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INDIA

CA (Adv) MUNISH K BHATIA, LLB, FCA, ISA

B-15/575/1 OVERLOCK ROAD, MILLER GANJ,
LUDHIANA, PUNJAB-141003

Date: 08/08/2026

To,
The Board of Directors
Bhagya Machine Tools Limited (Formly Known as Bhagya Steels Limite)
VPO Paddi, Hadbast No. 254, Near Radhe Sham Pataka Factory,
Sub Tehsil Dehlon, Ludhiana, Punjab – 141206

SKI Capital Services Limited
718, Dr, Joshi Rd, Block A, Karol Bagh, Delhi, 110005

(SKI Capital Services Limited hereinafter referred to as the "**Book Running Lead Manager**" or "**BRLM**")

Dear Sir(s):

Sub: Proposed initial public offering of equity shares ofRs. 10/- each ("the Issue") of Bhagya Machine Tools Limited (Formly Known as Bhagya Steels Limited) ("the Company")

We, Manoj K Goel & Associates, Chartered Accountants, having our office at B-XV/575/1, Overlock Road,Miller Ganj, Ludhiana 141003 PB acting as the Statutory Auditors of Bhagya Machine Tools Limited, have been requested to issue this consolidated certificate. The certificate covers the following areas of review and verification based on the statutory audit conducted for the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026:

1. Cost of Acquisition of Shares

We have performed the following procedures:

i. Obtained the Affidavit for identification of the Promoter, as defined under Regulation 2(1)(oo) of the ICDR Regulations, the list of Promoter Group, as defined under Regulation 2(1)(pp) of the ICDR Regulations, from the management of the Company for the purpose of calculation of cost per share to the Promoter Selling Shareholder of the Company;

ii. We have reviewed the following documents: the Memorandum and Articles of Association of the Company; the register of members and the share allotment register; Forms PAS-3 and SH-4 filed with the Registrar of Companies; share transfer deeds and gift deeds; relevant extracts ofthe minutes of the meetings ofthe Board of Directors and of the shareholders ofthe Company; the statutory registers maintained under the Companies Act, 2013; and the Restated Financial Information ofthe Company for the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026;

iii. Compared the date of acquisition / sale / transfer; number of equity shares; and acquisition / issue cost per equity share in respect of the Promoter and Promoter Group Shareholder, with the share allotment register, relevant extracts ofthe minutes ofthe meetings ofthe board of directors ofthe Company, relevant resolutions passed by the shareholders of the Company, statutory registers, relevant forms including share transfer forms to the extent made available for our verification by the company.

iv. Verified the computations prepared by the company of the average cost of acquisition/ weighted average price/ weighted average cost of acquisition per share to the promoter and promoter group shareholder as on the date of this certificate.

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Accordingly, based on the information and explanation provided to us by the Company, and above procedures we hereby certify that:

A. The average cost of acquisition per Equity Share to our Promoters, as on signing date of this certificate, is as follows:

Name of the Promoter	Number of Equity Shares as on date of this certificate	Average cost of acquisition per share
Jagdev Singh	20,74,000	0.19
Jasdil Singh	21,16,000	9.74

Notes: The average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

B. The weighted average price at which the Equity Shares of the Company was acquired by the Promoters of the Company in the last one year, as on signing of this certificate, is as follows:

Name of the Promoter	Number of Equity Shares as on date of this certificate	Equity shares acquired in the last one year	Weighted average cost of acquisition per share
Jagdev Singh	20,74,000	20,34,000	0.00
Jasdil Singh	21,16,000	17,16,000	9.67

Notes: The weighted average cost of acquisition of Equity Shares by our Promoters have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

The details of the workings for the average cost of acquisition (A) and weighted average cost of acquisition (B) per Equity Share of the Promoter are attached herewith as **Annexure A.**

C. The weighted average cost of acquisition for all equity shares transacted in the three years, eighteen months and one year, as on signing of this certificate, is as follows:

Particulars	Weighted Average Cost of Acquisition (in Rs.)	Range of acquisition price: Lowest Price – Highest Price (in Rs.)	Cap Price ([•]) is 'x' times the Weighted Average Cost of Acquisition*
Last one year preceding the date of this Draft Red Herring Prospectus	8.40	0 – 83	[•]
Last 18 months preceding the date of this Draft Red Herring Prospectus	8.40	0 – 83	[•]
Last three years preceding the date of this Draft Red Herring Prospectus	8.44	0 – 83	[•]

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The details of the workings for the weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this certificate, is attached herewith as **Annexure B**.

2. Corporate Governance

This is to certify that the Company has complied with the provisions of Chapters II, IV and other applicable provisions of the SEBI LODR Regulations and the Companies Act, 2013 read with the rules framed thereunder, in respect of the corporate governance provisions relating to composition of board of directors and constitution of the board committees, including the constitution of the audit committee and the nomination and remuneration committee.

i. The compliance with the conditions as stipulated in the SEBI LODR Regulations is the responsibility of the Company's management.

ii. Based on our review of the secretarial records of the Company maintained under the Companies Act, 2013, the information, explanations and representations provided to us and other relevant records and documents produced to us for our verification, we confirm that the Company is in compliance with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and applicable circulars issued in this regard by Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs, Government of India, in connection with the following:

   a. composition of the Board;
   b. identification and appointment of the independent directors on the Board;
   c. composition, constitution and terms of reference of the Audit Committee of the Board;
   d. composition, constitution and terms of reference of the Nomination and Remuneration Committee of the Board.

As per the information provided to us by the management of the Company, the composition of Board and the committees thereof referred to in paragraph ii above is as follows:

Board of Directors

The Board of Directors of the Company consists of 5 directors, comprising 2 executive directors and 3 non-executive directors, of whom 2 are independent directors. Mrs. Baljeet Kaur is the woman director on the Board.

The list of directors on the Board is given below:

S. no.	Name of Director	DIN	Designation	Executive / Non-Executive	Independent / Non-Independent
1	Jagdev Singh	09428375	Managing Director	Executive	Non-Independent
2	Jasdil Singh	09578743	Whole-time Director	Executive	Non-Independent
S. no.	**Name of Director**	**DIN**	**Designation**	**Executive / Non-Executive**	**Independent / Non-Independent**

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3	Baljeet Kaur	11771076	Director	Non-Executive	Non-Independent
4	Amandeep Arora	10985048	Independent Director	Non-Executive	Independent
5	Vikas Arora	11401085	Independent Director	Non-Executive	Independent

We further confirm that:

(i) the Board has met at least four times in the last one financial year (and there has not been a time gap of more than 120 days between any two meetings of the Board);

(ii) not less than one-half of the board of directors of the Company comprise of non-executive directors;

(iii) at least one-third of the board of directors of the Company are independent directors;

(iv) none of the directors of the Company, is a member of more than ten committees, across all public limited companies in which he/she is a director; and

(v) none of the directors of the Company, is a chairman of more than five committees across all public limited companies in which he/she is a director.

For the purpose of sub-paragraphs (iv) and (v), chairmanship/membership of only the audit committee and nomination and remuneration committee has been considered, in accordance with the SEBI LODR Regulations.

Independent Directors

The Company has two (2) independent directors on its Board. In relation to such independent directors, we confirm that:

All of the independent directors of the Company hold office for a term of up to 5 consecutive years and are eligible for reappointment for another term of up to 5 consecutive years on passing of a special resolution by the Company.

The independent directors are not and were at no time, a promoter of the Company, its holding company, subsidiary or associate company or member of the promoter group of the listed entity, if any. Further, the independent directors are not related to the promoters or the directors of the Company, its holding, subsidiaries or associate companies, if any.

The relatives of the independent directors have or had no pecuniary relationship or transaction with the Company, its subsidiaries or associate companies, if any, promoters or directors, amounting to 2% or more of its gross turnover or total income, or such higher amount, whichever maybe lower, in the current financial year or during the last two financial years.

All the Independent Director of the company, apart from receiving director's remuneration, has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their

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promoters, or directors, during the three immediately preceding financial years or during the current financial year;

None of whose relatives—

i. is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

ii. is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;

iii. has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or

iv. has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more ofits gross turnover or total income:

v. Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (i) to (iv) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.]

vi. who, neither himself/herself, nor whose relative(s) —

(a) holds or has held the position of a key managerial personnel or is or has been an employee of the listed entity or its holding, subsidiary or associate company or any company belonging to the promoter group of the listed entity, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed:

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment.

(b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(1) a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or

(2) any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(c) holds together with his relatives two per cent or more ofthe total voting power ofthe listed entity; or

(d) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the listed entity;

(e) is a material supplier, service provider or customer or a lessor or lessee of the listed entity;

vii. who is not less than 21 years of age.

viii. who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director

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The non-executive directors, including independent directors, are only paid sitting fees within the limits prescribed under the relevant provisions of the Companies Act, 2013, to the extent applicable.

None of the independent directors of the Company serve as independent directors in more than seven listed companies;

None of the independent directors of the Company who also serve as whole time directors in any other listed companies, serve as an independent directors in more than three listed companies;

The independent directors of the Company have held at least one meeting without the attendance of non-independent directors of the Company and members of its management, wherein, the following has been discussed:

a. Review of the performance of the non-independent directors on the Board as a whole;

b. Review of the performance of the Chairman of the Board; and

c. Assessment of the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Audit Committee of the Board

The Company has constituted the Audit Committee of the Board (the "Audit Committee") pursuant to a resolution of the Board of Directors dated June 17, 2026 in compliance with Section 177 of the Companies Act, 2013 and the applicable provisions of the SEBI LODR Regulations. The Audit Committee consists of the following directors:

Sr no.	Name of Director	Designation	Executive /Non-Executive	Independent / Non-Independent
1.	Vikas Arora	Chairperson	Non-Executive	Independent
2.	Baljeet Kaur	Member	Non-Executive	Non Independent
3.	Amandeep Arora	Member	Non-Executive	Independent

Of the above, all the members of Audit Committee are financially literate, as defined in the Regulation 18 of the SEBI LODR Regulations; Mr. Vikas Arora have accounting or related financial management expertise.

The terms of powers, role and terms of reference of the Audit Committee are in accordance with the SEBI LODR Regulations and is annexed herewith as **Annexure C.**

The Company Secretary acts as the secretary to the Audit Committee.

Nomination and Remuneration Committee of the Board

The Company has constituted a Nomination and Remuneration Committee of the Board (the "Nomination and Remuneration Committee") pursuant to a resolution of the Board of Directors dated June 17, 2026.

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The constitution, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the SEBI LODR Regulations and is annexed herewith as **Annexure C**.

The Nomination and Remuneration Committee consists of the following directors:

Sr no.	Name of Director	Designation	Executive /Non-Executive	Independent / Non-Independent
1.	Amandeep Arora	Chairperson	Non-Executive	Independent
2.	Vikas Arora	Member	Non-Executive	Independent
3.	Baljeet Kaur	Member	Non-Executive	Non Independent

We further confirm that:

(i) All of the members of the Nomination and Remuneration Committee are non-executive directors, and at least half of the members of the Nomination and Remuneration Committee are independent directors;

(ii) Mr. Tirlok Mohan is the Company Secretary and Compliance Officer of the Company; and

(iii)the chairman of the Nomination and Remuneration Committee is an independent director.

The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

Subsidiaries

As on the date of this letter, the Company has no subsidiary.

3. Ratios for Basis for Issue Price

In connection with calculation of the issue price of the Equity Shares in the Issue, we have verified the information mentioned in Annexure D with respect to the Company, extracted from the Restated Financial Information for the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026 and other relevant records of the Company.

1. Earnings Per Share ("**EPS**") per Equity Share (as adjusted for changes in capital, if any):

Fiscal	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2026	16.93	19.64	3
2025	10.34	12.54	2
2024	4.25	5.15	1
Weighted Average	12.62		6

Notes:

(a) The figures above are based on the restatetedfinancial statements of the Company

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(b) Theface value ofeach Equity Share is ₹10

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(c) Basic and Diluted EPS= Restateted profit for the year attribuatable to equity shareholders of the company divided by total number of equity shares outstanding

2. Return on Net Worth ("**RoNW**"):

Fiscal	RoNW (%)	Weight
2026	40.52	3
2025	60.57	2
2024	63.14	1
Weighted Average	**50.97**	**6**

RoNW = Net profit after tax, as restated, attributable to the owners ofthe Company, divided by net worth, as restated, at the end ofthe relevant period (equity attributable to the owners ofthe Company, excluding non-controlling interest).

Notes:

a) Weighted average = Aggregate ofyear-wise weighted RoNW divided by the aggregate ofweights, i.e. (RoNW x Weight) for each year divided by the total ofweights.

b) Thefigures disclosed above are based on the Restated Financial Statements ofour Company.

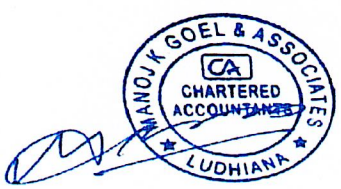
3. Net Asset Value ("**NAV**") per Equity Share as*per* last restated balance sheet:

Financial Year	NAV per Equity Share
2025-26	41.78
2024-25	20.71
2023-24	8.16
NAV after the Issue (Cap Price)	**[•]**
NAV after the Issue (Floor Price)	**[•]**

Notes:

a) *Net asset valueper equity share is calculated as net worth as ofthe end ofrelevantyear divided by the number ofequity shares outstanding at the end ofthe year are adjusted by increase in capital through issue ofbonus shares on 20.12.2025in the ratio of3:1.*

b) *Net worth represents aggregate value ofequity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Information.*



4. Key Financial & Operational Performance Indicators (KPIs)

Key Performance Indicator	Bhagya Machine Tools Limited		
	March 31, 2026	March 31, 2025	March 31, 2024
GAAP Financial Measures	-	-	-
Revenue from operations	6,838.42	6,544.35	3,330.61
Year-on-year growth in Revenue from Operations	4.49%	96.49%	-
PAT	821.00	501.72	206.20
PAT Margin (%)	12.01%	7.67%	6.19%
Net Worth	2,026.31	828.31	326.59
Debt	287.18	619.22	170.28
Current Ratio	2.35	1.89	1.35
Debt-Equity Ratio	0.14	0.75	0.52
Non-GAAP Financial Measures			
EBITDA	1,055.80	643.81	267.34
EBITDA Margin (%)	15.44%	9.83%	8.03%
ROE (%)	40.52%	60.57%	63.14%
ROCE (%)	44.21%	43.16%	52.08%
Cash Profit after tax	853.94	520.79	214.76
Operating Cash flow	(42.59)	(60.38)	(98.31)
Operational Measures			
Trade Receivable Days	70	48	66
Trade Payable Days	43	32	64
Inventory Days	84	48	39
Cash Conversion Cycle	111	64	41

Notes:

- *Revenue from operations is the total revenue generated by our Company from the sale of products.*
- *Year-on-year growth in Revenue from Operations is calculated by comparing the revenue of the current year with that of the previous year*
- *PAT is calculated as Profit before tax – Tax Expense's*
- *PAT Margin is calculated as PAT for the period/year divided by Revenue from Operations.*
- *Net worth has been computed as sum of share capital and reserves and surplus.*
- *Debt is calculated as the sum of all borrowings of the Company, including both long-term and short-term borrowings.*
- *Current Ratio is calculated as Current Assets divided by Current Liabilities.*
- *Debt-Equity Ratio is calculated as Total Debt divided by Shareholder's Equity.*
- *EBITDA is calculated as Profit before tax + Depreciation & Amortization + Interest Expense's -Others Income*
- *EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations*
- *Return on Equity is ratio of Profit after Tax and Shareholder Equity.*
- *Return on Capital Employed is calculated as EBIT divided by capital employed, being total shareholders' funds plus total borrowings.*
- *Operating Cash Flow is the restated cash flow of our operations.*
- *Trade Receivable Days are calculated by dividing the total trade receivables by the revenue earned during the period and then multiplying the result by 365.*
- *Trade Payable Days are determined by dividing the total trade payables by the COGS during the period and multiplying the outcome by 365.*
- *Inventory Days are determined by dividing the total inventory by the COGS during the period and multiplying the outcome by 365.*
- *Cash Conversion Cycle is determined by adding Trade Receivable Days and Inventory Days, then subtracting Trade Payable Days from the total.*

5. Weighted Average cost of acquisition for the followings:

(a) Price per share of the Company on the Primary issue shares:

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Other than as mentioned below, there has been no issuance of Equity Shares or convertible securities during the 18 months preceding the signing date of this certificate, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

S. No	Date of Allotment	Type of Issue	No. of Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration (₹ in Lakhs)
1	31/12/2025	Right Issue	4,00,000	10	83	Cash – application money adjusted against loans due to the directors	Right Issue	332.00
2	23/01/2026	Right Issue	4,50,000	10	10	Cash	Right Issue	45.00
	Weighted Average Cost of Acquisition		**8,50,000**					**44.35**

Note: The bonus issue of 30,00,000 Equity Shares allotted on December 20, 2025 has been excluded from the above table and from the computation of the weighted average cost of acquisition, in accordance with the requirement stated above. The weighted average cost of acquisition of ₹44.35 per Equity Share has been computed as total consideration of ₹377.00 lakhs divided by 8,50,000 Equity Shares.

(b) Price per share of our Company based on the secondary sale / acquisition of Shares

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the signing date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue share capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

S. No	Date of Transaction	No. of Equity Shares transacted	Face Value (INR)	Transfer Price (INR)	Buyer	Seller
			Nil			

Note: The only transfers of Equity Shares during the 18 months preceding the date of this certificate were the transfers dated November 14, 2025, which were efected by way of gift deeds without consideration. Transfers by way of gift are excluded from the disclosure required under this clause.

(c) In case there are no transactions to report under (a) and (b) above, the information is required to be disclosed for price per share of the Company based on the last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through an offer for sale in the IPO or shareholder(s) having the right to nominate directors on the Board of the Company are a party to the transaction), not older than 3 years prior to the date of signing of this certificate, irrespective of the size of the transactions. Since transactions are reportable under (a) above, this disclosure is not strictly applicable; the details of all primary and secondary transactions during the three years preceding the date of this certificate are nonetheless set out below for information.

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Primary Issuances

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of signing of this certificate:

S. No	Date of Transaction	No. of Equity Shares transacted	Face Value (INR)	Issue Price (INR)	Allottee	Total Consideration (₹)
1	20/12/2025	30,00,000	10	Nil	Charanjit Kaur, Jagdev Singh, Jasdil Singh, Jaskaran Singh, Rupinder Kaur and Gurmeet Singh (bonus issue in the ratio 3:1)	Nil
2	31/12/2025	4,00,000	10	83	Jasdil Singh (2,00,000) and Jaskaran Singh (2,00,000)	3,32,00,000
3	23/01/2026	4,50,000	10	10	Deepak Kumar (1,80,000), Harinderpal Singh Sodhi (1,80,000), GhanishtNagpal (88,000) and Reena (2,000)	45,00,000
	Weighted Average Cost of Acquisition	**38,50,000**		**9.79**		**3,77,00,000**

Secondary Issuances

Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of signing of this certificate:

S. No	Date of Transaction	No. of Equity Shares transacted	Face Value (INR)	Transfer Price (INR)	Buyer	Seller	Total Consideration (₹)
1	15/06/2024	1,20,000	10	10	Rupinder Kaur (40,000), Gurmeet Singh (40,000) and Tavinder Singh (40,000)	Charanjit Kaur (60,000) and Jagdev Singh (60,000)	12,00,000
2	14/11/2025	6,37,000	10	Nil (transfer by way of gift deed)	Charanjit Kaur (40,000), Jagdev Singh (4,78,500), Rupinder Kaur (39,500) and Jasdil Singh (79,000)	Tavinder Singh (40,000), Charanjit Kaur (79,000), Jaskaran Singh (3,99,500), Gurmeet Singh (39,500) and Rupinder Kaur (79,000)	Nil
	Weighted Average Cost of	**7,57,000**		**1.59**			**12,00,000**
S.	**Date of**	**No. of**	**Face**	**Transfer**			**Total Con**

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No	Transaction	Equity Shares transacted	Value (INR)	Price (INR)	Buyer	Seller	side ration (₹)
	Acquisition						

(d) Floor price and cap price being [•] times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed above (a) and (b) or (c), are following:

Past Transaction	Weighted Average Cost of Acquisition (Rs.)	Floor Price Rs. [•]*	Cap Price Rs. [•]*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan / employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	44.35	[•]	[•]
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity / convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	Not applicable – there were no such secondary transactions	Not applicable	Not applicable
Since transactions are reportable under (a) above, the disclosure of the price per share based on the last five primary or secondary transactions not older than three years prior to the date of filing of this Red Herring Prospectus is not strictly applicable. The weighted average cost of acquisition based on all primary and secondary transactions during the three years preceding the date of this certificate is set out below for information.			
Past Transaction	**Weighted Average Cost of Acquisition (Rs.)**	**Floor Price Rs. [•]***	**Cap Price Rs. [•]***
– Based on Primary transactions (including the bonus		[•]	[•]

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issue)			
– Based on Secondary transactions	1.59	[•]	[•]

4. Rejection criteria under the SEBI General Order, 2012.

We confirm that the Company does not fall within any of the criteria for rejection of draft offer documents as enumerated in the Securities and Exchange Board of India (Framework for Rejection of Draft Offer Documents) Order, 2012. Without prejudice to the generality of the foregoing statement, we specifically confirm as follows:

1. There are no circular transactions in the Equity Shares or other securities of the Company for building up the capital and/or net worth of the Company.
2. The ultimate promoters are identifiable.
3. The promoters' contribution complies with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
4. None of the objects of the Issue for which a major part of the Issue proceeds are proposed to be utilized for are vague. None of the objects of the Issue are such that the major portion of the Issue proceeds is proposed to be utilized for the purpose which does not create any tangible asset for the Company, such as, expenses towards brand building, advertisement, payment to consultants, etc., and there is not enough justification for creation of such assets in terms of past performance, experience and concrete business plan of the Company.
5. There are no pending legal proceedings initiated by or against the Company which are so major that the Company's survival is dependent on the outcome of such pending proceedings and the Company has not willfully concealed or covered the disclosure of any pending legal proceedings which are required to be disclosed in the draft offer document in connection with the Issue.
6. There are no pending crucial clearances / licenses / permissions / approvals from any competent authority which is necessary for commencement of activities in relation to any plant which forms a part of the objects to the Issue, such that the non-receipt of such clearances / licenses / permissions / approvals, the issue proceeds might not be utilized towards the stated objects of the Issue.
7. None of the objects to the Issue are for repayment of any loan or any inter-corporate deposit or any other borrowing of similar nature, for which the Company is not in a position to disclose the ultimate purpose for which the loan was taken or demonstrate utilization of the same for the disclosed purpose.
8. None of the objects of the Issue are such that there will be any unreasonably long time gap between raising of funds pursuant to the Issue and the proposed utilization of the same.
9. The Company does not have an exaggerated, complex or misleading business model due to which the investors may not be able to assess the risks associated with such business model.
10. There are no sudden spurts including spurts in line items such as income, debtors/creditors, intangible assets, etc in the business just before filing of the Draft Red Herring Prospectus.
11. None of the auditors have provided any qualified audit reports or reports wherein they have raised doubts / concerns over the accounting policies of the Company which significantly contribute to the business of the Company or any other entity wherein the Company proposes to utilize the proceeds of the Issue.

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12. There has not been any change in the accounting policy of the Company with a view to show enhanced prospects for the issuer in contradiction with accounting norms.
13. The majority of the business of the Company, is not with related parties and is not circular transactions with connected / group companies with a view to show enhanced prospects of the Company.

5. Certificate of Compliance: Statutory Obligations and GST Filings

1. Employee Details and Statutory Dues Paid in the Last Three Financial Years

The following table sets forth the employee strength and the overall attrition rate of the Company as of the periods indicated:

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Total Employees	11	11	9
Left during the year	2	1	3
Attrition Rate	18.18	9.09	33.33

The following table summarizes the statutory dues paid by the Company during the last three financial years:

Particulars	FY 2026	FY 2025	FY 2024
Provident Fund (₹ in Lakhs)	NA	NA	NA
Number of Employees for whom Provident funds has been paid	NA	NA	NA
Employee State Insurance Corporation (₹ in Lakhs)	NA	NA	NA
Number of Employees for whom ESIC has been paid	NA	NA	NA
Professional Tax (₹ in Lakhs)	0.02	NA	NA
Number of Employees for whom PT has been paid	11		
Tax deducted at source on salary (₹ in Lakhs)	NA	NA	NA
Number of Employees for whom TDS has been paid	NA	NA	NA

2. *Confirmation of Statutory Compliance*

We confirm that,

i. There have been no instances of default or non-payment of statutory dues by the Company, except as follows:

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Financial Year	Return Type	Month	Period of Delay (No of Days)	Interest on Delayed Payments	Penalty	Total Liability
Nil	Nil	Nil	Nil	Nil	Nil	Nil

ESIC

Financial Year	Return Type	Month	Period of Delay (No of Days)	Interest on Delayed Payments	Penalty	Total Liability
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note: Provident Fund and Employees' State Insurance are not applicable to the Company for the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026, and accordingly there were no returns to be filed or dues to be remitted under those enactments. In certain instances the Company has remitted other statutory dues after the prescribed due date together with the interest payable for the period of delay. Such delayed remittance, accompanied by payment of interest, operates as an extension of the period of payment and does not constitute a default in the payment of statutory dues.

ii. There have been no current instances of overdue to companies or financial institutions by the Company, except as follows:

Financial Year	Nature of Overdue	Details
Nil	Nil	Nil

iii. There have been no current instances of defaults against companies or financial institutions by the Company, except as follows:

Financial Year	Nature of Default	Details
Nil	Nil	Nil

iv. There have been no instances of contingent liabilities, except as follows:

Financial Year	Nature of Liability	Details
FY 2025-26	Nil	–
FY 2024-25	Other money for which the Company is contingently liable (income tax)	₹31.18 lakhs, as disclosed in Annexure 34 to the Restated Financial Information. The tax liability has since been duly discharged by the Company; the corresponding payment is pending update on the income tax portal.
FY 2023-24	Nil	–

v. There have been no instances of delayed GST Return Filing, except as follows:

i. Active GST

GSTIN	State
03AAKCB3634Q1ZE	PUNJAB
03AAKCB3634Q1DN	PUNJAB

ii. Inactive GST

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GSTIN	State
Nil	Nil

iii. Summary of Delay in GST Filing Returns:

GSTIN Registration Number	03AAKCB3634Q1ZE
State	PUNJAB
Trade Name	BHAGYA MACHINE TOOLS LIMITED
Effective Date of Registration	25-01-2022
Taxpayer Type	REGULAR
Principal place of Business	VPOPADDI SAHNEWAL PUNJAB LUDHIANA

Financial Year	Return Type	Month	Period of Delay (No of Days)	Interest on Delayed Payments	Penalty	Fees (₹)	Total Liability (₹)
2023-24	GSTR-3B	April	2	Nil	Nil	100	100
2024-25	–	–	Nil – 100% compliant	Nil	Nil	Nil	Nil
2025-26	GSTR-3B	May	10	Nil	Nil	500	500
2025-26	GSTR-3B	July	22	Nil	Nil	1,100	1,100
2025-26	GSTR-3B	Septemb er	1	Nil	Nil	50	50
2025-26	GSTR-3B	October	21	Nil	Nil	1,050	1,050
2025-26	GSTR-3B	February	8	Nil	Nil	400	400
2025-26	GSTR-3B	March	6	Nil	Nil	350	350
Total				**Nil**	**Nil**	**3,550**	**3,550**

6. Build-up of Share Capital

We certify the build-up in the shareholding of Bhagya Machine Tools Limited since incorporation of the Company, including details such as the nature of issue, date of allotment, number of shares, face value, issue price and nature of consideration, as set out in the following table:

S. No	Date of Allotment	Nature of Allotment	Number of Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid-up Capital (₹)
1	08/12/2021	Subscription to the Memorandum of Association (on incorporation)	1,00,000	10	10	Cash	1,00,000	10,00,000
	Date of		**Number**	**Face**	**Issue**		**Cumulat**	**Cumulative**

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S. No	Allotment	Nature of Allotment	of Shares Allotted	Value (₹)	Price (₹)	Nature of Consideration	ive No. of Shares	Paid-up Capital (₹)
2	27/03/2023	Further issue on rights basis	9,00,000	10	10	Cash	10,00,000	1,00,00,000
3	20/12/2025	Bonus issue in the ratio of 3:1	30,00,000	10	Nil	Capitalisation of free reserves	40,00,000	4,00,00,000
4	31/12/2025	Further issue on rights basis	4,00,000	10	83	Cash – application money adjusted against loans due to the directors	44,00,000	4,40,00,000
5	23/01/2026	Further issue on rights basis	4,50,000	10	10	Cash	48,50,000	4,85,00,000

Note: In respect of the allotment dated December 31, 2025, the application money payable by the allottees was discharged by adjustment against the loans then outstanding from them to the Company. The allotment was accordingly made for cash consideration within the meaning of the Companies Act, 2013; however, as no movement of funds took place, the transaction is not reflected in the restated statement of cash flows.

7. No material Developments

We, the statutory auditors of the Company, confirm that as on signing of this certificate to the best of our knowledge and belief, no developments have taken place since the last date of the audited financial statements which materially and adversely affect or are likely to affect the trading or profitability of the Company, or the value of its assets, or its ability to pay its liabilities within the next twelve months.

We also confirm that as on signing of this certificate, there have been no frauds against the Company during the last three financial years, i.e. the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026, as reported upon under the Companies (Auditor's Report) Order, 2020.

8. Dividend Declared by the Company

No dividends declared in the last three years; profits retained for expansion.

9. Group Companies

The Company has adopted a policy on materiality of and dealing with related party transactions in accordance with the Companies Act, 2013 and the SEBI LODR Regulations. All related party transactions require the prior approval of the Audit Committee; transactions which are not at arm's length or not in the ordinary course of business require the approval of the Board under Section 188 of the Companies Act, 2013; and material related party transactions require the approval of the shareholders. All related party transactions entered into during the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026 were on an arm's length basis and in the ordinary course of business, and have been disclosed in Annexure 30 to the Restated Financial Information and in Form AOC-2, as applicable.

1. List of related parties as per Accounting Standard 18 – Related Party Disclosures is as follows:

Name	Relationship	Nature of Transaction
Jagdev Singh	Managing Director – Key Managerial Personnel	Director remuneration
Name	**Relationship**	**Nature of Transaction**
Jasdil Singh	Whole-time Director – Key Managerial Personnel	Director remuneration; loans taken and repaid; allotment of equity shares on rights basis

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Jaskaran Singh	Director (ceased with effect from December 30, 2025) and relative of Director	Director remuneration; loans taken and repaid; allotment of equity shares on rights basis
Rupinder Kaur	Director (from December 1, 2025 to June 17, 2026) and relative of Director	Loan given and repaid
M/s Micro Engineers	Sole proprietorship of Mr. Jagdev Singh, Managing Director – enterprise over which key managerial personnel is able to exercise significant influence	Purchase of goods; sale of goods
M/s Bhagya Infra Projects Limited	Enterprise over which key managerial personnel is able to exercise significant influence (Mr. Jasdil Singh is directors)	Nil – no transactions during the financial years ended March 31, 2024, March 31, 2025 and March 31, 2026

Pursuant to a resolution passed by the Board of Directors of the Company dated [●], for the purpose of disclosure in the Issue Documents for the Issue, a company shall be considered material and disclosed as a "Group Company" if:

i. Such company (ies) in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year;
ii. Where the Company has entered into one or more transactions with such company (ies) in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year;
iii. Any other company/ entities that the Board may decide to consider material.

2. *List of Group Companies*

Accordingly, based on the parameters outlined above, as on the date of signing of this certificate, there are no companies which qualify as Group Companies of the Company. M/s Bhagya Infra Projects Limited, being a company in which two of the directors of the Company are also directors, has been considered against the above parameters; the Company has made no investment in the form of equity or loan in that company and there were no transactions between the Company and that company during the last audited financial year or in any of the three financial years ended March 31, 2026. Accordingly, it does not meet the materiality thresholds and is not disclosed as a Group Company.

3. *Common pursuits*

a. Conflict of Interest

Not applicable, as the Company has no Group Companies.

b. Business Interest

Not applicable, as the Company has no Group Companies.

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c. Related business transactions with our Group Companies and their significance on the financial performance of our Company

Not applicable, as the Company has no Group Companies.

4. Litigation

Not applicable, as the Company has no Group Companies.

10. Insurance Coverage

Based on our review of the records maintained by the Company, we hereby certify and confirm that as at March 31, 2026, the total sum insured under the insurance policies taken by the Company aggregated to ₹1,261.00 lakhs, comprising Fire (₹380.00 lakhs), Burglary (₹380.00 lakhs) and Property (₹501.00 lakhs), being 3.26 times the net block of property, plant and equipment of ₹386.30 lakhs as per the Restated Financial Information as at March 31, 2026. All the said policies were current and valid as at that date.

Note: The property policy issued by Bajaj Allianz General Insurance Company Limited is in the process of being re-endorsed in the current name of the Company, consequent upon the change of name from Bhagya Steels Limited to Bhagya Machine Tools Limited with efect from November 27, 2025.

11. Sources and Deployment Funds

We hereby confirm that, as on the date of signing of this certificate, the following expenditure has been incurred in relation to the Issue, up to August 8, 2026:

Deployment of funds	Amount (₹ in Lakhs)
Issue Related Expenses	12.5
Total	**12.5**

Sources of funds	Amount (₹ in Lakhs)
Internal Accruals	12.5
Bank Finance	Nil
Total	**12.5**

12. ELIGIBILITY NORMS

This is to certify that, based on our examination of the books of account and other records of the Company and the information and explanations provided to us, the Company satisfies the eligibility criteria for listing set out below:

Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

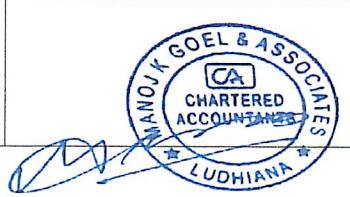
Listing criteria stipulated by the Bombay Stock Exchange (BSE).

Listing criteria stipulated by the National Stock Exchange of India Limited (NSE).

ICDR		**Eligibility** ***(Yes/ No)***	**Remarks**
Disciplinary Action	**Regulation 228 of the ICDR Regulations**	**Yes**	Neither the Company, nor any of its promoters, members of the promoter group, directors or
			selling shareholders, is debarred from accessing the capital market by the Board. None of the promoters or directors of the Company is a promoter or

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			director of any other company which is debarred from accessing the capital market by the Board. Neither the Company nor any ofits promoters or directors has been declared a wilful defaulter or a fraudulent borrower, and none of them is a fugitive economic offender.
	*If the issuer, any of its promoters, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board		
	*If any of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board		
	If the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower.		
	If any of its promoters or directors is a fugitive economic offender.		
	* The restrictions shall not apply to the persons or entities mentioned therein, who were debarred in the past by the Board and the period of debarment is already over as on the date of filing of the draft offer document with the SME Exchange.		
Outstanding Convertible Securities	If there are any outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer:	**Yes**	The Company has only one class of securities, being equity shares of face value ₹10 each, all of which are fully paid up. There are no outstanding convertible securities, employee stock options or any other right which would entitle any person to receive equity shares of the Company.
	Provided that the provisions of this clause shall not apply to:		
	(i) outstanding options granted to employees, whether currently an employee or not, pursuant to an employee stock option scheme in compliance with the Companies Act,		
	2013, the relevant Guidance Note or accounting standards, if any, issued by the Institute of Chartered Accountants of India or pursuant to the Companies Act, 2013, in this regard;		
	(ii) fully paid-up outstanding convertible securities which are required to be converted on or before the date of filing of the red herring prospectus (in case of		



	book-built issues) or the prospectus (in case of fixed price issues), as the case may be.		
Paid-up Capital	**Regulation 229 ofthe ICDR Regulations**	**Yes**	The pre-Issue paid-up equity share capital of the Company is ₹485.00 lakhs. The post-Issue paid-up equity share capital will be within the limits prescribed under Regulation 229 of the ICDR Regulations.
	(1) An issuer shall be eligible to make an initial public offer only if its post-issue paid-up capital is less than or equal to ten crore rupees.		
	(2) An issuer, whose post issue paid-up capital is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of the Chapter IX.		
Exchange Parameters	If it satisifies the eligilbility of exchange on which the issuer looking for listing	**Yes**	The Company satisfies the eligibility criteria of the SME Exchange on which listing is proposed, as set out in the tables below.
Conversion of LLP/ Firm	A company converted from a proprietorship, partnership, or LLP can make an IPO only if it has existed for at least one full financial year, with restated financial statements aligned to Schedule III of the Companies Act, 2013.	**Not Applic able**	The Company was incorporated as a company under the Companies Act, 2013 on December 8, 2021. It has not been converted from a proprietorship concern, a partnership firm or a limited liability partnership, and is not the result of a merger or division of an existing company.
	The track record of operating profit for a partnership firm, LLP, or resulting issuer from a merger/division can be considered if its financial statements conform to the Companies Act, 2013 format, include adequate Schedule III disclosures, are certified by peer-reviewed ICAI auditors, and present a true and fair view.		
Change in Promoter	An issuer with a complete change of promoters or new promoters acquiring over 50% shareholding can file a draft offer document only after one year from the final change.	**Yes**	There has been no complete change of promoters of the Company and no new promoter has acquired more than 50% of the shareholding. The changes in shareholding effected on November 14, 2025 were inter-se transfers by way of gift deeds among the existing promoters and members of the promoter group. As on the date of this certificate, Mr. Jasdil Singh holds 43.63% and Mr. Jagdev Singh holds 42.76% of the pre-Issue paid-up equity share capital.

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	The track record of operating profit from the time when the issuer was a partnership firm or Limited Liability Partnership (LLP) will be considered only if: (i) The financial statements of the partnership or LLP conform to the Companies Act, 2013. (ii)The statements are revised to the prescribed format for companies under the Companies Act, 2013 (iii) Adequate disclosures are made in the financial statements as per Schedule III of the Companies Act, 2013		
	If the issuer is a result of a merger or division of an existing company, its track record will be considered only if the financial statements meet the same requirements as above.		
Paid-up Equity Shares	Company all existing partly paid-up equity shares have either been fully paid-up or forfeited.	**Yes**	All existing equity shares ofthe Company are fully paid up. There are no partly paid-up equity shares outstanding and no equity shares have been forfeited.
Offer Issue	(i) the size of offer for sale by selling shareholders shall not exceed twenty per	**Not Applic**	The Issue does not comprise an offer for sale by any selling
	cent of the total issue size;	**able**	shareholder.
	(ii) the shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders' pre-issue shareholding on a fully diluted basis		
Repayment of Loan	Objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.	**Yes**	The Objects of the Issue do not include repayment of any loan taken from the promoter, the promoter group or any related party, whether directly or indirectly. There were no loans outstanding from the promoters or the promoter group as at March 31, 2026.
General Corporate Purpose	(i) The amount for general corporate purposes, as mentioned in objects of the issue in the draft offer document and the offer document shall **not exceed fifteen per cent** of the amount being raised by the issuer or ₹10 crores, whichever is less.	**Yes**	The amount proposed to be utilised for general corporate purposes, as disclosed in the "Objects of the Issue" chapter of the Draft Red Herring Prospectus, does not exceed fifteen per cent of the amount being raised by the Company or ₹10 crores, whichever is less. The Company has not identified any acquisition or strategic investment target.

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	(ii) The amount for general corporate purposes, and such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the draft offer document and the offer document, shall **not exceed thirty five per cent**. of the amount being raised by the issuer:		
	Provided that the amount raised for such objects where the issuer company has not identified acquisition or investment target, as mentioned in objects of the issue in the draft offer document and the offer document, shall not exceed twenty five per cent. of the amount being raised by the issuer.		
	Provided further that such limits shall not apply if the proposed acquisition or strategic investment object has been identified and suitable specific disclosures about such acquisitions or		
	investments are made in the draft offer document and the offer document at the time of filing of offer documents.		
Firm Arrangements	It has made firm arrangements of finance through verifiable means towards seventy five percent. of the stated means of finance for the project proposed to be funded from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals389	**Not Applicable**	The Objects of the Issue do not comprise a project requiring firm arrangements of finance to be made through verifiable means towards seventy five per cent of the stated means of finance.
	Provided that if there is a requirement of firm arrangement and the project is partially funded by the bank(s) / financial institution(s), the details regarding sanction letter(s) from the bank(s)/ financial institution(s) shall be disclosed in the draft offer document and offer document.		
BSE			
Incorporation	The company shall be incorporated uner the Companies Act 1956/2013.	**Yes**	The Company was incorporated under the Companies Act, 2013 on December 8, 2021.
Paid-up Capital	The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores	**Yes**	The pre-Issue paid-up equity share capital of the Company is ₹485.00 lakhs. The post-Issue

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			paid-up capital (face value) will not exceed ₹25 crores.
Net worth	Company has Networth atleast Rs. 1 crore for 2 preceding full financial years. (Please refer to ***Annexure-E***.)	**Yes**	Net worth, as restated, was ₹2,026.31 lakhs as at March 31, 2026 and ₹828.31 lakhs as at March 31, 2025, exceeding ₹1 crore in each of the 2 preceding full financial years. Refer Annexure-E.
Net Tangible Assets	Company's Net Tangible Assets should be Rs 3 crores in last preceding (full) financial year. (Please refer to ***Annexure-E***.)	**Yes**	Net tangible assets, as restated, were ₹2,026.31 lakhs as at March 31, 2026, exceeding ₹3 crores. Refer Annexure-E.
Track record	The Issuer satisfies the exchange's criteria of track record of 3 years	**Yes**	The Company was incorporated on December 8, 2021 and has audited financial statements for the financial years ended March 31, 2023, March 31, 2024, March 31, 2025 and March 31, 2026, and accordingly satisfies
			the track record requirement of 3 years. The Company has not taken over any proprietorship concern, registered partnership firm or limited liability partnership.
	Where the applicant company has taken over a proprietorship concern/ registered partnership firm/ LLP, then the track record together with such proprietorship concern/ registered firm/ LLP should be atleast 3 years.		
	Provided, the applicant company seeking listing should have a track record of operations for atleast one full financial year and audited financial results for one full financial year.		
	OR		
	Where the applicant company does not have a track record of 3 years, then the Project for which IPO is being proposed should be appraised and funded by NABARD, SIDBI, Banks (other than co-operative banks), Financial Institutions.		
	Provided, the applicant company seeking listing should have a track record of operations for atleast one full financial year and audited financial results for one full financial year.		
Operating Profit	The company should have operating profit (earnings before interest, depreciation and tax) from operations for 2 out of 3 latest financial years preceding the application date. (Please refer to ***Annexure-E***.)	**Yes**	Operating profit (EBITDA) was ₹1,055.80 lakhs for the financial year ended March 31, 2026 and ₹643.81 lakhs for the financial year ended March 31, 2025, i.e. for 2 out of the 3 latest financial years preceding the application

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			date. Refer Annexure-E.
	Provided the company should have operating profit (earnings before interest, depreciation and tax) from operations for one full financial year preceding the application date.		
	For companies seeking listing where the project has been appraised and funded by NABARD, SIDBI, Banks (other than co-operative banks), Financial Institutions, it shall have positive operating profit (earnings before interest, depreciation and tax) from operations in one full preceding financial year.		
Leverage Ratio	Leverage ratio of the company is not more than 3:1*. (Please refer to ***Annexure-E***.)	**Yes**	The leverage ratio of the Company as at March 31, 2026 is 0.14:1, which is within the prescribed limit of 3:1. Refer Annexure-E.
	**Relaxation may be granted to finance companies*		
Regulatory Compliance and Trading Status	Confirmation with respect to 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.	**Yes**	There has been no regulatory action of suspension of trading against the promoters or any company promoted by the promoters by any stock exchange having nationwide trading terminals. None of the promoters or directors is a promoter or director of any company compulsorily delisted by an exchange or suspended from trading on account of non-compliance, and no director is disqualified or debarred by any regulatory authority.
	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.		
	Director should not be disqualified/ debarred by any of the Regulatory Authority.		
Pending defaults	No pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies	**Yes**	The Company has not issued any debentures or bonds and has not accepted any fixed deposits. There are no pending defaults in respect of payment of interest or principal by the Company or its promoters or promoting companies.
Name Change	If name changed in the last year, at least	Yes	The name of the Company was

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	50% of revenue in the preceding financial year should come from the activity reflected by the new name.		changed from Bhagya Steels Limited to Bhagya Machine Tools Limited with effect from November 27, 2025. The entire revenue from operations of ₹6,838.42 lakhs for the financial year ended March 31, 2026, being the preceding financial year, was derived from the manufacture and sale of power press machines and machinery
			parts, i.e. 100% of revenue is from the activity reflected by the new name, which exceeds the prescribed threshold of 50%.
NSE			
Companies Act	The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.	**Yes**	The Company was incorporated under the Companies Act, 2013 on December 8, 2021 in India.
Post Issue Paid up Capital	The post issue paid up capital of the company shall not be more than Rs. 25 crore.	**Yes**	The post-Issue paid-up capital of the Company will not exceed ₹25 crores.
Track Records	Track record of atleast three years of either	**Yes**	The Company was incorporated on December 8, 2021 and has a track record of more than three years, with audited financial statements for the financial years ended March 31, 2023 to March 31, 2026. The promoters have more than three years of experience in the same line of business and hold more than 20% of the post-Issue equity share capital.
	i. the applicant seeking listing; or		
	ii. the promoters****/promoting company, incorporated in or outside India or		
	****Promoters mean one or more persons with minimum 3 years of experience in the same line of business and shall be holding at least 20% of the post issue equity share capital individually or severally		
	iii.Proprietary / Partnership firm and subsequently converted into a Company (not in existence as a Company for three years) and approaches the Exchange for listing.		
Operating Profit	The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for	**Yes**	Operating profit (EBITDA) exceeded ₹100 lakhs in the financial years ended March 31, 2026 (₹1,055.80 lakhs) and

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	1 cr for atleast any 2 out of 3 financial years preceding the application. (Please refer to ***Annexure-E***.)		March 31, 2025 (₹643.81 lakhs). Refer Annexure-E.
Net Worth	It should be Positive. (Please refer to ***Annexure-E***.)	**Yes**	Net worth, as restated, is positive in each of the three
			financial years – ₹2,026.31 lakhs, ₹828.31 lakhs and ₹326.59 lakhs respectively. Refer Annexure-E.
Free Cash flow to Equity	The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application. (Please refer to ***Annexure-E***.)	**Yes**	Free cash flow to equity was positive in the financial years ended March 31, 2025 (₹57.05 lakhs) and March 31, 2024 (₹6.11 lakhs), i.e. in 2 out of the 3 financial years preceding the application. Refer Annexure-E.
Offer for Sale	OFS by selling shareholders in SME IPO shall not exceed 20% of the total issue size and selling shareholders cannot sell more than 50% of their holding.	**Not Applicable**	The Issue does not comprise an offer for sale by any selling shareholder.
Repayment of Loan	Its objects of the issue should not consist of repayment of loan taken from promoter, promoter group or any related party, from the issue proceeds, directly or indirectly.	**Yes**	The Objects of the Issue do not include repayment of any loan taken from the promoter, the promoter group or any related party, whether directly or indirectly.
Rejection from Exchange	The application of the applicant company should not have been rejected by the Exchange in last 6 complete months.	**Yes**	No application of the Company has been rejected by the Exchange at any time, including in the last 6 complete months.
Regulatory Status	The applicant company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies	**Yes**	The Company has not been referred to the erstwhile Board for Industrial and Financial Reconstruction, no proceedings have been admitted under the Insolvency and Bankruptcy Code, 2016 against the Company or its promoting companies, and no winding-up petition has been admitted against the Company by any NCLT or court. There has been no material regulatory or disciplinary action by any stock exchange or regulatory authority against the Company in the past three years.
	The company has not received any winding up petition admitted by a NCLT / Court.		
	Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.		
Disclosures	The following matters should be disclosed in the offer document:	**Yes**	The matters specified alongside are disclosed in the Draft Red Herring Prospectus. There has

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			been no material regulatory or
			disciplinary action in the past one year in respect of the promoters, group companies or companies promoted by the promoters; there are no defaults in payment of interest or principal to any lender during the past three years; and the litigation record and the track record of the directors are disclosed in the offer document.
	1. Any material regulatory or disciplinary action 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.		
	2. Defaults 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.		
	3. The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation.		
	4. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken 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.		
Cooling Period	Gap of at least 6 months from date of withdrawal/ rejection of issue from SEBI/Exchanges.	**Not Applicable**	No issue of the Company has previously been withdrawn or rejected by SEBI or by the Stock Exchanges.
Other requirements			
Website	The Issuer has a website.	**Yes**	The Company maintains an active website at https://bhagyamachinetools.com /.

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Demat	100% of the Promoter's shareholding in the Company should be in Dematerialised form.	**Yes**	The entire promoter shareholding of the Company is held in dematerialised form.
Depositories	The Issuer has entered into an agreement with both depositories	**Yes**	The Company has entered into tripartite agreements with both the depositories, National Securities Depository Limited and Central Depository Services (India) Limited, and the equity shares ofthe Company are available in dematerialised form.
Change in control	There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment	**Yes**	There has been no change in the promoters ofthe Company in the one year preceding the date of filing of the application. The transfers dated November 14, 2025 were inter-se transfers by way of gift deeds among the existing promoters and members of the promoter group.
Management Structure	The composition of the board should be in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.	**Yes**	The composition of the Board is in compliance with the requirements of the Companies Act, 2013 – the Board comprises 5 directors, of whom 2 are executive directors and 3 are non-executive directors including 2 independent directors, and 1 is a woman director.
Regulatory Status	The Company has not been referred to NCLT under IBC.	**Yes**	The Company has not been referred to the NCLT under the Insolvency and Bankruptcy Code, 2016 and no winding-up petition has been admitted against the Company by any court.
	There is no winding up petition against the company, which has been admitted by the court.		
Cooling Period	Gap of at least 6 months from date of withdrawal/ rejection of issue from SEBI/Exchanges.	**Not Applicable**	No issue of the Company has previously been withdrawn or rejected by SEBI or by the Stock Exchanges.
Additional Parameters for Broking Companies	***Networth andprofit***	**Not Applicable**	The Company is not a broking company.
	Net worth of minimum Rs. 5 crores with profit before tax ofatleast Rs. 5 crores in any 2 years out of 3 financial years.		
	OR		
	Net worth of atleast Rs. 25 crores in any 3 years out of 5 financial years.		
	The Financialyear should befor a period of12 months. Extraordinary income will not be considered for the		

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	purpose ofprofits.		
	Net Tangible Assets		
	The Net Tangible assets of at least Rs. 3 Crores as per the latest audited financial results.		
	Post issued Paid up capital:		
	Post issue paid up capital of the Broking Member should be minimum Rs. 3 crores.		
Additional Parameters for Micro Finance Company	Micro finance companies, in addition to the existing criteria for all SME companies, should have a Asset Under Management of at least Rs. 100 Crores, client base of 10000 & above and it should not have accepted / held public deposit.	**Not Applicable**	The Company is not a micro finance company.

We conducted our examination for this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

We hereby confirm that while providing this certificate we have complied with the Standards on Auditing issued by the Institute of Chartered Accountants of India.

We hereby consent to the extracts of this certificate being used in the Draft Red Herring, Red Herring Prospectus and Prospectus of the Company in connection with the Issue and other Issue related materials.

We undertake to update you of any changes in the above mentioned information until the date the Equity Shares issued pursuant to issue commence trading on the Stock Exchanges. In the absence of any such communication from us, you may assume that there is no change in respect of the matters covered in this certificate.

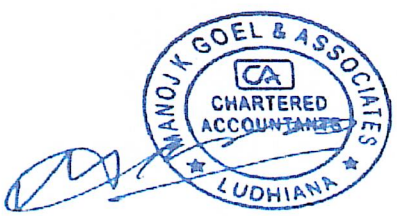
This certificate may be relied on by the Book Running Lead Manager and the legal advisor in relation to the Issue and to assist the Book Running Lead Manager in conducting and documenting their investigation of the affairs of the Company in connection with the Issue of the securities covered by the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to be issued by the Company in

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relation to the Issue and other Issue related materials ("Offer Documents") and for the purpose of any defence the Book Running Lead Manager may wish to advance in any claim or proceeding in connection with the contents ofthe Offer Documents. This letter may be produced in any actual or potential proceeding or actual or potential dispute relating to or connected with the Issue document or otherwise in connection with the Issue.

Yours sincerely,

For Manoj K Goel & Associates
Chartered Accountants
ICAI Firm Registration No.: 014585N



CA MUNISH K BHATIA
Proprietor
Membership No: 503663
Place: Ludhiana
Date: 08-08-2026
UDIN: 26503663CFOPEJ1118

ANNEXURE-A

1) Workings of Computation of Average cost of Acquisition of shares for Promoter. Name of Promoter: Jagdev Singh

Nature of Transaction	Date of Allotment / transfer	Number of Equity Shares	Face Value per Equity Share	Cost per Equity Share (including Securities Premium)	Nature of Consideration	Total Cost (₹)	Cumulative amount paid for the equity shares (₹)	Cumulative No. of Equity Shares acquired
Allotment on Incorporation	08-12-2021	50,000	10	10	Cash	5,00,000	5,00,000	50,000
Transfer (to Jaskaran Singh)	29-04-2022	(10)	10	10	Cash	(100)	4,99,900	49,990
Transfer (to Jaskaran Singh)	20-12-2022	(39,990)	10	10	Cash	(3,99,900)	1,00,000	10,000
Allotment on rights basis	27-03-2023	90,000	10	10	Cash	9,00,000	10,00,000	1,00,000
Transfer (to Gurmeet Singh and Tavinder Singh)	15-06-2024	(60,000)	10	10	Cash	(6,00,000)	4,00,000	40,000
Transfer (from Charanjit Kaur and Jaskaran Singh)	14-11-2025	4,78,500	10	Nil	Gift Deed	Nil	4,00,000	5, 18,500
Allotment of bonus shares (3:1)	20-12-2025	15,55,500	10	Nil	Bonus	Nil	4,00,000	20,74,000
Total No. of Shares Acquired (A)								**20,74,000**
Total Consideration paid (B)								**4,00,000**
Average cost of Acquisition (B/A)								**0.19**

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Name of Promoter: Jasdil Singh

Nature of Transaction	Date of Allotment / transfer	Number of Equity Shares	Face Value per Equity Share	Cost per Equity Share (including Securities Premium)	Nature of Consideration	Total Cost (₹)	Cumulative amount paid for the equity shares (₹)	Cumulative No. of Equity Shares acquired
Transfer (from Charanjit Kaur)	29-04-2022	10	10	10	Cash	100	100	10
Transfer (from Charanjit Kaur)	20-12-2022	39,990	10	10	Cash	3,99,900	4,00,000	40,000
Allotment on rights basis	27-03-2023	3,60,000	10	10	Cash	36,00,000	40,00,000	4,00,000
Transfer (from Rupinder Kaur)	14-11-2025	79,000	10	Nil	Gift Deed	Nil	40,00,000	4,79,000
Allotment of bonus shares (3:1)	20-12-2025	14,37,000	10	Nil	Bonus	Nil	40,00,000	19,16,000
Allotment on rights basis	31-12-2025	2,00,000	10	83	Cash – adjusted against loan due to the director	1,66,00,000	2,06,00,000	21,16,000
Total No. of Shares Acquired (A)								**21,16,000**
Total Consideration paid (B)								**2,06,00,000**
Average cost of Acquisition (B/A)								**9.74**

2) Workings of Computation of weighted average price of equity shares was acquired by each of our Promoters in the last one year.

Name of Promoter: Jagdev Singh

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Date	Name of the Allottee / Transferee	Transferred from	No. of Shares	Face Value Per Share	Allotment price / Transfer price per share	Total Consideration (₹)	Type of Consideration	Type of Transaction
14-11-2025	Jagdev Singh	Charanjit Kaur	79,000	10	Nil	Nil	Gift Deed	Transfer
14-11-2025	Jagdev Singh	Jaskaran Singh	3,99,500	10	Nil	Nil	Gift Deed	Transfer
20-12-2025	Jagdev Singh	Not applicable (bonus issue)	15,55,500	10	Nil	Nil	Bonus	Allotment
Total			**20,34,000**			**Nil**		
Weighted average price per Equity Share (₹)						**0.00**		

Name of Promoter: Jasdil Singh

Date	Name of the Allottee / Transferee	Transferred from	No. of Shares	Face Value Per Share	Allotment price / Transfer price per share	Total Consideration (₹)	Type of Consideration	Type of Transaction
14-11-2025	Jasdil Singh	Rupinder Kaur	79,000	10	Nil	Nil	Gift Deed	Transfer
20-12-2025	Jasdil Singh	Not applicable (bonus issue)	14,37,000	10	Nil	Nil	Bonus	Allotment
31-12-2025	Jasdil Singh	Not applicable (rights issue)	2,00,000	10	83	1,66,00,000	Cash – adjusted against loan due to the director	Allotment
Total			**17,16,000**			**1,66,00,000**		
Weighted average price per Equity Share (₹)						**9.67**		

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ANNEXURE-B

Computation of the weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this certificate.

i. Last one year preceding the date of this certificate:

Date	Name of the Allottee / Transferee	Transferred from	No. of Shares	Face Value Per Share	Allotment / Transfer price per share (₹)	Total Consideration (₹)	Type of Transaction
14-11-2025	Charanjit Kaur (40,000), Jagdev Singh (4,78,500), Rupinder Kaur (39,500) and Jasdil Singh (79,000)	Tavinder Singh, Charanjit Kaur, Jaskaran Singh, Gurmeet Singh and Rupinder Kaur	6,37,000	10	Nil	Nil	Transfer by way of gift deed
20-12-2025	Existing shareholders of the Company	Not applicable (bonus issue in the ratio 3:1)	30,00,000	10	Nil	Nil	Allotment
31-12-2025	Jasdil Singh (2,00,000) and Jaskaran Singh (2,00,000)	Not applicable (rights issue)	4,00,000	10	83	3,32,00,000	Allotment
23-01-2026	Deepak Kumar (1,80,000), Harinderpal Singh Sodhi (1,80,000), Ghanisht Nagpal (88,000) and Reena (2,000)	Not applicable (rights issue)	4,50,000	10	10	45,00,000	Allotment
Total			**44,87,000**			**3,77,00,000**	
Weighted average cost of acquisition per Equity Share (₹)						**8.40**	

ii. Last 18 months preceding the date of this certificate:

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	Transferee			Share	per share (₹)	tion (₹)	on
	(40,000)						
14-11-2025	Charanjit Kaur (40,000), Jagdev Singh (4,78,500), Rupinder Kaur (39,500) and Jasdil Singh (79,000)	Tavinder Singh, Charanjit Kaur, Jaskaran Singh, Gurmeet Singh and Rupinder Kaur	6,37,000	10	Nil	Nil	Transfer by way of gift deed
20-12-2025	Existing shareholders of the Company	Not applicable (bonus issue in the ratio 3:1)	30,00,000	10	Nil	Nil	Allotment
31-12-2025	Jasdil Singh (2,00,000) and Jaskaran Singh (2,00,000)	Not applicable (rights issue)	4,00,000	10	83	3,32,00,000	Allotment
23-01-2026	Deepak Kumar (1,80,000), Harinderpal Singh Sodhi (1,80,000), Ghanisht Nagpal (88,000) and Reena (2,000)	Not applicable (rights issue)	4,50,000	10	10	45,00,000	Allotment
Total			**46,07,000**			**3,89,00,000**	
Weighted average cost of acquisition per Equity Share (₹)						**8.44**	

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Date	Name of the Allottee / Transferee	Transferred from	No. of Shares	Face Value Per Share	Allotment / Transfer price per share (₹)	Total Consideration (₹)	Type of Transaction
14-11-2025	Charanjit Kaur (40,000), Jagdev Singh (4,78,500), Rupinder Kaur (39,500) and Jasdil Singh (79,000)	Tavinder Singh, Charanjit Kaur, Jaskaran Singh, Gurmeet Singh and Rupinder Kaur	6,37,000	10	Nil	Nil	Transfer by way of gift deed
20-12-2025	Existing shareholders of the Company	Not applicable (bonus issue in the ratio 3:1)	30,00,000	10	Nil	Nil	Allotment
31-12-2025	Jasdil Singh (2,00,000) and Jaskaran Singh (2,00,000)	Not applicable (rights issue)	4,00,000	10	83	3,32,00,000	Allotment
23-01-2026	Deepak Kumar (1,80,000), Harinderpal Singh Sodhi (1,80,000), Ghanisht Nagpal (88,000) and Reena (2,000)	Not applicable (rights issue)	4,50,000	10	10	45,00,000	Allotment
Total			**44,87,000**			**3,77,00,000**	
Weighted average cost of acquisition per Equity Share (₹)						**8.40**	

iii. Last three years preceding the date of this certificate:

Date	Name of the Allottee / Transferee	Transferred from	No. of Shares	Face Value Per Share	Allotment / Transfer price per share (₹)	Total Consideration (₹)	Type of Transaction
15-06-2024	Rupinder Kaur (40,000), Gurmeet Singh (40,000) and Tavinder Singh	Charanjit Kaur (60,000) and Jagdev Singh (60,000)	1,20,000	10	10	12,00,000	Transfer
Date	**Name of the Allottee /**	**Transferred from**	**No. of Shares**	**Face Value Per**	**Allotment / Transfer price**	**Total Considera**	**Type of Transacti**

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ANNEXURE C

Audit Committee

The scope of Audit Committee shall include but shall not be restricted to the following:

- Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly 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 issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process.
- Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- 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.
- Reviewing, with the management, performance of statutory and internal auditors, 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.
- Discussion with internal auditors on 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.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

The Audit Committee enjoys following powers:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise if it considers necessary
- The audit committee may invite such executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee shall meet at least four times in a Financial year and not more than one hundred and twenty days shall elapse between two Consecutive meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present

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Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall cease to be a member of this committee.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;

  (1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- 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.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at least once in a Financial year. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

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ANNEXURE-D

Computation of calculations of Basis for Issue Price

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Revenue from Operations (A)	6,838.42	6,544.35	3,330.61
PAT (B)	821.00	501.72	206.20
Add: Depreciation	32.94	19.07	8.56
Add: Interest	30.55	19.03	11.40
Add: Tax	171.34	104.06	42.75
Less: Other Income	0.02	0.07	1.57
EBITDA (C)	1,055.80	643.81	267.34
EBITDA Margin (%) (C/A)	15.44%	9.83%	8.03%
Net Worth (D)	2,026.31	828.31	326.59
Return on Net Worth (%) (B/D)	40.52%	60.57%	63.14%
Equity Shares outstanding at the end of the period	48,50,000	10,00,000	10,00,000
Equity Shares at the end of the period – Post Bonus (E)	48,50,000	40,00,000	40,00,000
Weighted Average Number of Equity Shares during the period – Pre Bonus	10,45,308	10,00,000	10,00,000
Weighted Average Number of Equity Shares during the period – Post Bonus (F)	41,81,233	40,00,000	40,00,000
Basic EPS & Diluted EPS (Pre Bonus) (₹)	78.54	50.17	20.62
Basic EPS & Diluted EPS (Post Bonus) (₹)	19.64	12.54	5.15
Net Asset Value Per Share (Post Bonus) (D/E) (₹)	41.78	20.71	8.16
Nominal Value per Equity Share (₹)	10	10	10

Note: Basic and diluted earnings per share disclosed in the Restated Financial Information and in the body of this certificate are the post-bonus figures, the weighted average number of equity shares having been adjusted retrospectively for the bonus issue of 30,00,000 Equity Shares in the ratio of 3:1 allotted on December 20, 2025, in accordance with Accounting Standard 20 – Earnings per Share. The pre-bonus figures are represented for information only.

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ANNEXURE-E

1. Net Worth

Particulars	FY 2026	FY 2025	FY 2024
Paid-up share capital	*485.00*	100.00	100.00
Add: All reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account,	1541.31	*728.31*	226.59
Add: 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			
Net Worth	**2026.31**	**828.31**	**326.59**

2. Earnings before Interest, Depreciation and Tax

Financial Year	FY 2026	FY 2025	FY 2024
Profit Before Tax	992.34	605.78	248.95
Add: Depreciation	32.94	19.07	8.56
Add: Interest	30.55	19.03	11.40
Less: Other Income	0.02	0.07	1.57
Earnings before Interest, Depreciation and Tax	**1,055.80**	**643.81**	**267.34**

3. Net Tangible Assets

Details	FY 2026	FY 2025	FY 2024
Net Worth, as restated	2,026.31	828.31	326.59
Less: Intangible Assets	–	–	–
Less: Deferred revenue expenditure not written off	–	–	–
Net Tangible Assets	**2,026.31**	**828.31**	**326.59**

4. Free Cash Flow to Equity

Particulars	FY 2026	FY 2025	FY 2024
Cash generated from / (used in) operations	125.16	40.57	(56.83)
Less: Income Tax Paid	167.74	100.96	41.48
Net Cash Flow from / (used in) Operating Activities (A)	**(42.59)**	**(60.38)**	**(98.31)**
Purchase of Capital Assets	1.44	315.75	33.53
Less: Sale Proceeds of Fixed Assets	–	–	–
Add: Capital Advances	–	–	–
Purchase of Fixed Assets (net) (B)	**1.44**	**315.75**	**33.53**
Proceeds from Total Borrowings	272.89	619.22	170.28

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Particulars	FY 2026	FY 2025	FY 2024
Less: Repayment of Total Borrowings	272.94	170.28	22.89
Net Debt Raised / (Repaid) (C)	**(0.05)**	**448.94**	**147.39**
Proceeds from issuance of capital	45.00	–	–
Total Interest Expense	30.55	19.03	11.40
Effective Tax Rate	17.27%	17.18%	17.17%
Post Tax Interest Expense (D)	25.28	15.76	9.44
Free Cash Flow to Equity (A – B + C – D)	**(69.36)**	**57.05**	**6.11**

Note: Free cash flow to equity has been computed as net cash flow from operating activities, less purchase of fixed assets (net of sale proceeds and capital advances), plus net debt raised / (repaid), less post-tax interest expense. The efective tax rate has been computed as total tax expense (current and deferred) divided by profit before tax, as restated. Proceeds from issuance of capital represent a contribution by equity holders and have accordingly not been included in the computation of free cash flow to equity. The figures have been derived from the restated statement of cash flows forming part of the Restated Financial Information.

5. Leverage Ratio

Details	FY 2026
Total Debt (A)	**287.18**
Long Term Borrowings	39.79
Short Term Borrowings	247.39
Total Shareholders' Funds (B)	**2,026.31**
Paid-up share capital	485.00
Reserves and Surplus	1,541.31
Leverage ratio (A/B)	**0.14 : 1**

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