to 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. and 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. and 3.00 P.M. (IST) for individual investors who apply for minimum application size and non-individual Bidders. The time for applying for individual investors who apply for minimum application size on Bid/ Issue Closing Date may be extended in consultation with the BRLM, RTA and BSE SME, taking into account the total number of applications received up to the closure of timings.

On the Bid/ Issue Closing Date, the Bids shall be uploaded until 04:00 p.m. for all categories of bidders.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any, shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to 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, none of the bidders is 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. Allocation to individual investors who apply for the minimum application size 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 Bidder, 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 Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stockbrokers, as the case may be, for the rectified data.

Our Company, in consultation with BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. 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/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLM, for reasons to be recorded in writing, will extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same**.**

**Minimum Subscription and Underwriting**

Minimum subscription in the Offer is 90%, and the Offer is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount is not subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, or such other period as may be specified by the SEBI, the application money has to be returned within such period as may be prescribed. If the stated minimum amount has not been subscribed and the sum payable on application is not received within the period specified therein, then the application money shall be repaid within a period of fifteen days from the closure of the Offer, and if any such money is not so repaid within such period, the directors of the company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of fifteen per cent per annum.

In case of undersubscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in 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).

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

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). In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Offer is 100% underwritten. For details of the underwriting arrangement, kindly refer to the chapter titled “General Information - Underwriting” on page 70 of this Draft Red Herring Prospectus. Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than two lots. Provided that the minimum application size shall be above ₹2 lakhs.

**Migration to Main Board**

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

Provided that no further issue of capital shall be made unless-

a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;

b) the Company has obtained 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)."

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 Main Board from the SME Platform, amongst others, has to fulfil the following conditions:

| **Parameter** | **Migration policy from BSE SME Platform to BSE Main Board** |
|---|---|
| **Paid-up capital** | At least Rs. 10 crores |
| **Market Capitalisation** | **Average of 6 months market capitalisation:**<br><br>**Direct Listing**: Rs. 1000 crores<br>**(on Main Board)**<br><br>**SME Migration to Main Board:** Rs. 100 crores.<br>**OR**<br>*Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.* |
| **Market Liquidity** | • At least 5% of the weighted average number of equity shares listed should have been traded during such 6 (six) months' period[1].<br>• Trading on at least 80% of days during such 6 (six) months period.<br>• Minimum average daily turnover of Rs. 10 Lakhs and minimum daily turnover of Rs. 5 Lakhs during the 6 (six) month period.<br>• Minimum Average number of daily trades of 50 and minimum daily trades of 25 during the said 6 (six) months period.<br><br>Note: for the purpose of calculating the average daily turnover and average number of daily trades, the aggregate of daily turnover and number of daily trades on the days the scrip has traded shall be divided by the total number of trading days, respectively, during the said 6 (six) months period.<br>**OR**<br>*Companies having revenue from operations of Rs. 100 crores or more for each of the immediately preceding 3 (three) full financial years.* |
| **Operating Profit (EBIDTA)** | **Average of Rs. 15 crores** on a restated consolidated basis, in the preceding 3 (three) years (of 12 months each), with operating profit in each of these 3 (three) years, **with a minimum of Rs. 10 crores in each of the said 3 (three) years.** |

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|---|---|
| | In case of name change within the last one year, at least **50%** of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has been earned by it from the activity indicated by its new name. |
| **Networth** | **Rs. 1 crore.** - in each of the preceding 3 (three) full years (of twelve months each), calculated on a restated and consolidated basis; |
| **Net Tangible Assets** | **At least Rs. 3 crores**, on a restated and consolidated basis, in each of the preceding 3 (three) full years (of 12 (twelve) months each), of which not more than 50%. are held in monetary assets:<br>Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has utilised or made firm commitments to utilise such excess monetary assets in its business or project. |
| **Promoter holding** | **At least 20%** at the time of making application.<br><br>For this purpose, shareholding of promoter group may also be considered for any shortfall in meeting the said requirement.<br><br>***Note:*** *The minimum promoter holding criterion shall not be applicable in case of diversified holdings or where there are no identifiable promoters, and the company is already listed on a recognised stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board.* |
| **Lock-in of promoter/ promoter group shares** | **6 (six) months** from the date of listing on the BSE.<br><br>***Note:*** *The lock-in criterion shall not apply to companies already listed on a recognised stock exchange with nationwide trading terminals and meeting all other eligibility criteria for migration or direct listing on the Main Board*. |
| **Regulatory action** | 1. No SEBI debarment orders are continuing against the Company, any of its promoters, promoter group or directors or any other company in which they are promoter/ promoter group or directors.<br>2. The company or any of its promoters or directors is not a wilful defaulter or a fraudulent borrower.<br>3. Promoters or directors are not fugitive economic offenders.<br>4. The company is not admitted by NCLT for winding up or under IBC pursuant to CIRP.<br>5. Not suspended from trading for non-compliance with SEBI (LODR) Regs or for reasons other than procedural reasons during the last 12 months. |
| **Promoter shareholding** | 100% in demat form. |
| **Compliance with SEBI LODR Regulations** | 3 (three) years' track record with no pending non-compliance at the time of making the application. |
| **Track record in terms of Listing** | Listed for at least 3 (three) years. |
| **Public Shareholder** | Minimum 1000 (one thousand) as per latest shareholding pattern. |
| **Other Parameters** | 1. No pending Defaults w.r.t bonds/ debt instrument/ FD by company, promoters/ promoter group /promoting company(ies), Subsidiary Companies.<br>2. Certificate from CRA and /or Statutory auditors, in absence of CRA, for utilisation of IPO proceeds and further issues post listing on SME.<br>3. Not under any surveillance measures/actions, i.e “ESM”, “ASM”, “GSM category” or T-to-T for surveillance reasons at the time of filing of application.<br><br>2 months cooling off from the date the security has come out of the T-to-T category or the date of graded surveillance action/measure. |
| **Score ID** | No pending investor complaints on SCORES. |
| **Business** | Same line of business for 3 (three) years at least 50% of the revenue from operations |

| | |
|---|---|
| **Consistency** | from such continued business activity. |
| **Audit Qualification** | No audit qualification with regard to going concern or any material financial implication and such audit qualification is continuing at the time of application. |

NNotes:

1. Net worth definition to be considered as per the definition in SEBI ICDR.
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.
3. The application submitted to the Exchange for listing and mere fulfilling of the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point in time without giving any reason thereof. Thereafter, the company can make a fresh application as per the extant norms.
5. The Exchange may reject the 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 BSE standards.
6. Companies that have approached for listing on any stock exchange and have been denied listing for any reason whatsoever or have chosen to withdraw their application from the Exchange may reapply for listing after a minimum period of 6 months (6 months after the date of rejection/ withdrawal). If rejected for a second time, the company would not be eligible to apply again.
7. BSE's decision w.r.t. admission of securities for listing and trading is final.
8. BSE has the right to change/modify/delete any or all of the above norms without giving any prior intimation to the company.
9. The companies are required to submit documents and comply with the extant norms.
10. The company shall use BSE's reference regarding listing only after the Exchange grants its in-principle listing approval to the company

**Market Making**

The shares offered through this Issue are proposed to be listed on the BSE SME (SME platform of BSE), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE.

For further details of the agreement entered into between the Company, the BRLM and the Market Maker, please refer to the section titled ***"General Information - Details of the Market Making Arrangements for this Issue"*** on page 71 of this Draft Red Herring Prospectus.

**Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in two lots, where the value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

**As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provide 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.

**Allotment of Equity Shares in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

**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.

**Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCFs registered with SEBI. Such Eligible NRIs, FPIs or VCFs registered with SEBI will be treated on the same basis as other categories for the purpose of Allocation.

**Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed under section titled ***"Capital Structure"*** beginning on page 74 of this Draft Red Herring Prospectus and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled ***"Main Provisions of the Articles of Association"*** beginning on page 333 of this Draft Red Herring Prospectus.

**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.

**Withdrawal of the Issue**

Our Company, in consultation with the BRLM, reserve the right not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM, through the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

*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 BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM 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. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made pursuant to Chapter IX of the SEBI ICDR Regulations, 2018, as amended, which governs initial public offers by small and medium enterprises, as amended from time to time, whereby an issuer whose post-issue paid-up capital is less than or equal to ten Crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (**"*SME Exchange*"**, in this case being the BSE SME). For further details regarding the salient features and terms of such an issue, please refer to the chapters titled **"*Terms of the issue*"** and **"*Issue Procedure*"** on pages 282 and 298 of this Draft Red Herring Prospectus.

**Issue Structure:**

Initial Public Issue of up to 23,30,000 Equity Shares of face value of ₹10 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of up to [●] Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of up to [●] Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 27.96% and [●] %, respectively, of the post-issue paid-up equity share capital of the Company. The Issue is being made through the Book Building Process.

| Particulars of the Issue[2] | Market Maker Reservation Portion | QIBs[1] | Non-Institutional Investors | Individual investors who apply for minimum application size |
|---|---|---|---|---|
| **Number of Equity Shares available for allocation** | Up to [●] Equity Shares of face value of Rs. 10 each | Not more than [●] Equity Shares of face value of Rs. 10 each | Not less than [●] Equity Shares of face value of Rs. 10 each | Not less than [●] Equity Shares of face value of Rs. 10 each |
| **Percentage of Issue Size available for allocation** | [●] of the Issue Size | Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion. | Not less than 15% of the Net Issue. Further, (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;<br><br>(b) two-thirds of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs.<br><br>Provided that the unsubscribed portion in either of the subcategories | Not less than 35% of the Net Issue. |

| Particulars of the Issue[2] | Market Maker Reservation Portion | QIBs[1] | Non-Institutional Investors | Individual investors who apply for minimum application size |
|---|---|---|---|---|
| | | | mentioned above could be allocated to applicants in the other subcategory of NIBs | |
| **Basis of Allotment[3]** | Firm Allotment | Proportionate as follows (excluding the Anchor Investor Portion):<br>(a) Up to [●] Equity Shares of face value of Rs. 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and<br>(b) Up to [●] Equity Shares of face value of Rs. 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.<br><br>Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors out of which 33.33% of the Anchor Investor Portion, shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (aggregating to 40%), subject to valid Bids being received from them at or above the Anchor Investor Allocation Price in accordance with the | Subject to the availability of shares in non-institutional investors' category, the allotment of equity shares to each non-institutional category 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 a proportionate basis; the [●] Equity Shares shall be allotted in multiples of [●] Equity Shares. | Proportionate basis subject to minimum allotment of [●] Equity Shares of face value of Rs. 10 each |

| Particulars of the Issue[2] | Market Maker Reservation Portion | QIBs[1] | Non-Institutional Investors | Individual investors who apply for minimum application size |
|---|---|---|---|---|
| | | SEBI ICDR Regulations. In the event of undersubscription in the Life Insurance Companies and Pension Funds portion, the same may be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion | | |
| **Mode of Allotment** | Compulsorily in dematerialised form. | | | |
| **Minimum Bid Size** | [●] Equity Shares | Application should be for a minimum of three lots (amount exceeding Rs. 2,00,000) (i.e. [●] Equity Shares of face value of Rs. 10 each.) | For NIBs applying under one-third of the Non-Institutional Portion (with bid size of more than two lots and up to such lots equivalent to not more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid size exceeds two lots. For NIBs applying under two-thirds of the Non-Institutional Portion (with bid size of more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹10.00 lakhs. | Application should be for two lots (bid amount not less than Rs. 2,00,000) (i.e. [●] Equity Shares of face value of Rs. 10 each) |
| **Maximum Bid Size** | [●] Equity Shares | Such number of Equity Shares in multiples of [●] Equity Shares of face value of Rs. 10 each not exceeding the size of the Net Issue, | For Non-Institutional Bidders applying under one-third of the Non-Institutional Portion (with bid size of more than 2 lots and up to ₹10.00 lakhs) such number of Equity | Application should be for two lots (bid amount not less than Rs. 2,00,000) (i.e. [●] Equity Shares of face value of Rs. 10 each) |

| Particulars of the Issue[2] | Market Maker Reservation Portion | QIBs[1] | Non-Institutional Investors | Individual investors who apply for minimum application size |
|---|---|---|---|---|
| | | subject to applicable limits | Shares in multiples of [●] Equity Shares, such that the Bid Amount does not exceed ₹10.00 lakhs. For Non-Institutional Bidders applying under two-thirds of the Non-Institutional Portion (with bid size of more than ₹10.00 lakhs) such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB Portion), subject to limits applicable to the Bidder | |
| **Trading Lot** | [●] Equity Shares of face value of Rs. 10 each. However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. | [●] Equity Shares of face value of Rs. 10 each and in multiples thereof | [●] Equity Shares of face value of Rs. 10 each and in multiples thereof | [●] Equity Shares of face value of Rs. 10 each and in multiples thereof |
| **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, as 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[4] | | | |
| **Mode of Bid** | ASBA Process only (except in case of Anchor Investors) | ASBA Process only (except in case of Anchor Investors) | ASBA Process only (including the UPI Mechanism to the extent of Bids up to ₹5.00 lakhs) | ASBA Process only (including the UPI Mechanism) |

** Subject to finalisation of basis of allotment.*

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

*(1) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (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 undersubscription in the Life Insurance Companies and Pension Funds portion, the same may be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.*

*(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post-issue paid-up Equity share capital of the Company. This issue is being made through*

*the Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*

*(3) Subject to valid Bids being received at or above the issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

*(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Bid cum 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.*

The Bids by FPIs with certain structures as described under ***"Issue Procedure - Bids by FPIs"*** on page 309 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 the same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, 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 depository account held in joint names. The signature of only the 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. 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.

**Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case the Company wishes to withdraw the Issue after Bid/Issue Opening, but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers *(one each in English and Hindi)* and one in a regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

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

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

**Issue Program**

| Event | Indicative Dates |
|---|---|
| Anchor Investor Bid/Issue Opening Date | [●] |
| Bid/ Issue Opening Date | [●]1 |
| Bid/ Issue Closing Date | [●]2 |
| Finalization of Basis of Allotment with the0 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) | [●] |

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

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

Applications and any revisions to the same will be accepted only between 10.00 A.M. and 5.00 P.M. (Indian Standard Time) during the Issue Period(excluding the Bid/ Issue Closing Date).

Standardisation of cut-off time for uploading of applications on the Bid/ Issue Closing Date:
a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
b) A standard cut-off time of 4.00 P.M. for uploading of applications received from all categories of bidders.
c) UPI Mandate Acceptance/ Confirmation shall be available up to 5:00 PM on the last day of bidding.

It is clarified that Bids not uploaded will be rejected. 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 physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, issued by SEBI and the UPI Circulars "the General Information Document," which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, SCRA, the SCRR and the SEBI ICDR Regulations, which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders (v) issuance of Confirmation of Allocation Note ("CAN") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications and electronic registration of bids; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint 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 (xiii) interest in case of delay in Allotment or refund.

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 January 1, 2019, the UPI Mechanism for Individual investors who apply for a minimum application size applying through Designated Intermediaries was made effective, along with the existing process existing timeline of T+6 days ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

SEBI, vide press release bearing number 12/2023, has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases, i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has, vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarifications, or notifications issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI is provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE Limited ("BSE SME") to act as intermediaries for submitting Application Forms is provided on www.bsesme.com. For details on their designated branches for submitting Application Forms, please see the above-mentioned website of the Platform of BSE Limited ("BSE SME").

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 lead managers shall continue to coordinate with intermediaries involved in the said process.

Please note that the information stated/covered in this section may not be complete and/or accurate and, as such, would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their application does not exceed the investment limits or maximum

number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Red Herring Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

**Phased implementation of Unified Payments Interface**

SEBI has issued the "UPI Circulars" in relation to streamlining the process of public issue of, inter alia, equity shares. Pursuant to the UPI Circulars, the UPI mechanism has been introduced in a phased manner as a payment mechanism (in addition to the mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by individual investors who apply for minimum application size through Designated 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 a complete and smooth transition to the UPI payment Mechanism, the UPI Circular have introduced the UPI Mechanism in three phases in the following manner:

**Phase I**: This phase was applicable from January 1, 2019, until March 31, 2019, or the floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, individual investors who applied for the minimum application size had the option to submit the Application Form with any designated intermediary 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.

**Phase II**: This phase has been applicable from July 1, 2019. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI, vide its circular No. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of Unified Payments Interface with Application Supported by Blocked Amount until further notice. Under this phase, submission of the ASBA Form by individual investors who apply for minimum application size through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**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, clarifications or notifications issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering the facility of making applications in public issues shall also provide facilities to make applications using the UPI Mechanism. The Issuers 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 investors who apply for minimum application size into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

**PART A**

**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(1) 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 and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which 33.33 percent of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67 percent for life insurance companies and pension funds, subject to valid Bids being received from domestic Mutual Funds, life insurance companies and pension funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of undersubscription in the Life Insurance Companies and Pension Funds portion, the same may be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 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 Net 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 (of which one third of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; and two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10 lakhs) and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other subcategory of Non-Institutional Portion, subject to valid Bids being received at or above the Issue Price and not less than 35% of the Issue shall be available for allocation to a individual investors who applies for minimum application size 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, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, and press release dated June 25, 2021, read with press release dated September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.***

***Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023 and read with subsequent circulars issued in relation thereto.***

**Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE (www.bseindia.com), at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by Individual investors who apply for minimum application size using third-party bank account or using third-party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

i. Individual investors who apply for minimum application size (other than the Individual investors who apply for minimum application size using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type account), provided by certain brokers.
ii. Individual investors who apply for minimum application size using the UPI Mechanism may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3-in-1 type accounts), provided by certain brokers.
iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount, which can be blocked by the SCSB 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category | Colour* |
|---|---|
| Anchor Investor** | [●] |
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA) | [●] |
| Non-Residents including eligible NRI's, FPI's, FVCIs, etc. applying on a repatriation basis (ASBA) | [●] |

*Excluding Electronic Bid cum Application Form
** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Electronic Bid cum Application forms will also be available for download on the website of BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs), after accepting Bid Cum Application Form submitted by Individual investors who apply for minimum application size (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the bidders have a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, the respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system-generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance, as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this 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. |
| 2. | A syndicate member (or sub-syndicate member) |
| 3. | A stockbroker registered with a recognised 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 who apply for minimum application size submitting application with any of the entities at (ii) to (v) above (hereinafter referred to as "Intermediaries") and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to the investor, by giving the counterfoil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of the 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, the 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, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. The 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 a mandate request to investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or PAN ID (Either DP ID/Client ID or PAN ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorised our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

**Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies.

Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP 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 a 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 a 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 authorised 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 authorised 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 Funds (I) registered with SEBI; State Industrial Development Corporations;
k) Foreign Venture Capital Investors registered with SEBI;
l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorised under their constitution to hold and invest in equity shares;

m) Scientific and/or Industrial Research Organisations authorised 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 authorised under their constitution to hold and invest in equity shares;
p) Pension Funds and Pension Funds with a minimum corpus of ₹25 Crores and who are authorised 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 the army, navy or air force of the Union of India;
u) Insurance funds set up and managed by the Department of Posts, India;
v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this 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 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains 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 investors who apply for minimum application size**

The Application must be for a minimum of two lots so as to ensure that the Application Price payable by the Bidder shall not be less than ₹2,00,000. In case of revision of Applications, the individual investors who apply for the minimum application size have to ensure only upward revision, and they shall not withdraw or lower their bids.

**2. For Other than individual investors who apply for minimum application size (Non-Institutional Applicants and QIBs):**

The Application must be more than two lots 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 Amount is greater than ₹2,00,000 to be 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, modifications, 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 does 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 in all editions of the English national newspaper [●], all editions of the Hindi national newspaper[●] and the edition of the Regional Newspaper[●], where the registered office of the company is situated, 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 the English national newspaper [●], all editions of the Hindi national newspaper [●] and the edition of the Regional Newspaper[●], where the registered office of the company is situated, 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 investors who apply for minimum application size should approach the BRLM or their authorised 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 Bids 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 314 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 finalisation 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 finalised, 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, 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 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. If the revised price band decided falls within two different price bands, then the minimum application lot size shall be decided based on the price band in which the higher price falls.

b) Our Company, in consultation with BRLM, will finalise 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. Placing bids on the cut-off price shall not be applicable/ available to any of the categories of bidding.

d) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

**Participation by Associates / Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this 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 to 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 dematerialised form only. Investors will not have the option of getting allotment of specified securities in physical form.

b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Information for the Bidders**

1. Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in the prescribed format.

2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date.

3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with 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 Draft 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. Individual investors who apply for the minimum application size have to apply only through the 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. For applications submitted directly to the SCSBs 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 in 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 persons 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, 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 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.

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 finalise 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 up to ₹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 during 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 the stock exchange offering electronically linked transparent bidding facility, for information of public.

10. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

11. 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 ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorise their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSB 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.

Eligible NRIs bidding on a non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" beginning on page 330 of this Draft Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

**BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of

the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the 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. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI 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.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company, and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, the holdings of all registered FPIs as well as holdings of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits for an FII or sub-account in our Company are 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

**BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investable funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.
Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

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.

**BIDS BY HUFS:**

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 Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

**BIDS BY MUTUAL FUNDS:**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in index funds or sector- or industry-specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids have been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

**BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

**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 the certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

**BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of the certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer;
2) 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
3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment assets, 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 (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

**BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies 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 Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by 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 a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of the certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
e) 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 such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments, modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

**BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with a minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crore, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the

Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

**BIDS BY BANKING COMPANY:**

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 which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act") and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' 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 if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/ corporate debt restructuring / strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed) and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

**BIDS BY SCSB'S:**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that, for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI-registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues, and clearly demarcated funds should be available in such account for such Bid cum applications.

**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 out, 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 a lesser number of Equity Shares than the number applied for, 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 investors who apply for minimum application size 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 finalisation 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 the 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 who apply for the minimum application size in a public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making an application.

**Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company, in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

a. In case of resident Anchor Investors: "[●]"

b. In case of Non-Resident Anchor Investors: "[●]"

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 online facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.

3. The Designated Intermediaries shall be responsible for any acts, mistakes, errors, omissions, or 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 omissions 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 offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorised 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:

| S. 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 the online system:
   - Name of the Bidder;
   - IPO Name:
   - Bid Cum Application Form Number;
   - Investor Category;
   - PAN (of the 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;

- Location 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 a 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 acknowledgement to the investor, by giving the counterfoil 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 by our Company.

10. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.

11. In case of non-individual investors who apply for minimum application size and individual investors who apply for minimum application size, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock 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 Promoter, 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 5.00 p.m. on 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 the Depositories that 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 centres during the Bid/ Issue Period.

**Withdrawal of Bids**

a) Individual investors who apply for minimum application size cannot withdraw their Bids until Bid/ Issue Closing Date. In case an Individual investors who apply for the minimum application size wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instructions to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

**Price Discovery and Allocation**

a) Based on the demand generated at various price levels, our Company, in consultation with the BRLM, shall finalise 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 are 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 spillover 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.

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 the individual investors who apply for the minimum application size category are entitled to more than the allocated portion on a proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

**Illustration of the Book Building and Price Discovery Process**: Bidders should note that this example is solely for illustrative purposes and is not specific to the 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 BRLMs,s 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 and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

a) Our company has entered into an Underwriting Agreement dated [●].
b) A copy of the Red Herring Prospectus will be filed with the RoC, and a copy of the Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act, 2013 and Section 26 of the Companies Act, 2013.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Draft Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) an English national newspaper; (ii) a Hindi national newspaper; and (iii) a regional newspaper each with wide circulation. In the pre-Issue 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.

**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 the Prospectus will be included in such statutory advertisement.

**GENERAL INSTRUCTIONS:**

Please note that the Bidders are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Further, anchor investors are not allowed to withdraw their Bids after the Anchor Investors bidding date.

**Do's:**

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidder's depository account is active, as Allotment of the Equity Shares will be in dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the 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;
7. 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;
8. QIBs, Non-Institutional Bidders and the individual investors who apply for minimum application size should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, Individual investors who apply for minimum application size may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by Individual investors who apply for minimum application size using UPI mechanism for payment, to the

respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgement;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, 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;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Do not Bid for a Bid Amount exceeding ₹ 500,000 (for Bids by UPI Bidders);
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status are indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
21. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
22. Ensure that the Bid cum Application Form is delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
23. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
24. Ensure that you have mentioned the details of your own bank account for blocking of funds or your own bank account-linked UPI ID to make application in the Public Issue;
25. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary steps in a timely manner for blocking of funds on your account through UPI ID using UPI application;
26. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
27. Ensure that you receive an acknowledgement from the concerned Designated Intermediary for the submission of your Bid cum Application Form; and
28. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock investment;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not bid at the cut-off price (for Bids by all categories);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not bid for a Bid Amount less than ₹2,00,000/- (for Applications by individual investors who apply for minimum application size);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
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 for a Bid Amount exceeding ₹ 500,000 (for Bids by UPI Bidders);
16. 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);
17. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with the bank account of the third party. Kindly note that Bids made using a third-party bank account or using a third-party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Other instructions for the Bidders**

**Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form, and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

**Investor Grievance**

In case of any pre-issue or post-issue related problems regarding demat credit/ refund orders/ unblocking etc., the Investors can contact the Compliance Officer of our Company.

**Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

**Submission of Bids**

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
b) For details of the timing of acceptance and upload of Bids on the Stock Exchange platform, Bidders are requested to refer to the DRHP.

**GROUNDS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- 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;
- Bid by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for a lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- 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;
- 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;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- 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;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;

- 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;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- 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
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section of 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.**

**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 are disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover 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 RHP.

**ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investors will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investors Category.

**Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seeks clarification from SCSB to identify the applications with third-party account for rejection.
- Third-party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulates the rejection list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment to the Designated Stock Exchange (DSE).

- The DSE, post verification, approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per the process mentioned below.

**Process for generating list of Allottees: -**

- Instruction is given by RTA in their Software System to reverse category-wise all the application numbers in 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 the 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.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the 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**

**a. For Individual Bidders**

Bids received from the individual investors who apply for minimum application size 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 investors who apply for the minimum application size 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 investors who apply for the minimum application size and 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 of face value of Rs. 10 each at or above the Issue Price, full Allotment shall be made to the individual investors who apply for the minimum application size to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares of face value of Rs. 10 each at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of Rs. 10 each and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and individual investors who apply for minimum application size 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 of face value of Rs. 10 each at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares of face value of Rs. 10 each at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares of face value of Rs. 10 each and in multiples of [●] Equity Shares of face value of Rs. 10 each thereafter.

The Allocation to the non-institutional investors' category shall be as follows:-

(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-thirds 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."

For the method of proportionate Basis of Allotment, refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the 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 5% of the Net QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Funds exceed 5% of the Net QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the Net QIB Portion.

- In the event that the aggregate demand from Mutual Funds is less than 5% of the Net 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, up to a minimum of [●] Equity Shares of face value of Rs. 10 each and in multiples of [●] Equity Shares of face value of Rs. 10 each 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, up to a minimum of [●] Equity Shares of face value of Rs. 10 each and in multiples of [●] Equity Shares of face value of Rs. 10 each 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 of face value of Rs. 10 each

**ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

   i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
   ii. out of which 33.33% of the Anchor Investor Portion shall be reserved for domestic Mutual Funds and 6.67% for Life Insurance Companies and Pension Funds (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 undersubscription in the Life Insurance Companies and Pension Funds portion, the same may

be allocated to domestic Mutual Funds. In case of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion; 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 a maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores, subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and, if required, a revised CAN.

c) 50% of the Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

**d. 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.

**e. 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.

**f. Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over-Subscribed Issue:**

In the event of the Issue being oversubscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (SME platform of BSE) (The Designated Stock Exchange). The allocation may be made in marketable lots on a 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 divided by the oversubscription ratio).
c) For Bids where the proportionate allotment works out to less than [●] equity shares of face value of Rs. 10 each, the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares of face value of Rs. 10 each; 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 of face value of Rs. 10 each, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity

shares of face value of Rs. 10 each subject to a minimum allotment of [●] equity shares of face value of Rs. 10 each.

e) If the Shares allotted on a proportionate basis to any category are 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 the 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 of face value of Rs. 10 each, the actual allotment is 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 DRHP.

Individual investors who apply for minimum application size means an investor who applies for two lots. Investors may note that in case of oversubscription, allotment shall be on a proportionate basis and will be finalised in consultation with BSE.

The Executive Director/ Managing Director of BSE - the Designated Stock Exchange, in addition to the Book Running Lead Manager and Registrar to the Public Issue, shall be responsible for ensuring that the basis of allotment is finalised 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 the approved Basis of Allotment, the Issuer shall pass the 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. 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.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders' Depository Account within 2 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 the 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 credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/Issue Closing Date. The Company will intimate the details of allotment of securities to the 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 substantially broadening the reach of Investors by enhancing the points for submission of applications, SEBI, vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted the 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 DP 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 the 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 authorised 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 the investor by giving the counterfoil 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 Money 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 BSE SME (SME platform of BSE) where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;

2. 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

3. If such money is not repaid within the 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 the 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.

**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 the case of Non-Institutional Bidders, individual investors who apply for the minimum application size who applied, the Company has a right to reject Applications based on technical grounds.

**Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

**"Any person who-**

Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

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

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."

**Undertakings by Our Company**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended to expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on the Stock Exchange where the Equity Shares are proposed to be listed within three working days from the Issue Closure date.

3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That our Promoter's contribution in full has already been brought in;

6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;

7. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalising the Basis of Allotment;

8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;

9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;

10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

**Utilisation 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 utilised out of the Issue referred to above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in the balance sheet of our company indicating the purpose for which such monies have been utilised;
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 and
4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilisation 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 undertakes that the complaints or comments received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

**Equity Shares in Dematerialised Form with NSDL or CDSL**

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:

- Tripartite Agreement dated March 10, 2025, between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated March 05, 2026, between CDSL, our Company and Registrar to the Issue.

The Company's equity shares bear ISIN No. INE1R3T01012.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is primarily governed by the Foreign Exchange Management Act, 1999 ("FEMA"), the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA NDI Rules"), as amended from time to time, and the Consolidated Foreign Direct Investment Policy issued by the Department for Promotion of Industry and Internal Trade ("DPIIT"), Ministry of Commerce and Industry, Government of India ("FDI Policy"), as amended from time to time. The FEMA NDI Rules and the FDI Policy prescribe, inter alia, the entry routes, sectoral caps, investment limits and conditions applicable to investments by persons resident outside India. Subject to the applicable laws, regulations and conditions, foreign investment in the manufacturing sector is permitted under the automatic route

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy Circular of 2020 with effect from October 15, 2020 (the "FDI Policy"), which consolidated the prevailing policy framework governing foreign direct investment in India. The FDI Policy continues to apply, as amended from time to time through press notes, notifications and other measures issued by the Government of India, including Press Note No. 2 (2026 Series) issued by the DPIIT in relation to investments involving countries sharing a land border with India.

Under the FEMA NDI Rules and the FDI Policy, as amended from time to time, an entity or citizen of a country which shares a land border with India may invest in India only under the Government route. Further, where the investor entity is incorporated or registered in a country other than a country sharing a land border with India, the requirement for Government approval on account of beneficial ownership is determined in accordance with the beneficial ownership criteria prescribed under the applicable FEMA NDI Rules. Investments involving non-controlling beneficial ownership from countries sharing a land border with India within the prescribed threshold may be made without prior Government approval, subject to the applicable reporting requirements, sectoral caps, entry routes and other prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Pursuant to Press Note No. 2 (2026 Series) issued by the DPIIT and the corresponding amendments to the FEMA NDI Rules, the framework governing investments involving countries sharing a land border with India has been revised. An entity or citizen of a country sharing a land border with India is required to invest through the Government route. In the case of an investor entity incorporated or registered outside such countries, beneficial ownership is determined with reference to the applicable provisions of the Prevention of Money-laundering Act, 2002 and the Prevention of Money-laundering (Maintenance of Records) Rules, 2005. Prior Government approval is required where the prescribed beneficial ownership or control criteria are met. Investments involving direct or indirect ownership from a country sharing a land border with India which do not require prior Government approval are subject to the prescribed reporting requirements. Further, any transfer of ownership of an existing or future foreign investment resulting in beneficial ownership falling within the prescribed restricted category shall require prior Government approval. Each Bidder shall ensure compliance with the applicable foreign investment requirements before participating in the Issue.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. 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.

**Investment conditions/restrictions for overseas entities**

Under the FDI Policy and the FEMA NDI Rules, as amended from time to time, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

**Investment by Foreign Portfolio Investors ("FPIs")**

Foreign Portfolio Investors registered in accordance with the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time, may invest in equity instruments of Indian companies in accordance with the FEMA NDI Rules and applicable SEBI regulations. The total holding by an individual FPI or its investor group shall be less than 10% of the total paid-up equity capital of an Indian company on a fully diluted basis. With effect from April 1, 2020, the aggregate investment limit for FPIs is generally the applicable sectoral cap, subject to any lower aggregate limit determined in accordance with the FEMA NDI Rules. Where an FPI breaches the prescribed individual limit, the investment is required to be divested within the prescribed period or reclassified as foreign direct investment in accordance with the applicable FEMA and SEBI framework.

**Investment by Individual Persons Resident Outside India on Repatriation Basis**

Pursuant to the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2026, an individual person resident outside India, including a Non-Resident Indian ("NRI") or Overseas Citizen of India ("OCI"), may purchase or sell equity instruments of a listed Indian company on a recognised stock exchange in India on a repatriation basis, subject to the terms and conditions prescribed under Schedule III of the FEMA NDI Rules. The total holding by any individual person resident outside India shall be less than 10% of the total paid-up equity capital of the Indian company on a fully diluted basis, and the aggregate holding of all individual persons resident outside India under Schedule III shall not exceed 24% of the total paid-up equity capital on a fully diluted basis, subject to the applicable provisions of the FEMA NDI Rules. Investments exceeding the prescribed individual limit are required to be divested within the prescribed period or may be reclassified as foreign direct investment in accordance with the applicable framework.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no issue to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such issue made under exemptions available under the Prospectus Directive, provided that no such Issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

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 Application 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 Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

The following regulations, as set out in the new Articles of Association, were adopted pursuant to the special resolution passed by the Members at the Annual General Meeting held on September 16, 2026, in substitution of, and to the entire exclusion of, the corresponding regulations in the existing Articles of Association of the Company.

| Article No. | Description |
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| | **Interpretation Clause** |
| I. | 1. The Regulations contained in Table F in Schedule I of the Companies Act 2013 shall not apply to the Company except in so far as the same are repeated contained or expressly made applicable in these Articles or by the said Act.<br><br>2 (a) The marginal notes used in these Articles shall not affect the construction thereof.<br><br>(b) In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context Act means the Companies Act 2013 or any statutory modification or re-enactment there of Articles means these articles of association of the Company or as altered from time to time. Board of Directors or Board means collective body of Directors of the Company. Company means Weldor CNC Machines Limited Depository means and includes a Company expression Page 2 of 19 contained in these Articles shall bear the same meaning as in the Act or the Rules as the case may be.<br><br>Public Company: The Company is a Public Company limited by shares within the meaning of Section 2(71) of the Act and accordingly (a) is not a Private Company (b) has a Minimum Paid-up Share Capital as may be prescribed as defined in the Depositories Act 1996.Rules means the applicable rule for the time being in force as prescribed in relevant sections of the Act. Seal means Common Seal of the Company Secretarial Standards means standards provided by the Institute of Companies Secretaries of India. Securities means the securities as defined in clause (h) of Section 2 of the Securities Contracts(Regulation) Act1956. (c) Words importing the masculine gender also include where the context requires or admits the feminine and neuter gender. (d)Words importing the singular number also include where the context requires or admits the plural number and vice versa. (e)Unless the context otherwise requires words or expression Page 2 of 19 contained in these Articles shall bear the same meaning as in the Act or the Rules as the case may be.<br><br>Public Company: The Company is a Public Company limited by shares within the meaning of Section 2(71) of the Act and accordingly<br><br>(a) is not a Private Company<br><br>(b) has a Minimum Paid-up Share Capital as may be prescribed. |
| | **Share capital and variation of rights** |
| II.<br>1 | Subject to the provisions of the Act and these Articles the shares in the capital of the company shall be under the control of the Directors who may issue allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. |
| 2 | (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided-<br>(a) one certificate for all his shares without payment of any charges; or<br>(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first. |

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| | (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.<br><br>(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. |
| 3 | Every holder of or subscriber to Securities of the Company shall have the option to receive security certificates 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 the law in respect of any Securities in the manner provided by the Depositories Act1996 and the Company shall in the manner and within the time prescribed issue to the beneficial owner the required Certificates for the Securities.<br><br>(i) If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate maybe 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 indemnity or such other documents as maybe prescribed by the Board a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.<br><br>(ii)The provisions of the foregoing article relating to issue of certificates shall mutatis mutandis apply to debentures or other securities of the company. |
| 4 | Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. |
| 5 | 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 there under. 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. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. |
| 6 | (i) If at any time the share capital is divided into different classes of shares the rights attached to any class(unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act 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.<br><br>(ii) To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply. |
| 7 | The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith. |
| 8 | Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine. |
| | **Lien** |
| 9 | (i) The company shall have a first and paramount lien –<br><br>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and<br><br>(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company: |

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| | Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.<br><br>(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.<br><br>(iii) Fully paid shares shall be free from lien and that in the case of partly paid shares the Issuer's Lien restricted to monies called or payable at a fixed time in respect of such shares. |
| 10 | The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:<br>Provided that no sale shall be made-<br>(a) unless a sum in respect of which the lien exists is presently payable; or<br>(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. |
| 11 | (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.<br>(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.<br>(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. |
| 12 | (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.<br>(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. |
| | **Calls on shares** |
| 13 | (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:<br>Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.<br><br>(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.<br><br>(iii) A call may be revoked or postponed at the discretion of the Board. |
| 14 | (i) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.<br><br>(ii) That option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings. |
| 15 | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. |
| 16 | (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.<br>(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part. |
| 17 | (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes |

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| | 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.<br>(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. |
| 18 | The Board-<br>(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and<br>(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.<br>(c)That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits. |
| | **Transfer of shares** |
| 19 | (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.<br>(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof. |
| 20 | The Board may, subject to the right of appeal conferred by section 58 decline to register-<br>(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or<br>(b) any transfer of shares on which the company has a lien. |
| 21 | The Board may decline to recognize any instrument of transfer unless-<br>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;<br>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and<br>(c) the instrument of transfer is in respect of only one class of shares.<br>(d) A common form of transfer shall be used. |
| 22 (a) | (i) 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:<br>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.<br>(ii) That registration of 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 Issuer on any account whatsoever. |
| 22 (b) | Lock-in of Pledged Shares<br>a) Notwithstanding anything contained in these Articles, all Equity Shares of the Company that are subject to (i) pledge; or (b) under "freeze balance" or "safe-keep balance" on a day prior to the closure of the bid/offer closing date, and form part of the pre-issue capital of the Company which are required to be locked-in under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"), from the date of allotment of Equity Shares pursuant to the IPO, shall remain subject to mandatory lock-in provisions as prescribed by SEBI from time to time.<br><br>b) The Company is hereby authorized to provide necessary instructions to and direct the Depository prior to the date of allotment of Equity Shares pursuant to the IPO, to ensure that their systems automatically mark such Equity Shares as "Locked-in" or "Non-Transferable" in the beneficiary account of the pledgee immediately upon invocation, or in the account of the pledgor upon release, for the balance duration of the lock-in period.<br><br>c) In the event that a pledge on any such Equity Shares is invoked by a pledgee/lender or released back to the pledgor, such Equity Shares shall continue to be subject to the lock-in for the remainder |

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| | of the applicable regulatory period. The transfer of Equity Shares upon invocation of the pledge shall not exempt the securities from the lock-in requirements.<br><br>d) The Company shall ensure that any lender or pledgee is formally notified of these lock-in restrictions as per applicable Law. No transfer of such locked-in Equity Shares shall be recognized by the Company or the registrar and transfer agent if such transfer violates the ICDR Regulations or this Article or applicable Law.<br><br>e) Notwithstanding anything contained in these Articles, provisions of this Article shall override any other provisions in these Articles relating to the transfer and transmission of shares during the applicable regulatory period |
| | **Transmission of shares** |
| 23 | (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares<br><br>(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. |
| 24 | (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-<br>(a) to be registered himself as holder of the share; or<br>(b) to make such transfer of the share as the deceased or insolvent member could have made.<br>(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. |
| 25 | (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.<br>(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.<br>(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. |
| 26 | A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.<br><br>The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members), to the prejudice of 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 referred thereto in any book of the Company. The Company shall not be bound or required to regard or attend or give effect to any notice which may 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 have been entered or referred to in some book of the Company. But the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit, except that he shall not, before being registered as a |

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| | 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.<br><br>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with. |
| | **Forfeiture of shares** |
| 27 | If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. |
| 28 | The notice aforesaid shall-<br>(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and<br>(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited. |
| 29 | 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. |
| 30 | (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.<br>(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. |
| 31 | (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.<br>(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares. |
| 32 | (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;<br>(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;<br>(iii) The transferee shall thereupon be registered as the holder of the share; and<br>(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. |
| 33 | The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| | **Alteration of capital** |
| 34 | Subject to provisions of the Act the company may from time to time increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution. |
| 35 | Subject to the provisions of section 61, the company may, by ordinary resolution-<br>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;<br>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;<br>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; |

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| | (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person. |
| 36 | Where shares are converted into stock-<br>(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:<br>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.<br>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.<br>(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively. |
| 37 | The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law-<br>(a) its share capital;<br>(b) any capital redemption reserve account; or<br>(c) any share premium account. |
| | **Capitalisation of profits** |
| 38 | (i) The company in general meeting may, upon the recommendation of the Board, resolve-<br>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and<br>(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.<br>(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-<br>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br>(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;<br>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);<br>(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;<br>(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation. |
| 39 | i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-<br>(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<br>(b) generally do all acts and things required to give effect thereto.<br>(ii) The Board shall have power-<br>(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<br>(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;<br>(iii) Any agreement made under such authority shall be effective and binding on such members. |

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| | **Buy-back of shares** |
| 40 | Notwithstanding anything contained in these articles but subject to the provisions of sections 66 to 68 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities. |
| | **General meetings** |
| 41 | All general meetings other than annual general meeting shall be called extraordinary general meeting. |
| 42 | The Board may, whenever it thinks fit, call an extraordinary general meeting. |
| | **Proceedings at general meetings** |
| 43 | (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.<br>(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103. |
| 44 | The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. |
| 45 | If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting. |
| 46 | If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting. |
| 47 | In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member. |
| | **Adjournment of meeting** |
| 48 | (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.<br>(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.<br>(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.<br>(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. |
| | **Voting rights** |
| 49 | Subject to any rights or restrictions for the time being attached to any class or classes of shares-<br>(a) on a show of hands, every member present in person shall have one vote; and<br>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. |
| 50 | A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. |
| 51 | (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.<br>(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. |
| 52 | 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. |
| 53 | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. |
| 54 | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid |

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| 55 | 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.<br>(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive. |
| | **Proxy** |
| 56 | 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. |
| 57 | An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. |
| 58 | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:<br><br>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. |
| | **Board of Directors** |
| 59 | i) Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act the number of Directors shall not be less than three, not more than fifteen.<br>(ii) The first Directors of the Company are:<br>1.Mr. Maheshkumar Gordhandas Vaghela<br>2.Mr. Nikunj Maheshkumar Vaghela<br>3.Mrs. Minaben Gordhandas Vaghela<br>Subject to provisions of the, Act the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. The same individual may at the same time be appointed as Chairman as well as Managing Director or Chief Executive Officer of the Company. |
| 60 | (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.<br><br>(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-<br><br>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or<br><br>(b) in connection with the business of the company. |
| 61 | The Board may pay all expenses incurred in getting up and registering the company. |
| 62 | 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. |
| 63 | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine. |

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| 64 | 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. |
| 65 | (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.<br>(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act. |
| | **Proceedings of the Board** |
| 66 | (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.<br>(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board. |
| 67 | (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.<br>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. |
| 68 | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose. |
| 69 | (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.<br>(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting. |
| 70 | (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.<br>(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. |
| 71 | (i) A committee may elect a chairperson of its meetings.<br>(ii)If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. |
| 72 | (i) A committee may meet and adjourn as it thinks fit.<br>(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. |
| 73 | All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. |
| 74 | 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 |

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| | 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. |
| 75 | In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director. |
| | **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer** |
| 76 | Subject to the provisions of the Act-<br>(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;<br><br>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer |
| 77 | A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer. |
| | **The Seal** |
| 78 | (i) The Board shall provide for the safe custody of the seal.<br>(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 of 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 is so affixed in their presence. |
| | **Dividends and Reserve** |
| 79 | The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. |
| 80 | Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company. |
| 81 | (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.<br>(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. |
| 82 | (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.<br>(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.<br><br>(iii) That any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits; |

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| | (iv) 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. |
| 83 | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company. |
| 84 | (i) Any dividend interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.<br>(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid.<br>(iii) The Company will not be responsible for any payment which is lost or delayed.<br>(iv) The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.<br>(v) There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law. |
| 85 | 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. |
| 86 | 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. |
| 87 | The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. No dividend shall bear interest against the company. |
| | **Accounts** |
| 88 | (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.<br>(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. |
| | **Winding up** |
| 89 | Subject to the provisions of Chapter XX of the Act and rules made thereunder-<br>(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.<br>(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.<br>(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** |
| 90 | Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal. |

## SECTION IX – OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by the Company which are or may be deemed material will be attached to the copy of the Prospectus, delivered to the Registrar of Companies, for registration. Copies of the abovementioned contracts are available on the website of the company i.e. https://weldorcncmachines.com/ and also the documents for inspection referred to hereunder, may be inspected at the registered office between 10 A.M. and 5 P.M. on all Working Days from the date of this Draft Red Herring Prospectus until the Issue Closing Date.

### MATERIAL CONTRACTS

1. Issue Agreement dated September 19, 2026 executed between our Company and the Book Running Lead Manager to the Issue.
2. Registrar to the Issue Agreement dated September 19, 2026 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, BRLM and Underwriter.
6. Tripartite Agreement dated March 05, 2026 among CDSL, the Company and the Registrar to the Issue.
7. Tripartite Agreement dated March 10, 2025 among NSDL, the Company and the Registrar to the Issue.
8. Syndicate Agreement dated [●] among our Company, the Book Running Lead Manager and Syndicate Member.

### MATERIAL DOCUMENTS

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated December 13, 2024 issued by the Registrar of Companies Central Registration Centre.
3. Copy of the Board Resolution dated August 31, 2026 authorizing the Issue and other related matters.
4. Copy of Shareholder's Resolution dated September 16, 2026 authorizing the Issue and other related matters.
5. Copies of Audited Financial Statements of our Company for the financial years ended March 31, 2026, March 31, 2025 and March 31, 2024.
6. Statutory Auditors Report dated September 22, 2026 on the Restated Financial Information for the financial years ended March 31, 2026, March 31 2025 and March 31, 2024.
7. Copy of the Statement of Possible Tax Benefits dated September 24, 2026 from the Statutory Auditor.
8. Site Visit report prepared by the Book Running Lead Manager dated August 08, 2026.
9. Certificate on KPI's issued by Statutory Auditors dated September 24, 2026.
10. Project report dated September 26, 2026, issued by Bhavin R Patel, Chartered Engineer, R K Patel & Co. certifying the proposed capacity expansion of the Company.
11. Consents of the Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Statutory Auditor of the Company, Market Maker, Underwriter, Bankers to our Company, Independent Chartered Accountant, Independent Chartered Engineer, Banker to the Issue, Promoter of our Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Infomerics, Syndicate Member, Sponsor Bank, as referred to, in their respective capacities.
12. Board Resolution dated September 30, 2026 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus and dated [●] for the approval of Prospectus.
13. Due Diligence Certificate from Book Running Lead Manager dated September 30, 2026.
14. Approval from BSE vide letter dated [●] to use the name of BSE in the Prospectus for listing of Equity Shares on the BSE SME (SME Platform) of the BSE Ltd.

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Maheshkumar Gordhandas Vaghela<br>Chairman and Managing Director<br>DIN: 01642816 | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Nikunj Maheshkumar Vaghela<br>Whole Time Director<br>DIN: 10870838 | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Minaben Maheshkumar Vaghela<br>Non-Executive Director<br>DIN: 10870839 | Sd/- |

**Date: September 30, 2026**

**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Arun Dash<br>Independent Director<br>DIN: 09657537 | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Mahipal Singh Chouhan<br>Independent Director<br>DIN: 08977710 | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

| Name and Designation | Signature |
|---|---|
| Tushar Rai Sharma<br>Independent Director<br>DIN: 09211414 | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER:**

| Name and Designation | Signature |
|---|---|
| Paragkumar Sandipkumar Dave<br>Company Secretary and Compliance Officer | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**

## DECLARATION

I certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER:**

| Name and Designation | Signature |
|---|---|
| Vandankumar Mahendrabhai Dave<br>Chief Financial Officer | Sd/- |

**Date: September 30, 2026**
**Place: Rajkot, Gujarat**