



## GANGA FORGING LIMITED

Our Company was originally incorporated as “Ganga Forging Private Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on December 29, 1988, by the Registrar of Companies, Gujrat. Thereafter, the name of our Company was changed from “Ganga Forging Private Limited” to “Ganga Forging Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Ahmedabad on October 30, 2017. For details of changes in the name and registered office of our Company, see “General Information” on page 40.

**Corporate Identity Number:** L28910GJ1988PLC011694

**Registered Office:** Sr. No. 55/1 P6/P1/P1, Near Shree Stamping at: Road Pipaliya Tal:Gondal, Rajkot, Gujarat, India, 360311;

**Telephone:** +91-8460000435 ;

**Contact Person:** Ms. Drashti Arvindbhai Vaghasiya , Company Secretary and Compliance Officer

**Email:** [cs@gangaforging.com](mailto:cs@gangaforging.com); **Website:** [www.gangaforging.com](http://www.gangaforging.com)

### OUR PROMOTERS: MR. HIRALAL MAHIDAS TILVA & MR. RAKESH CHHAGANLAL PATEL

### FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF GANGA FORGING LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY

ISSUE OF UP TO [●]\* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF Re. 1 (ONE) EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF Rs [●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF Rs. [●] PER EQUITY SHARE) AGGREGATING UP TO RS. 3300.00 LAKHS\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARE FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS [●] (“RECORD DATE”) (“ISSUE”). SEE “ISSUE INFORMATION” ON PAGE 39

\* Subject to finalisation of Basis of Allotment.

### WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company, nor our Promoters or our Directors are categorized as Wilful Defaulters or Fraudulent Borrowers (as defined in the section titled “Definition and Abbreviations” on page 1.

### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the offer including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 16 of this Draft Letter of Offer.

### ISSUER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The existing Equity Shares are listed on the National Stock Exchange of India Limited (“NSE” or “Stock Exchange”). Our Company has received ‘in-principle’ approval from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated [●]. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purpose of this Issue, the Designated Stock Exchange is NSE.

### REGISTRAR TO THE ISSUE



**MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)**  
CIN: U67190MH1999PTC118368  
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West, ), Mumbai City, Mumbai, Maharashtra, India, 400083  
Tel: +91-022 - 4918 6000  
E-mail: [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)  
Investor Grievance Email: [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)  
Website: <https://in.mpms.mufg.com/>  
Contact Person: Mr. Shanti Gopalakrishnan  
SEBI Registration No.: INR000004058

### ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	[●]
DATE OF CLOSURE OF OFF-MARKET TRANSFER OF RIGHTS ENTITLEMENTS	[●]
ISSUE CLOSING DATE**	[●]
FINALISATION OF BASIS OF ALLOTMENT	[●]
DATE OF ALLOTMENT	[●]
DATE OF CREDIT OF RIGHTS EQUITY SHARES	[●]
DATE OF LISTING	[●]

\* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

\*\* Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context indicates or implies otherwise, have the meanings as provided below.

The words and expressions used in this Draft Letter of Offer but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, SEBI ICDR Regulations, the SEBI LODR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Provided that terms used in the sections/ chapters titled “**Summary of the Letter of Offer**”, “**Financial Statement**”, “**Statement of Special Tax Benefits**”, “**Terms of the Issue**” on pages 14, 58, 52 and 67 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

#### GENERAL TERMS

Term	Description
“Ganga Forging Limited” or “our Company”, or “the Company” or “the Issuer”	Ganga Forging Limited, a public limited company incorporated in India under the Companies Act, 1956, having its registered office at Sr. No. 55/1 P6/P1/P1, Near Shree Stamping at: Road Pipaliya Tal:Rajkot, Gondal, Gujarat, India, 360311
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

#### COMPANY RELATED TERMS

Term	Description
Articles/ Articles of Association	The Articles of Association of our Company, as amended from time to time
Auditors	The Statutory Auditors of the Company, being M/s M. N. Manvar & Co., Chartered Accountants
Board /Board of Directors	The Board of Directors of our company or a duly constituted committee thereof.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Compliance Officer	The compliance officer of our Company in relation to the Issue
Equity Shares	The Equity Shares of our Company of face value of Re. 1 each
Group Companies/Entities	In terms of SEBI ICDR Regulations, the term “group companies” includes companies (other than our Promoter) with which there were related party transactions as disclosed in the Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy.
Independent Director	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI LODR Regulations
KMP/ Key Managerial Personnel	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in “Our Management” on page 55.
Memorandum/ MOA/ Memorandum of Association	Memorandum of association of our Company, as amended from time to time
Promoter(s)	Mr. Hiralal Mahidas Tilva and Mr. Rakesh Chhaganlal Patel,
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations

Registered Office/ Registered Office of the Company	Sr. No. 55/1 P6/P1/P1, Near Shree Stamping at: Road Pipaliya Tal:Rajkot, Gondal, Gujarat, India, 360311
Registrar of Companies /ROC	Registrar of Companies, Ahmedabad
Financial Statements	The financial statement of our Company for the financial years ended March 31, 2025 (with the comparative prior full year period i.e. Financial Year 2024) and the related notes, schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act, 2013 and the Limited Review Reports for the Quarter ended September 30, 2025 and included in “Financial Information” on page 59
Shareholders / Equity Shareholder	The equity shareholders of our Company, from time to time

## ISSUE RELATED TERMS

Term	Description
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Advisor	The Advisor for the Issue being Turnaround Corporate Advisors Private Limited
Allot/Allotted/Allotment/Allotment of Equity Shares	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Accounts	The accounts opened with the Bankers to this Issue, into which the Application Money lying credit to the Escrow Account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited.
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) /Investor(s)	Eligible Equity Shareholder(s), Renouncee(s) and/ or Specific Investor(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.
Application Form	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.
Application Money	The number of Equity Shares applied for and as indicated in the Application Form multiplied by Issue Price per Equity Share payable by the Applicants on submission of the Application Form.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.

Banker to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being Axis Bank Limited
Banker to the Issue Agreement	Agreement dated January 08, 2026 entered into by and among our Company, the Registrar to the Issue, the Advisor and the Banker to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/ Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Terms of the Issue” on page 67.
NSE	National Stock Exchange of India Limited
Controlling Branch of SCSB	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Advisor, the Registrar to the Issue and the Stock Exchange, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	NSDL and CDSL registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant
DP ID	Depository Participant’s Identity number
Draft Letter of Offer	The Draft Letter of Offer dated January 06, 2026 to be filed with the Stock Exchange
Eligible Equity Shareholder(s)	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see “Notice to Investors” on page 9.
Escrow Account/ Rights Issue Account	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank for the purposes of collecting the Application Money from resident Investors.
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, Axis Bank Limited.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.
IEPF	Investor Education and Protection Fund
ISIN	International securities identification number
Issue / Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of Re. 1 each of our Company for cash at a price of Rs [●] per Rights Equity Share aggregating up to Rs. 3300 lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date, that is on [●]. <i>*Assuming full subscription in the Issue. Subject to finalization of Basis of Allotment.</i>
Issue Closing Date	[●]
Issue Materials	Collectively, the Draft Letter of Offer, the Letter of Offer the Application Form, the Rights Entitlement Letter and any other material relating to the Issue.
Issue Opening Date	[●]

Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	The price at which Equity Shares will be Issued and allotted by our Company being Rs. [●]/- (Rupees [●] Only) per Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] ([●] Only) Rights Equity Shares aggregating to an amount up to Rs. 3300 Lakhs.
Letter of Offer / LOF	The final letter of offer to be filed with the Stock Exchange/ Designated Stock Exchange.
Listing Agreements	The uniform listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations.
Multiple Application Forms	More than one application form submitted by an Eligible Equity Shareholder/Renouncee/ Specific Investor (if applicable), in respect of the same Rights Entitlement available in their demat account. However, additional applications in relation to Additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications.
Net Proceeds	Issue Proceeds less the Issue-related expenses. For details, see “Objects of the Issue” on page 45.
Non Institutional Investors/NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI – Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●].
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI – Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws.
Other/ Non Retail Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited
Registrar/ Registrar to the Issue/RTI	MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)
Registrar Agreement	Agreement dated January 06, 2026 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI– Rights Issue Circular, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Rights Entitlements/ REs	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Share for

	every [●] Equity Share of face value of Re.1 each held by an Eligible Equity Shareholder on the Record Date. Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI – Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to the Issue.
Revision Form	The form used by the Applicants to modify the quantity of Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable. [●]
SEBI Master Circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place. The SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 has been rescinded pursuant to the SEBI Master Circular.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI ICDR Regulations/ SEBI (ICDR) Regulations/ SEBI (ICDR) Regulations, 2018	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time
SEBI LODR Regulations/SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Self-Certified Syndicate Bank or SCSB	Banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and offer services of ASBA, and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , and as updated from time to time
Specific Investor(s)	Specific investor would mean any investor who is eligible to participate in Rights Issue of the Company and whose name has been disclosed by the Company in issue related advertisements as per Regulation 84(1)(f) of the SEBI ICDR Regulations.
Stock Exchange	National Stock Exchange of India Limited
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai and Delhi are open for business; provided however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai and Ahmedabad are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays.



## CONVENTIONAL TERMS/ ABBREVIATIONS

Term	Description
AIF/Alternative Investment Funds	Alternative Investment Funds as defined and registered under the SEBI AIF Regulations
AGM	Annual General Meeting
AMC	Annual Maintenance Contract
ASBA	Application Supported by Blocked Amount
A.Y.	Assessment Year
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BV / NAV	Book value / Net Asset Value
CAGR	Compounded Annual Growth Rate.
CARO	Companies (Auditor's Report) Order, 2016
CDSL	Central Depository Services (India) Ltd.
CIN	Corporate Identity Number
Client ID	Client identification number of the Bidder's beneficiary account
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Depository	A body corporate registered under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time i.e. NSDL and CDSL.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant /DP	A depository participant as defined under the Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identification number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
ESOP	Employees Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account.
FCRA	Foreign Contribution (Regulation) Act, 2010
FDI	Foreign Direct Investment
FDI Policy 2017/FDI Policy	The Consolidated FDI Policy, effective from August 28, 2017, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the rules and regulations framed thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII	Foreign Institutional Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board.
Financial Year /fiscal year/FY/fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FMS	Facility Management Services
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investor
Government/ GOI	The Government of India.
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rules
GIGW	Guidelines For Indian Government Websites
GST	Goods and Service Tax
HUF	Hindu Undivided Family

IAAS	Infrastructure As A Service
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR or Rupee or Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial Public Issue
IRDA	Insurance Regulatory and Development Authority.
IT Act/ I. T. Act	Income-Tax Act, 1961
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition (nine digit code as appearing on a cheque leaf)
Mn, mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996
N.A.	Not Applicable
NAV	Net asset value.
NBFC	Non-banking Financial Company
NBFC – ND – SI	Systemically Important Non-Deposit Taking NBFC
NBFC – SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
NCR	National Capital Region
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR/Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non Resident Indian
NRE Account	Non-Resident External Account.
NRI/Non-Resident Indian	A non-resident Indian as defined under the FEMA Regulations
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited
OCB/ Overseas Corporate Body	A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty percent by NRIs and includes an overseas trust in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably and which was in existence on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the relevant regulations issued under FEMA
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act

RONW	Return on Network
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
Securities Act	United States Securities Act of 1933, as amended
STT	Securities Transaction Tax
UK	United Kingdom
U.S./U.S.A.	United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the **“Issue Materials”**) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Issue Materials from the websites of the Registrar, our Company, the Advisor, and the Stock Exchange, subject to the applicable law.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Our Company, the Advisor, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except in India. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer (**“Restricted Jurisdictions”**) and, in those circumstances, the Letter of Offer or any other Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not distribute such document(s) to any person outside India where to do so would or might contravene local securities laws or regulations. If the Issue Materials is received by any person in any Restricted Jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India.

Envelopes containing an Application Form should not be postmarked or otherwise dispatched from any Restricted Jurisdiction, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of these Rights Equity Shares in India.

Neither the delivery of the Issue Materials nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer or any other Issue Materials or the date of such information.

The contents of this Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the purchase or sale of Rights Equity Shares or Rights Entitlements. Accordingly, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares. In addition, neither our Company nor the Advisor is making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

**Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certifications set out in the Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.**

**The Rights Entitlements and the Rights Equity Shares have not been approved, disapproved or recommended by the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authority of any other jurisdiction or any other regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.**

#### **Notice to Investors in the United States**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States of America and may not be offered or sold in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to persons in the United States who are reasonably believed to be qualified institutional buyers as defined in Rule 144A under the Securities Act (“**U.S. QIBs**”) pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”). In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares in the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

The Exchange Information and this Draft Letter of Offer have been prepared in accordance with content, format and style that is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, (i) our Company’s financial information contained in the Exchange Information and this Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the United States Securities Commission and (ii) this Letter of Offer does not include all of the information that would be required if our Company were registering the offer and sale of the Rights Entitlements and the Rights Equity Shares under the Securities Act.

Our Company is a limited liability company incorporated under the laws of India. All of our Company’s Directors and key management personnel are residents of India and a substantial portion of our Company’s assets and such persons are located in India. As a result (i) it may be difficult for you to enforce your rights and any claim you may have arising under the U.S. federal securities laws, (ii) you may not be able to sue our Company, our Directors and our key management personnel in an Indian court for violations of the U.S. securities laws, and (iii) it may be difficult to compel our Company and our affiliates to be subject to a U.S. court’s judgment.

## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

### **Certain Conventions**

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

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

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Letter of Offer.

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Letter of Offer has been derived from our Financial Statements. For details, please see “Financial Information” on page 59. Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 (twelve) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards (“Ind AS”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“IFRS”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “Ind AS Rules”).

The Financial Statements of our Company for the Financial Years ended March 2025 and March 2024 are prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act. Our Company publishes its financial statements in Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see “Financial Information” on page 59.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer,

(i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

## Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “**Risk Factors**” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

## Exchange Rates for Foreign Currency:

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in Rs. )				
Sr. No.	Currency	As of September 30, 2025	As of March 31, 2025*	As of March 31, 2024
1	USD	88.79	85.58	83.37

Source: [www.rbi.org.in](http://www.rbi.org.in)

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us, the LM or any of its affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “Risk Factors” on page 16 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward- looking statements'. Investors can generally identify forward-looking statements by terminology including 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'future', 'forecast', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'target', 'will', 'would' or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward- looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- our ability to maintain and enhance our brands image;
- Our plans to improve operational efficiencies and reduce dependency on external financing;
- Our strategic focus on retaining and expanding our customer base;
- Our efforts to comply with regulatory requirements and strengthen internal corporate governance;
- Our ability to attract and retain skilled personnel
- our ability to maintain our market position and to compete effectively against existing or potential competitors;

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "Risk Factors" on pages 16. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Draft Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our Directors, the Advisor nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Draft Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the Advisor will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.



## **SUMMARY OF LETTER OF OFFER**

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including in “Risk Factors”, “Capital Structure”, “Objects of the Issue”, and “Financial Information” on pages 16, 43, 45, and 59, respectively.

### **SUMMARY OF BUSINESS**

Our Company was originally incorporated as “Ganga Forging Private Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on December 29, 1988, by the Registrar of Companies, Gujrat. Thereafter, the name of our Company was changed from “Ganga Forging Private Limited” to “Ganga Forging Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Ahmedabad on October 30, 2017.

Our company is preliminary engaged in the Business of Manufacturing of all kind of forgings and Casting components and Processing, Machining and Treatment of Forging and Casting and related activities thereon, required for Engineering and Automotive Goods, articles, parts, spares and Accessories.

### **Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; and (ii) their intention to subscribe over and above their rights entitlement;**

Our Promoters and the member of the Promoter Group have confirmed that they (i) will subscribe to their portion of the Rights Entitlement in the Issue; (ii) reserve the right to renounce their balance Rights Entitlements to the other Promoters, member (s) of the Promoter Group.

The acquisition of Rights Equity Shares by our Promoter and other members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) of the SEBI Takeover Regulations, and the Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, but not later than four days from the closure of the Rights Issue.

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investors. Accordingly, provisions of Regulation 84(1)(f) of the SEBI ICDR Regulations are not applicable to us.

### **ALLOTMENT OF THE UNDER-SUBSCRIBED PORTION OF THE ISSUE**

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s).

### **DETAILS OF THE ISSUER OR ANY OF ITS PROMOTERS OR DIRECTORS BEING A WILFUL DEFAULTER OR A FRAUDULENT BORROWER**

Neither the Company nor the Promoters or the Directors of the Company are Willful Defaulters or Fraudulent Borrowers or Fugitive Economic Offenders.

### **SUMMARY OF OUTSTANDING LITIGATIONS**

A summary of outstanding material litigations involving our Company, our Directors and our Promoters as on the date of this Letter of Offer is provided below:

S. No.	Particulars	Number of cases outstanding	Amount involved in such proceedings (in Rs. Lakh)
1.	<b>LITIGATION INVOLVING OUR COMPANY</b>		
i.	<b>Litigation against our Company</b>		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/ Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil
d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals	Nil	Nil
ii.	<b>Litigation by our Company</b>		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil
2.	<b>LITIGATION INVOLVING OUR PROMOTERS</b>		
i.	<b>Litigation against our Promoters</b>		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/ Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil
d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals		
ii.	<b>Litigation by our Promoters</b>		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil
3.	<b>LITIGATION INVOLVING OUR DIRECTORS</b>		
i.	<b>Litigation against our Directors</b>		
a.	Criminal proceedings	Nil	Nil
b.	Actions taken by Statutory/ Regulatory Authorities	Nil	Nil
c.	Tax Proceedings	Nil	Nil
d.	Other Material Litigations	Nil	Nil
e.	Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals	Nil	Nil
ii.	<b>Litigation by our Directors</b>		
a.	Criminal Proceedings	Nil	Nil
b.	Civil and other Material Litigations	Nil	Nil

#### SUMMARY OF RELATED PARTY TRANSACTION

For the details regarding our related party transactions entered into by our Company in Fiscal 2025, please see “Audited Consolidated Financial Information” on page 58

#### OTHER CONFIRMATIONS

Our Company has been in compliance with the equity listing agreement and the SEBI LODR Regulations, since the date of listing of its Equity Shares on the Stock Exchange till the date of this Letter of Offer.

As on the date of filing of this Letter of Offer, our Company has no outstanding complaints from any investors.

The Equity Shares of our Company have not been suspended from trading as a disciplinary measure since the date of listing of its Equity Shares on the Stock Exchange till the date of this Letter of Offer.

## SECTION II – RISK FACTORS

*An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares.*

*We have described below the risks and uncertainties that our management believes are material, but these risks are not exhaustive or the only ones relevant to us, the Equity Shares or the industries in which we currently operate or may propose to operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of their investment. Furthermore, some events may be material collectively rather than individually and some risks may have an impact which is qualitative in nature but cannot be quantified. This Letter of Offer also contains forward-looking statements, which refer to future events that involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. See “Forward Looking Statements” beginning on page 13.*

### Risk Factors Relating to Industry

#### 1. Dependence on Cyclical Steel and Forging Industry Demand

Our business is intrinsically linked to the cyclical nature of the steel and forging sectors, which experience fluctuations based on macroeconomic conditions, industrial investment patterns, and global commodity cycles. Periods of economic slowdown, reduced infrastructure spending, or lower capital formation may adversely impact customer demand for forged components. Such cyclical nature limits visibility on long-term order flows and exposes the Company to volatility in capacity utilization, revenue generation, and pricing power. Any prolonged down cycle in user industries such as automotive, engineering, construction equipment, or railways—may materially impair operational and financial performance.

Additionally, global supply-chain disruptions, shifts in trade policy, or import-export imbalances may amplify the inherent cyclical nature of our business. Customer procurement patterns may change abruptly due to inventory adjustments, cost pressures, or strategic sourcing shifts. These uncertainties can result in unstable order books, increased working-capital requirements, and inefficiencies in production planning. If we are unable to appropriately anticipate demand patterns or adjust cost structures during downturns, our profitability, margins, and ability to service debt obligations may be adversely affected. Such conditions may also necessitate curtailment of capital expenditure, limit expansion opportunities, or cause underutilization of manufacturing assets.

#### 2. Volatility in Raw Material Prices, Particularly Steel

Steel billets, ingots, and alloyed inputs constitute a significant portion of our production cost. Their prices are subject to high volatility driven by global commodity markets, energy costs, government duties, and geopolitical dynamics. Sudden spikes in raw-material prices may compress margins, especially in orders with fixed pricing or long-term agreements where cost escalation clauses are absent or insufficient. Conversely, rapid declines may result in inventory losses if procured materials lose value before conversion into saleable products. Our financial results therefore remain vulnerable to fluctuations in raw-material pricing beyond our control.

Although we maintain relationships with multiple suppliers, there is no assurance that competitive prices, consistent quality, or timely deliveries will always be available. Supply shortages, logistical delays, or sanctions affecting major steel-supplying geographies could impair our production continuity. The Company must also manage complex procurement planning to align raw-material inventory with production schedules. Failure to accurately forecast consumption or hedge price-related risks may lead to increased working-capital requirements or production stoppages. Any inability to pass on increased input costs to our customers in a timely manner may materially impact our profitability and financial condition.

#### 3. Our Company has negligible presence in export markets and hence prone to adversity in domestic market.

Our Company is into the forging business catering to the demand of domestic market with various third-party suppliers, OEMs. Our Company has been focusing on the domestic market considering the growth opportunity available in the Indian automobile sector. Due to our specialized focus in Indian market, we have not been able to cater to export market and having meagre presence. Our export operations contributes approx. 1.43% of our Total Revenue for the period ended 31st Dec, 2017. Due to over-dependency over the Indian markets, our Company faces risk in terms of adversity or events which are unexpected, or beyond our control. Further, lower than anticipated demand from automobile sector within India may lead to lower revenue and hence overall profitability. We may also be not able to explore the opportunity available in export market which may arise due to changing business scenario and demand patterns. However, our Company intends to expand its operations to foreign market but we may not be able to assure that our Company will successfully increase its geographical presence.

#### **4. High Energy Consumption and Exposure to Power Cost Fluctuations**

Steel forging is an energy-intensive process requiring substantial electricity and fuel for heating furnaces, operating presses, and running auxiliary equipment. Any increase in electricity tariffs, natural-gas prices, or furnace-oil rates directly elevates our operating costs. Power availability disruptions—such as grid failures, load shedding, or voltage inconsistencies—may also impair productivity, damage machinery, and result in production losses. The forging process cannot be halted abruptly without safety and quality risks, making uninterrupted power supply a critical factor.

While we attempt to mitigate dependency by using alternate fuel sources or captive energy solutions, such measures are capital-intensive and may not eliminate exposure to tariff volatility. Regulatory changes relating to environmental norms, carbon emission caps, or fuel-usage restrictions could further escalate energy costs. Furthermore, inefficiencies arising from suboptimal furnace performance or delays in modernizing power systems may affect cost competitiveness. Failure to manage energy dependencies effectively could reduce margins, increase product pricing un-competitiveness, and impair the Company's ability to sustain profitability in a competitive market.

#### **5. Risk Related to Revenue Concentration from a Single Customer**

During the financial year 2024–25, the Company derived approximately 10.34% of its total operating revenue, amounting to Rs. 4,50,54,812, from transactions with a single external customer, namely Avdhoot Technocrats Private Limited. Although the Company maintains a professional and ongoing business relationship with this customer, there is no assurance that the volume, continuity, or commercial terms of such transactions will be sustained in the future. Any reduction, deferment, renegotiation, or termination of business from this customer—whether due to changes in the customer's business strategy, financial condition, project pipeline, or competitive sourcing decisions—could have an adverse impact on the Company's revenues, cash flows, and operating margins.

Further, a relatively higher dependence on a single customer exposes the Company to concentration risk, which may limit revenue diversification and increase vulnerability to customer-specific risks beyond the Company's control. In the absence of long-term binding arrangements, any unforeseen disruption in the business relationship may result in underutilization of resources, volatility in earnings, and challenges in meeting working capital requirements. While the Company continues to actively pursue customer diversification strategies, there can be no assurance that such efforts will be successful or timely, and any inability to broaden the customer base could materially and adversely affect the Company's financial performance and prospects.

#### **6. Operational Risks Associated with Heavy Forging Machinery**

Our manufacturing processes rely on heavy presses, forging hammers, furnaces, heat-treatment units, dies, and machining centers. Equipment malfunction, breakdown, or unplanned maintenance can result in production disruptions, increased repair costs, and delayed order fulfillment. These disruptions may adversely affect customer relationships, particularly where delivery schedules are contractual. Overuse of machinery or insufficient preventive maintenance could shorten equipment life cycles and require significant capital expenditure for replacement.

Heavy-industrial operations also expose the Company to worker safety risks including burns, mechanical injuries, and equipment-handling hazards. Despite compliance with safety standards, unforeseen accidents could lead to

production stoppage, legal liabilities, reputational damage, and increased insurance costs. Moreover, operational inefficiencies stemming from outdated machinery, inconsistent furnace temperatures, or tooling wear may impact product quality. If we fail to maintain optimum operational reliability or invest in timely modernization, our competitive position, operating performance, and cost efficiency could be adversely impacted.

## **7. Environmental, Emission and Compliance Risks**

The forging industry is subject to stringent environmental regulations covering air emissions, waste disposal, energy usage, noise control, and occupational health standards. Any tightening of environmental norms may necessitate additional capital expenditure on pollution-control equipment or modifications in production processes. Non-compliance may lead to penalties, suspension of operations, or mandatory shutdowns imposed by regulatory authorities. These risks can materially impact financial performance and disrupt supply commitments to customers.

Furthermore, compliance requirements may evolve with shifting governmental priorities regarding sustainability, carbon reduction, or energy-efficiency mandates. Upgrading facilities to meet emerging standards may require high capital investment and could temporarily disrupt operations. Public and investor scrutiny of environmental compliance is also increasing, making lapses reputationally damaging. Failure to meet environmental expectations of global customers could result in loss of export business. If environmental regulations become more stringent, it may adversely affect our ability to operate competitively and maintain profitability.

## **8. Foreign Exchange Fluctuation Impact on Export Sales**

For customers based outside India, revenue is denominated in foreign currencies such as USD or EUR. Fluctuations in exchange rates may impact realized revenue, profitability, and competitiveness. A depreciating rupee may increase export realizations but may also cause volatility in raw-material imports, if any. Conversely, an appreciating rupee could make our products less price-competitive against global forging suppliers, impacting export volumes.

Although the Company may use hedging mechanisms, such instruments may be inadequate or unavailable at favorable costs. Export orders also expose us to risks arising from geopolitical tensions, protectionist measures, changes in trade tariffs, or sanctions affecting certain markets. Failure to strategically manage foreign exchange exposures may result in earnings volatility, working-capital imbalances, and unpredictable cash flows. Exchange-rate fluctuations therefore remain a structural risk to the Company's financial performance.

## **9. Technological Obsolescence and Need for Constant Upgradation**

The forging industry continues to advance in automation, material science, die-design software, and precision machining. Competitors with advanced technologies may offer superior product quality, lower cost structures, or faster delivery. If we fail to adopt new technologies, upgrade furnace efficiency, or implement Industry 4.0 systems, our ability to meet evolving customer expectations may diminish. This may result in reduced orders, competitive disadvantage, and potential loss of key customer accounts.

Investment in technology upgrades requires significant capital expenditure, skilled manpower, and process reengineering. Implementation challenges may include training gaps, production downtime, and integration issues with legacy equipment. Additionally, technological transitions may render existing assets partially obsolete, leading to accelerated depreciation or impairment. If the Company cannot keep pace with innovation trends or fails to invest in future-ready capabilities, long-term growth prospects, margins, and competitiveness may be adversely affected.

## **10. Skilled-Labour Dependence and Workforce Attrition Risks**

Our operations require skilled technicians, metallurgists, die designers, machine operators, and maintenance personnel. Scarcity of skilled labour in the forging sector may hinder our ability to maintain consistent quality or expand production capacity. Attrition of key employees may disrupt operations, delay orders, or necessitate reliance on contract labour with variable experience levels. Recruiting and training specialized personnel also entails cost and time investments.

Labour-related risks may include wage inflation, unionization, disputes, or non-availability of workers during peak production periods. Safety incidents may heighten workforce concerns, reduce productivity, or trigger regulatory actions. Changes in labour laws, increased statutory contributions, or mandatory compliance

obligations may escalate manpower costs. Failure to maintain adequate staffing levels or ensure retention of critical personnel may negatively impact production efficiency, product quality, and business continuity.

#### **11. Risk Related to Dependence on Unsecured Loans from Directors**

The Company has availed unsecured loans from its directors, namely Mr. Hiralal Tilva amounting to Rs. 54,00,000 and Mr. Rakesh Patel amounting to Rs. 1,46,60,000. These unsecured borrowings have been utilized to support the Company's funding and working capital requirements. While such loans provide financial flexibility and are generally extended on mutually agreed terms, there is no assurance that the directors will continue to maintain these funding arrangements or renew the same upon maturity. Any demand for early repayment, non-renewal, or revision of terms could adversely impact the Company's liquidity position and short-term cash flows.

Further, reliance on unsecured loans from directors may expose the Company to funding concentration risk and could limit access to alternative sources of finance on comparable terms. In the event the Company is unable to replace such funding through internal accruals, bank borrowings, or capital market instruments, it may face constraints in meeting its operational, expansion, or statutory obligations. Additionally, such transactions are subject to applicable provisions of the Companies Act, 2013 and related-party transaction compliances, and any non-compliance or adverse regulatory observation could affect the Company's reputation and financial stability. Consequently, any disruption in the availability or terms of unsecured loans from directors may have a material adverse effect on the Company's business, financial condition, and results of operations.

#### **12. Competitive Pressure from Domestic and Global Forging Players**

The steel-forging industry is highly competitive, with numerous domestic and international manufacturers offering comparable products. Global players may benefit from economies of scale, advanced automation, superior material sourcing, or lower financing costs. Domestic competitors may engage in aggressive pricing strategies, credit term relaxations, or capacity expansions. Such competitive pressures may force the Company to reduce pricing, increase discounts, or make higher capital investments to retain customers, thereby impacting margins.

Additionally, customer preferences may shift toward suppliers offering integrated forging-to-machining solutions, automated quality-inspection systems, or lower-carbon manufacturing practices. Failure to match competitor offerings may reduce customer acquisition and retention. As global markets evolve, competition may intensify from suppliers in regions with lower energy costs or government subsidies. If we cannot maintain differentiated capabilities, investment capacity, or cost competitiveness, our market share, pricing power, and financial performance may be adversely affected.

#### **13. Dependency on Adequate Working Capital Availability**

Our business requires substantial working capital to fund procurement of raw materials, maintain inventory, support receivables, and manage operating expenses. As forging orders often involve extended production cycles and credit periods to customers, delays in receivables realization could strain the Company's liquidity. Inadequate working capital availability may force us to reduce production volumes, delay purchase of key inputs, or negotiate unfavourable financing arrangements. Further, seasonal demand variations and fluctuations in raw material prices may cause periodic spikes in working-capital requirements that challenge financial planning.

Additionally, reliance on external financing exposes the Company to interest-rate fluctuations, collateral requirements, and banking-sector constraints. Any tightening of lending norms, reduction in sanctioned limits, or adverse credit assessment by financial institutions may impair the Company's ability to operate seamlessly. Failure to secure timely working capital financing may result in production delays, inability to meet customer orders, and increased borrowing costs. Such outcomes may negatively affect revenue visibility, profitability, and the Company's creditworthiness.

#### **14. Quality Assurance Risks and Rejection Rates**

Forged components are required to meet stringent mechanical, dimensional, and metallurgical properties. Defects in forging quality may stem from raw-material inconsistencies, furnace temperature mismatches, die-wear issues, or machining inaccuracies. Any deviation from customer specifications may lead to product rejection, rework costs, penalties, or even loss of customer trust. High rejection rates increase production cost per unit, disrupt delivery schedules, and require additional manpower or material consumption. In sectors such as automotive or heavy engineering, recurring quality lapses could also lead to delisting from approved-vendor panels.

Furthermore, customer audits and global OEM compliance requirements are becoming increasingly demanding. Failure to consistently meet their evolving quality benchmarks may lead to lowered volumes or replacement by technologically advanced competitors. Quality issues may also increase warranty claims, insurance liabilities, or legal disputes. The Company's reputation and long-term business prospects rely heavily on maintaining robust quality systems; any deterioration in quality parameters could materially and adversely affect operations and financial performance.

**15. The construction and commencement of commercial operations of our New Project involve many uncertainties and risks that may have a material adverse effect on our business, results of operations and financial condition.**

Growth of our Company is mainly dependent upon the successful commencement of our new facility. The proposed facility involves engineering, construction and other commercial risks, including:

- (a) reliance on third parties to supply plant and machineries;
- (b) engineering design and technological changes;
- (c) mobilizing the required resources;
- (d) failure to obtain necessary governmental and other approvals;
- (e) changes in market conditions;
- (f) accidents, natural disasters and weather-related delays;
- (g) time and cost overruns and unanticipated expenses; and
- (h) regulatory changes.

Any significant delay in completing the proposed project as planned or on schedule may result in commencing operations in an increased competitive environment for its products. Such a scenario may have a material adverse effect on our business, results of operations and financial condition.

**16. Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.**

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. We face breakdown in our manufacturing process due to non-availability of raw material, excessive increase or expected increase in price of raw materials. Further, Company is currently fully dependent on the labours. So if, labours initiate strike then Company may face a breakdown in its manufacturing facility. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. While we have not yet experienced any material delay, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income.

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

Our Company has entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Company in the past and from, time to time. While we believe that all such transactions entered into are legitimate business transaction and are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not entered into with related parties. Furthermore, we will continue to enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation.

**18. Exposure to Occupational Health and Safety Incidents**

Forging plants involve high-temperature furnaces, heavy presses, molten materials, and manual handling of large components. Despite established safety protocols, the risk of workplace injuries, accidents, or equipment-related

hazards remains inherent. Serious incidents could lead to operational shutdowns, statutory investigations, legal liabilities, or compensation obligations. Frequent safety incidents may also damage workforce morale, hiring ability, and operational continuity.

Moreover, regulatory frameworks governing occupational safety are becoming increasingly stringent. Non-compliance may attract penalties, mandatory corrective actions, or negative media and community scrutiny. Investments in safety training, protective equipment, and plant upgrades require continuous capital outlay. Failure to create a safe working environment could affect productivity, increase attrition, and harm the Company's reputation, thereby adversely impacting its ability to attract skilled employees and retain key customers.

#### **19. Geographic Concentration of Manufacturing Facilities**

Our manufacturing operations are concentrated in a limited geographic region. Any adverse developments such as regional political unrest, infrastructure failures, natural disasters, pandemics, or transportation blockages may disrupt production. Concentration also exposes the Company to localized regulatory changes, industrial-policy shifts, or region-specific labour issues that could impact operational continuity. Dependence on a single location limits flexibility in responding to supply chain or customer-distribution disruptions.

Additionally, concentration of facilities may cause higher logistics costs for customers in distant markets, reducing competitiveness relative to suppliers located closer to end-use regions. Establishing additional plants to diversify geographic risk requires substantial capital investment and long gestation periods. Until such diversification is achieved, geopolitical or regional disruptions may materially impact revenue flow, customer satisfaction, and long-term business sustainability.

#### **20. Long Lead Times in Setting up New Forging Capacity**

Capacity expansion in the forging industry requires acquisition of heavy machinery, installation of high-tonnage presses, creation of heat-treatment lines, and comprehensive testing. These projects involve long implementation periods, specialized engineering expertise, and regulatory approvals. Any delay in equipment delivery, vendor performance, or civil construction may push timelines and escalate costs. Until new machinery becomes operational, the Company may not derive expected revenue benefits, adversely affecting return on investment.

Moreover, commissioning new capacity carries inherent operational risks such as unanticipated technical issues, lower-than-expected throughput, or alignment problems between new and existing equipment. Inaccurate demand forecasts may also result in underutilization of expanded capacity, negatively impacting margins. Capital expenditure commitments, once made, are largely irreversible, creating financial strain if market conditions deteriorate. Therefore, long development cycles present a significant business and financial risk.

#### **21. Environmental Liabilities from Waste, Noise, and Heat Emissions**

Forging processes generate solid waste, scale, fumes, noise, and heat emissions. Although the Company follows environmental norms, accidental releases, equipment malfunction, or non-compliance events could attract penalties, remediation costs, or forced shutdowns. With rising public and regulatory scrutiny on industrial sustainability, any environmental lapse could generate reputational damage and trigger stricter oversight or legal action.

The cost of implementing waste-management, noise-control systems, and furnace emission-reduction technology may increase substantially over time. Global customers, especially in export markets, may require suppliers to demonstrate reduced carbon footprints or ESG compliance. Failure to meet these expectations could result in loss of international business or disqualification from key supply chains. Environmental liabilities therefore present a long-term financial and operational risk.

#### **22. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.**

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- New Gujarat Industrial Policy 2015



- The Factories Act, 1948
- Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957
- The Environment Protection Act, 1986
- The Air (Prevention and Control of Pollution) Act, 1981
- Other regulations Other regulations promulgated by the Ministry of Environment and
- Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

### **23. Disruption Due to Transportation and Logistics Challenges**

We depend heavily on road and rail networks to transport raw materials and deliver finished goods. Any disruptions caused by fuel shortages, truck unavailability, regulatory changes in freight policies, transportation strikes, or infrastructure failures may delay shipments. Such delays could cause contractual penalties, customer dissatisfaction, and increased logistics costs. High transportation costs also reduce competitiveness in distant markets.

Additionally, export shipments rely on port infrastructure, customs clearance efficiency, and freight container availability. Global shipping disruptions—such as port congestion, vessel shortages, or geopolitical conflicts—may increase lead times and freight costs significantly. If logistics reliability deteriorates, customers may prefer suppliers closer to their facilities or in regions with more stable freight networks. Thus, logistics uncertainties pose considerable business and financial risk.

### **24. Legal and Contractual Risks from Customer Agreements**

Our business involves long-term supply agreements, technical specification contracts, and quality compliance obligations. Failure to meet delivery timelines, quality benchmarks, or contractual warranties may expose the Company to penalties, claims, or litigation. Additionally, certain agreements may contain price revision clauses unfavorable to the Company during periods of high input-cost inflation.

Contractual terms may also require significant investment in customer-specific dies, tooling, or process changes. If customers subsequently reduce offtake or terminate agreements, such investments may not be recoverable. Legal disputes arising from contracts may involve lengthy processes, financial outlays, and reputational risks. Contractual non-compliance or misalignment with customer requirements may materially affect revenue and profitability.

### **25. Risks Related to Dependence on Key Managerial Personnel**

The Company's success depends significantly on the experience, strategic vision, and industry relationships of its promoters, directors, and key managerial personnel. Loss of any such individual due to resignation, incapacity, or competitive hiring may disrupt strategic decision-making and operational control. Identifying and training suitable replacements could be time-consuming and costly.

Additionally, leadership transitions may create uncertainty among customers, lenders, employees, and suppliers. If succession planning is inadequate or if new leaders fail to maintain existing strategic direction, the Company's growth plans may be adversely affected. Strong dependence on key individuals therefore represents a material operational risk.

### **26. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.**

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our distribution and business network and to implement systems capable of effectively accommodating

our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source substantial business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

## **27. Potential Impact of Technological Disruptions in Manufacturing**

Automation, AI-driven machining, digital forging simulations, and additive manufacturing technologies are reshaping industrial production. Competitors adopting such advancements may deliver superior precision, lower cycle times, and cost advantages. If the Company is slow in adopting new technologies, it may lose competitive positioning or fail to meet advanced customer requirements.

Technological transformation requires significant investment, skilled personnel, and process reengineering. Implementation failures, integration issues, or project overshooting may erode profitability. Additionally, rapid technological evolution may render recent investments obsolete before generating adequate returns. Inability to manage such disruptions may adversely impact long-term sustainability.

## **28. Risk of Inventory Obsolescence and Overstocking**

Inventory management in forging operations involves balancing raw materials, dies, work-in-progress, and finished goods. Excess inventory may lead to working-capital blockage, storage challenges, and deterioration of material quality. Inventory obsolescence may arise if customer orders change specifications, reduce volumes, or cancel programs unexpectedly. Such situations may result in write-downs impacting profitability.

Conversely, understocking may lead to production delays, inability to meet urgent orders, or inefficient furnace utilization. Volatility in raw-material markets further complicates procurement decisions. Ineffective inventory management may adversely affect cost structure, liquidity, and customer satisfaction.

## **29. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.**

Our Company has not declared any dividend in past. We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

## **30. Exposure to Global Economic Slowdowns**

Demand for forged components often correlates with global industrial activity. Slowdowns in key export markets, recessionary conditions, or reduced international capital expenditure can reduce customer orders. Weak global demand may also intensify pricing competition among suppliers, lowering realizations and margins.

Geopolitical conflicts, trade sanctions, and currency instability may further hinder export growth. Overseas customers may diversify sourcing, postpone procurement, or renegotiate terms. Prolonged global weakness may therefore materially affect the Company's growth trajectory.

## **31. Dependence on Sectoral Performance of Automotive and Engineering Industries**

A significant portion of demand arises from automotive, agricultural machinery, railways, and engineering-equipment industries. Any slowdown in these segments—due to regulatory changes, fuel-cost fluctuations, or shifts to alternative materials—may reduce forging demand. The automotive sector in particular faces structural shifts due to electric-vehicle adoption, which may alter component requirements.

If key user industries adopt lightweight aluminum or composite materials instead of forged steel, demand may decline further. Sectoral downturns may adversely affect capacity utilization and financial performance.

### **32. Difficulty in Rapidly Scaling Production for Large Orders**

Large customer orders may require quick adjustments in workforce, raw-material procurement, and machinery allocation. Due to the nature of forging processes, rapid scaling can be challenging without affecting quality or increasing overtime costs. Failure to scale efficiently may result in delayed deliveries or rejection of potential business opportunities.

Additionally, ramping up production may strain existing equipment, increase breakdown probability, or require supplementary shifts that elevate production cost. If the Company cannot respond to sudden increases in demand, competitors may capture market share, affecting long-term relationships.

### **33. Cybersecurity and Data-Protection Risks**

As operations increasingly rely on ERP systems, digital quality controls, and automated production equipment, cyber threats pose a growing risk. A breach could disrupt operations, leak sensitive customer data, or compromise proprietary manufacturing processes. Such incidents may lead to reputational damage, legal liabilities, and financial loss.

Furthermore, evolving cybersecurity regulations require continuous updates to IT systems. Failure to maintain robust cybersecurity practices may expose the Company to operational paralysis or financial penalties. Cybersecurity weaknesses could significantly impair business continuity.

### **34. Potential Failure of New Product Development Initiatives**

The Company invests in developing new forged components to address customer requirements and enter new markets. However, there is no assurance that such products will succeed commercially. Delays in development, failure to meet technical standards, or customer rejection may lead to sunk costs.

Additionally, developing new products requires investment in dies, testing, and prototyping. If customer offtake does not materialize, these costs may not be recoverable. Failure in new-product initiatives may restrict diversification and growth.

### **35. Risks Related to Tooling and Die Failures**

Dies and tooling are critical to achieving dimensional accuracy and mechanical properties. Excessive die wear, improper maintenance practices, sub-optimal material selection, or metallurgical inconsistencies may lead to deformation, cracks, or premature failure of dies. Such failures can result in production stoppages, unplanned maintenance shutdowns, and increased scrap generation, all of which materially affect productivity. Replacement of dies requires specialized manufacturing, long lead times, and significant capital expenditure. Any persistent tooling issues may disrupt the supply chain, reduce capacity utilization, and impair our ability to meet customer delivery schedules.

Failing to maintain die performance may increase rejection rates, cause higher rework requirements, and escalate per-unit manufacturing costs. Inefficient or damaged dies can also compromise the structural integrity and functional performance of forged components, potentially leading to customer complaints or failure to meet contractual specifications. In sectors where customers require strict compliance with dimensional tolerances, any significant tooling failure may result in penalties, delisting from approved vendor lists, or cancellation of long-term supply programs. Such events can materially affect revenue visibility, customer relationships, and the Company's overall competitive standing.

### **36. Risk from Change in Government Industrial Policies**

Government policies related to steel pricing, import/export duties, manufacturing incentives, energy tariffs, labour regulations, and environmental compliance norms directly influence operational costs and competitiveness. Sudden or unexpected policy changes—such as increases in raw-material duties, modifications in electricity tariffs, or tightening of ESG mandates—could adversely impact margins or create immediate supply-chain disruptions. Policy changes may also influence domestic steel availability or alter market dynamics, forcing the

Company to revise procurement strategies or renegotiate supply contracts. Such uncertainty may hinder long-term planning and capital-allocation decisions.

If subsidies, tax incentives, or promotional schemes for manufacturing are withdrawn or modified unfavourably, the overall cost structure and profitability may be adversely impacted. Trade policy changes may also enable cheaper imports, increasing competitive pressure from foreign manufacturers. Conversely, unexpected protective duties may raise input costs without proportionate pricing flexibility. Regulatory unpredictability remains a long-term business concern, as compliance costs may escalate and investment decisions may be delayed. The Company's ability to remain competitive depends significantly on maintaining agility in responding to such policy transitions.

### **37. Insurance Coverage Limitations**

Although the Company maintains insurance policies for assets, accidents, machinery breakdown, and certain third-party liabilities, such coverage may not fully compensate for all potential losses or operational interruptions. Insurance policies often include deductibles, exclusions, caps on claimable amounts, and conditions that restrict the scope of recoverable damages. Risks such as cyberattacks, extended business interruptions, environmental liabilities, or consequential losses may be only partially covered or entirely excluded. As a result, unforeseen incidents may lead to significant unprotected financial exposure.

Inadequate insurance coverage may impose substantial financial burden in the event of a major accident, fire, natural disaster, or equipment breakdown. Claim settlements may involve long processing timelines, disputes over coverage interpretation, or delays in disbursement, affecting liquidity and working-capital availability. Additionally, rising insurance premiums or changes in underwriting conditions may increase operational expenses. The Company may therefore face material financial setbacks if insurance coverage proves insufficient to absorb the scale of losses incurred.

### **38. Reputational Risks from Customer Complaints or Market Perception**

Negative publicity arising from delayed shipments, product defects, safety incidents, or perceived lapses in quality systems may impact customer confidence and damage the Company's reputation. In modern supply-chain ecosystems, information spreads rapidly through industry networks, supplier audits, and online platforms, amplifying the impact of adverse events. A damaged reputation may impair the Company's ability to win new contracts, retain existing customers, or participate in vendor-approval programs conducted by large OEMs.

Reputational damage may translate into tangible business losses including contract cancellations, reduced order volumes, or long-term attrition of strategic customers. Restoring credibility requires substantial investment in quality enhancement, customer communication, audit readiness, and brand rebuilding efforts. Further, repeated or unresolved reputation-related issues may attract heightened scrutiny from regulators, insurers, lenders, and industry partners. Maintaining strong stakeholder trust is therefore essential to long-term success and sustainable business growth.

### **39. Competition from Substitute Materials and Technologies**

Lightweight materials such as aluminum alloys, composites, and engineered plastics increasingly compete with forged steel components, particularly in industries focused on weight reduction, fuel efficiency, and environmental sustainability. If customers accelerate adoption of alternative materials, traditional forged components may experience reduced demand or require reengineering. Such substitution trends could impact long-term viability in specific product categories, forcing the Company to innovate or diversify its material handling capabilities.

Additionally, emerging technologies such as additive manufacturing, metal 3D printing, and near-net-shape casting offer design flexibility and reduced machining needs, potentially disrupting conventional forging applications. While these technologies may currently be limited in throughput or material compatibility, advancements could make them commercially viable substitutes in select segments. Failure to adapt to these evolving technological trends may diminish market relevance, constrain customer engagement, and adversely affect growth prospects.

### **40. Sensitivity to Inflationary Pressures**

Inflation impacts nearly every cost component—including raw materials, wages, energy tariffs, logistics, maintenance, and administrative expenses. Persistent inflationary conditions may erode cost competitiveness and

reduce purchasing power across customer industries, resulting in lower demand for capital goods and forged components. Rising prices may also influence customers to delay procurement decisions, restructure sourcing strategies, or negotiate unfavourable price revisions. These dynamics may collectively reduce revenue visibility and margin stability.

Inability to pass increased costs to customers on a timely basis may compress gross margins and weaken financial performance. Inflation also contributes to higher borrowing costs, increased working-capital requirements, and elevated credit risk among customers and suppliers. Long-term inflation may require frequent repricing, operational restructuring, and increased focus on efficiency to maintain profitability. Failure to adequately respond to inflationary pressures could materially affect cash flows and business sustainability.

#### **41. Risk of Future Fundraising Diluting Shareholder Value**

Future business expansion, diversification, modernization, or working-capital enhancement may require the Company to raise additional equity capital. Any such equity issuance—including QIPs, rights issues, or preferential allotments—may dilute existing shareholders' ownership and reduce earnings per share. Dilution may also influence market perception regarding valuation or growth trajectory, affecting the Company's share price performance.

Unfavourable market conditions may compel the Company to issue securities at lower valuations, thereby creating larger dilution for existing shareholders. Additionally, increased equity capital may alter voting dynamics or create governance complexities. Investor sentiment may be adversely affected if repeated fundraisings signal heightened capital dependence or operational challenges. Thus, although fundraising may be necessary for growth, it may also carry dilution-related risks that impact shareholder value.

#### **42. Our success depends largely upon the services of our Directors, Promoter and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.**

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel ("KMP"). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

#### **43. Uncertainty in Achieving Projected Financial Performance**

Forward-looking financial projections rely on assumptions related to market demand, capacity utilization, raw-material costs, customer acquisition, operational efficiency, and macroeconomic conditions. These assumptions may not fully account for unexpected events such as industry downturns, supply-chain disruptions, price volatility, regulatory changes, or competitive pressures. Any deviation from projected assumptions may result in actual performance differing significantly from anticipated outcomes.

Failure to achieve projected financial performance may impact investor confidence, influence credit ratings, and restrict the Company's ability to raise debt or equity capital. Variances from projections may also prompt reassessment of strategic plans, investment priorities, or capital allocation decisions. Therefore, financial projections must be interpreted with caution, and there can be no assurance that expected results will materialize despite management's best efforts.

#### **44. Supplier Concentration Risk**

If a limited number of suppliers provide key raw materials such as steel billets, alloy steels, dies, or specialized consumables, any disruption in their operations may significantly impact material availability and production continuity. Supplier-related issues such as financial instability, quality lapses, capacity constraints, transportation delays, or pricing disputes may lead to supply shortages. Such dependencies reduce procurement flexibility and increase vulnerability to external disruptions.

Dependence on a small supplier base also limits negotiation power, potentially resulting in higher procurement costs or unfavourable credit terms. Supplier failures may require urgent on boarding of new vendors, involving qualification checks, process audits, and reliability testing—all of which lengthen procurement cycles. Supplier instability may therefore materially affect product delivery timelines, working capital needs, and operational performance.

#### **45. Risk of Non-Compliance with Corporate Governance Requirements**

As a listed entity, the Company must adhere to the governance standards prescribed under SEBI regulations, the Companies Act, stock-exchange listing conditions, and other applicable laws. These standards require transparency, accountability, timely disclosures, internal controls, and board-level oversight. Any non-compliance—whether inadvertent, technical, or substantive—may attract regulatory scrutiny, penalties, or warnings, and adversely affect the Company's public perception.

Governance lapses may reduce institutional investor confidence, impact creditworthiness, and impair the Company's ability to raise future capital. Maintaining robust governance requires continuous investment in compliance systems, legal advisory, audit mechanisms, and board capacity. Failure to sustain high governance standards may expose the Company to regulatory risk, litigation, or reputational damage, all of which may materially affect long-term operations.

#### **46. Dependence on Timely Renewal of Statutory Licenses and Approvals**

Manufacturing operations rely on a range of statutory permissions including pollution-control consents, factory licenses, fire-safety approvals, electrical load sanctions, and industrial registrations. These approvals require periodic renewal, accompanied by inspections, compliance documentation, and adherence to evolving regulations. Any delay in securing such renewals may lead to operational restrictions, temporary production shutdowns, or penalties from regulatory authorities.

Furthermore, regulatory bodies may revise compliance requirements or impose stricter conditions for renewal, necessitating additional capital expenditure on equipment upgrades or facility modifications. Failure to meet such upgraded standards may jeopardize continued operations. Therefore, timely renewal of approvals is critical, and any disruption could materially impact production capability, delivery commitments, and financial performance.

#### **47. We may not be successful in implementing our business strategies.**

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

#### **48. Potential Claims from Employees or Third Parties**

Labour-related claims may arise from disputes over wages, termination, safety incidents, or interpretation of employment regulations. Additionally, workplace injuries may give rise to compensation liabilities, statutory reporting obligations, and potential litigation. Such matters may require significant management attention and financial resources, impacting operational efficiency.

Third-party claims may originate from transportation accidents, vendor disputes, or product-related allegations. These claims may result in legal expenses, settlement costs, and reputational damage. Extended litigation may also create uncertainty, disrupt business relationships, and necessitate additional insurance coverage. Effective dispute resolution frameworks and compliance mechanisms are essential to mitigate such risks.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity

may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected

## **50. Challenges in Managing Growth and Organizational Complexity**

As the Company expands operations, enters new markets, or diversifies its product portfolio, organizational complexity increases. Growth requires strengthening internal controls, improving process discipline, enhancing IT systems, and developing managerial talent. Failure to scale internal capabilities in line with operational expansion may result in coordination gaps, inefficiencies, and increased error rates.

Rapid growth without adequate oversight may also compromise product quality, affect customer service standards, and strain financial controls. Inadequate integration of new facilities, technologies, or teams may hinder synergy realization. Mismanagement of growth can lead to operational bottlenecks, decreased profitability, and strategic drift, thereby affecting long-term sustainability.

## **51. Climate-Related Risks and Transition Requirements**

Climate change may lead to stricter emission norms, carbon-tax frameworks, sustainability reporting obligations, or restrictions on high-energy-intensive manufacturing processes. Compliance with these evolving requirements may require significant capital investments in cleaner technologies, energy-efficient equipment, and environmental-management systems. This transition may increase operating costs and alter competitive dynamics across the industry.

# **EXTERNAL RISK FACTORS**

### ***Risk Relating to India***

- 1. Adverse global economic and geopolitical developments, including financial instability in other countries, the Israel-Iran conflict, volatility in crude oil prices, and changes in U.S. Federal Reserve policies, may increase volatility in Indian financial markets and adversely affect our business and financial performance.**

The Indian economy and financial markets are significantly influenced by global economic and geopolitical developments, particularly those in emerging markets and major global economies. While economic conditions differ from country to country, investor sentiment and capital flows are often impacted by events in other markets, which can have a cascading effect on Indian markets.

For instance, currencies of several Asian countries have historically experienced depreciation against the U.S. dollar due to diverse macroeconomic pressures. A loss of investor confidence in the financial systems of other emerging economies may trigger increased volatility in Indian financial markets and have a broader negative impact on India's economic outlook.

Furthermore, heightened geopolitical tensions — such as the ongoing Israel-Iran conflict have introduced increased uncertainty and risk aversion in global markets. Escalation in the Middle East can lead to supply chain disruptions and instability in crude oil supplies, directly affecting oil prices. Given India's dependency on oil imports, any sustained increase in crude oil prices could adversely impact inflation, the current account deficit, and overall economic growth, which may, in turn, affect investor sentiment and our business operations.

Additionally, ongoing concerns regarding potential interest rate hikes by the U.S. Federal Reserve, aimed at combating inflation, have contributed to global financial market volatility and have led to capital outflows from emerging markets, including India. Rising U.S. interest rates tend to strengthen the U.S. dollar and reduce the relative attractiveness of emerging market investments, thereby increasing the cost of external borrowing and impacting foreign investment inflows into India.

The global credit and equity markets have previously experienced substantial dislocations, liquidity disruptions, and corrections, and may continue to do so in the current uncertain environment. While governments and central banks in various jurisdictions, including India, have introduced policy measures

aimed at stabilizing financial markets, the overall effectiveness and long-term impact of these initiatives remain uncertain.

In the event of prolonged geopolitical tensions, sharp fluctuations in global oil prices, sustained monetary tightening by developed economies, or any significant financial disruption, our business operations, future financial performance, and the trading price of our Equity Shares could be adversely affected.

**2. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such flooding and earthquakes), epidemics, pandemics such as COVID-19 and man-made disasters, including acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our properties and projects and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to which we sell or propose to sell our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. Another outbreak of any new variant of COVID-19 pandemic such as the new JN.1 variant or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

**3. Changing laws, rules and regulations and legal uncertainties, including any adverse application of corporate and tax laws, may adversely affect our business, prospects and results of operations.**

The regulatory environment in which we operate is subject to changes as may be notified by the government and other regulatory authorities. Any change in Indian tax laws could adversely affect our operations. The Government of India announced the Union Budget for 2026, following which the Finance Bill, 2025 ("Finance Bill") was introduced in the Lok Sabha on February 1, 2025. The Finance Bill has received assent from the President of India on March 29, 2025, and has been enacted as the Finance Act, 2025. The Finance Act, 2025 has made various amendments to taxation laws in India. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

We cannot predict whether any new tax laws or regulations impacting our operations will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have an adverse effect on our business. There is no certainty on how such amendments will impact our business, operations or the industry in which we operate. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.



**4. A downgrade in ratings of India, may affect the trading price of the Equity Shares.**

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

**5. If the rate of Indian price inflation increases, our business and results of operations may be adversely affected.**

Inflation rates in India have been volatile in recent years, and such volatility may continue. In recent years, India has experienced consistently high inflation, which has increased the price of, among other things, our rent and personnel cost. If this trend continues, we may be unable to accurately estimate or control our costs of production and purchase, which could have an adverse effect on our business and results of operations. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. We cannot assure you that Indian inflation levels will not worsen in the future.

**6. As a listed company, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations, and we must comply with other SEBI regulations as may be applicable to us. Any non-compliance / delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.**

The Equity Shares of our Company are listed on the NSE. We are, therefore, subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, and we must comply with other SEBI regulations as may be applicable to us. While our Company strives to meet all such obligations and reporting requirements, we cannot assure you that there will be no non-compliances in the future, and we cannot assure you that no penalties will be levied against our Company. Non-compliance under the SEBI regulations are usually subject to penalties, warnings, and show-cause notices by SEBI and the Stock Exchange. Any regulatory action or development that is initiated against us could affect our business reputation, divert management attention and result in a material adverse effect on our business prospects and financial performance, and the trading price of the Equity Shares.

**7. Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the economy of countries globally and our business, financial condition and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations and financial condition.**

Several countries have experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the global economy which, in turn, could adversely affect our business, and may damage or destroy our borrowers' assets or projects. Any of these natural calamities could adversely affect our business, results of operations and financial condition. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID-19 pandemic, had caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business.

**8. Changing laws, rules and regulations and legal uncertainties may adversely affect our business, prospects, results of operations and cash flows. Further, failure to comply with the existing laws and regulations applicable to our business could subject our Company to enforcement actions and penalties and otherwise harm our business.**

In India, our business is governed by various laws and regulations relating to employment. Taxation and Securities laws and regulations have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us to inspection, enforcement actions and penalties imposed by authorities.

Our business could be adversely affected by any change in laws or interpretation of existing laws, or promulgation of new laws, rules and regulations applicable to us. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations and cash flows. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**9. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.**

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are listed on NSE. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- hostile or war like situations with the neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchange;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

**10. In the event we undertake future acquisitions, mergers or similar corporate actions, we may**

**potentially be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business, results of operations and financial condition.**

The Competition Act, 2002 (“Competition Act”) was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition (“AAEC”) is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations (“Combination Regulations”) require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us in future could be within the purview of the Competition Act. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India.

The Competition (Amendment) Act, 2023 (“Competition Amendment Act”) was notified on April 11, 2023, which amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. These amendments include the introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information. Such amendment to the Competition Act will result in additional costs for compliance, which in turn may adversely affect our business, results of operations, cash flows and prospect.

#### **11. Companies operating in India are subject to a variety of taxes and surcharges.**

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

### **RISKS RELATING TO OUR RIGHTS EQUITY SHARES AND THIS ISSUE**

#### **1. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.**

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates basis current market conditions and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by the Monitoring Agency. Accordingly, prospective investors in the Issue will need to rely upon our management’s judgment with respect to the use of the Net Proceeds. For details, please see “Objects of the Issue” on page 45.

#### **2. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sales of the Equity Shares by our Promoters or other major shareholders of**

**our Company may adversely affect the trading price of the Equity Shares.**

We cannot assure you that we will not issue additional Equity Shares. Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**3. Recent changes to the regulatory framework for rights issues, including faster timelines and modified procedures, may lead to investor confusion or non-compliance, which could adversely affect the subscription process.**

SEBI, through the notification of the SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2025, dated March 3, 2025, and published in the Official Gazette on March 8, 2025 (Gazette ID CG-DL-E-08032025-261516), has significantly amended the regulatory framework governing rights issues. This has been followed by a circular dated March 11, 2025, which introduces the concept of Faster Rights Issues and allows for flexibility of allotment to specific investors, while also imposing stricter timelines and procedural requirements.

The amended framework applies to all Rights Issues approved by the Board of Directors on or after April, 07, 2025. The rapid implementation of this new framework may pose operational challenges for investors who are unfamiliar with the revised process, including faster turnaround times, stricter compliance with demat credit timelines, and procedural differences from earlier rights issues.

Any failure by investors to understand or comply with the new regulations—such as timely demat credit for Rights Entitlements (REs), correct application through ASBA, or submission of updated details—may lead to their applications being rejected or rendered invalid. Investors are advised to read this Letter of Offer carefully and follow all instructions in strict adherence to the updated regulatory framework to avoid any adverse impact on their ability to participate in the Issue.

For detailed information, see the section “Terms of the Issue” on page 67 of this Draft Letter of Offer.

**4. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchange may adversely affect the trading price of our Equity Shares.**

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchange until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchange. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

**5. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.**

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operations or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the

right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for our Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**6. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.**

Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure of completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, please see "Terms of the Issue" on page 67.

**7. Your ability to acquire and sell the Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Draft Letter of Offer.**

No actions have been taken to permit a public offering of the Equity Shares offered in the Issue in any jurisdiction except India. As such, our Equity Shares have not and will not be registered under the Securities Act, any state securities laws of the United States or the law of any jurisdiction other than India.

Further, your ability to acquire Equity Shares is restricted by the distribution and solicitation restrictions set forth in this Draft Letter of Offer. For further information, please see "Notice to Investors" and "Other Regulatory and Statutory Disclosures – No Offer in the US" and "Restrictions on Purchases and Resales" on pages 9, 62 and 94, respectively. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with applicable law.

**8. Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.**

Investors can start trading the Rights Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Rights Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Rights Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

**9. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.**

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. The Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Prices of listed securities are subject to volatility linked among other factors to the uncertainty in the global markets and the rising inflationary and interest rate pressures domestically. The governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Future fluctuations or trading restrictions could have a material adverse effect on the price of our Equity Shares.

**10. Any future issuance of Equity Shares by our Company may dilute your shareholding and adversely affect the trading price of our Equity Shares.**

Any future issuance of Equity Shares may dilute your shareholding in our Company. Any future equity issuances by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring

additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**11. Equity Shares may experience price and volume fluctuations.**

The market price of the Equity Shares can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian finance and lending sector, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. In addition, the stock Exchange may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares.

General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Equity Shares. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

**12. No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile.**

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchange during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchange, the trading of Rights Equity Shares may not track the trading of Equity Shares.

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

Under the Companies Act, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution of the Company.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

**14. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.**

The Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. The volatility of the Indian Rupee against other currencies may subject investors who convert funds into Indian rupees to purchase our

Equity Shares to currency fluctuation risks. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. Our decision to file a registration statement will depend on the costs and potential liabilities associated with any such registration as well as the perceived benefits of enabling holders in such jurisdiction to exercise their pre-emptive rights and any other factors we consider appropriate at such time. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available to you by Indian law. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in our Company may be reduced.

**15. Investors may be subject to Indian taxes arising out of capital gains on sale of the Rights Equity Shares.**

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Additionally, a securities transaction tax ("STT") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gains realized on the sale of equity shares held for more than 12 months are subject to long term capital gains tax in India. Such long-term capital gains exceeding Rs. 100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 12.5% (plus applicable surcharge and cess). This beneficial provision is, inter alia, subject to payment of STT. Further, any capital gains realised on the sale of listed equity shares of an Indian company, held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India at the rate of 12.5% (plus applicable surcharge and cess), without indexation benefits.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates.

Capital gains arising from the sale of the Rights Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Rights Equity Shares.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Rights Equity Shares.

**16. Listed companies in India are highly regulated and we are subject to continuous reporting requirements.**

We are subject to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we incur significant legal, accounting, corporate governance and other expenses. We are subject to the SEBI Listing Regulations which requires us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we are required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. We are also required to monitor trading in the Equity Shares in terms of the SEBI Insider Trading Regulations. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention are required. As a result, our management's attention may be diverted from our business concerns, which may affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical

**17. Restrictions on daily movements in the trading price of our Equity Shares may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.**

Stock Exchange may impose restrictions on the movements in trading price of our Equity Shares. Stock Exchange are not required to inform us of such restrictions and they may change without our knowledge. In the event such restrictions are imposed, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**18. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form. Our Company has opened a separate demat suspense escrow account (namely, "MIPL GANGA FORGING LTD RIGHTS ESCROW DEMAT ACCOUNT") ("Demat Suspense Account") and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; (b) which are held in the account of the Investor Education and Protection Fund ("IEPF") authority; (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed suspense account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation is lying in escrow account; (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner

and such lapsing of Rights Entitlement may dilute and adversely impact the interest of certain Eligible Equity Shareholders. For details, please see "Terms of the Issue" beginning on page 67.



**19. SEBI has recently, by way of Master Circular dated November 11, 2024 revised and consolidated the regulatory framework governing rights issues, and non-compliance with the new procedures may adversely affect potential investors ability to subscribe to the Rights Equity Shares.**

SEBI, through its Master Circular bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, has rescinded its earlier circulars dated January 22, 2020, May 6, 2020, July 24, 2020, January 19, 2021, and April 22, 2021, and issued updated guidelines to streamline the rights issue process. The new framework mandates, among other things, minimum notice periods to stock exchange, the procedure for credit and trading of Rights Entitlements (REs), and application requirements strictly through the ASBA facility.

In accordance with the revised norms:

- Rights Entitlements are credited in dematerialized form before the issue opening date;
- Physical shareholders must furnish demat account details at least two working days prior to issue closure for RE credit;
- REs are traded on the stock exchange platform under T+1 settlement and trading closes at least three working days prior to issue closure.
- No withdrawal of applications is permitted post issue closing date.

While these measures aim to enhance efficiency and investor convenience, any failure on the part of investors to timely comply with the procedures prescribed in the Master Circular—including updating demat details, monitoring RE credits, or applying within the prescribed timelines—may lead to rejection or failure of their application. Investors are advised to carefully read and follow the instructions in this Letter of Offer and the SEBI Master Circular to ensure successful participation in the Issue. For details, see “Terms of the Issue” on page 67 of this Draft Letter of Offer.

**20. If the Company does not receive the minimum subscription of at least 90% of the Issue, it will not be able to achieve the objects of the issue which might hamper the progress of the Company**

In terms of Regulation 86(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Issue is subject to receipt of a minimum subscription of at least 90% of the Issue size. In the event the Company does not receive such minimum subscription within the prescribed period, the Issue shall be deemed to have failed and the Company shall be required to refund the entire application money received from Applicants in accordance with applicable law, and no portion of the Issue proceeds will be available for use by the Company. Non-receipt of minimum subscription may arise due to adverse market conditions, insufficient investor demand, regulatory developments or other factors beyond the Company’s control, and would result in failure of the fund-raising exercise.

The Objects of the Issue as disclosed at *page no. 45* of this Draft Letter of Offer are proposed to be funded primarily out of the proceeds of this Issue. Accordingly, if the minimum subscription of 90% is not received and the Issue is not successful, the Company will not be able to implement, in full or in part, the proposed objects, including the planned capital expenditure, repayment or prepayment of borrowings and funding of business and operational requirements. This may compel the Company to defer, scale down or abandon such plans or seek alternative funding, which may be more expensive, uncertain or unavailable, thereby adversely affecting the Company’s business plans, financial condition, cash flows and growth prospects.

## SECTION III – INTRODUCTION

### ISSUE INFORMATION

The Issue has been authorised by way of resolution passed by our Board of Directors on January 06, 2026, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on [●], 2026.

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Upto [●] ([●]) Equity Shares
<b>Rights Entitlement</b>	[●] Equity Share for every [●] fully paid-up Equity Share held on the Record Date
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Record Date</b>	[●]
<b>Face value per Equity Shares</b>	Re. 1/- (Rupees One Only)
<b>Issue Price per Rights Equity Shares</b>	Rs. [●]/- (Rupees [●] Only)
<b>Issue Size</b>	The issue of up to [●] ([●] Only) Rights Equity Shares aggregating to an amount up to Rs. 3300 Lakhs.
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	13,48,02,230 (Thirteen Crores Forty-Eight Lakhs, Two Thousand Two Hundred and Thirty Only) Equity Shares
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	Upto [●] ([●]) Equity Shares
<b>Money payable at the time of Application</b>	Rs. [●]/- (Rupees [●] Only)
<b>Scrip Details</b>	<b>ISIN:</b> INE691Z01023 <b>NSE:</b> GANGAFORGE
<b>Use of Issue Proceeds</b>	For details please refer to the chapter titled “Objects of the Issue” on page 45 of this Letter of Offer.
<b>Terms of the Issue</b>	For details please refer to the chapter titled “Terms of the Issue” on page 67 of this Letter of Offer.

### TERMS OF PAYMENT

Due Date	Face Value (in Rs.)	Premium (in Rs.)	Total amount payable per Rights Equity Share (including premium) (in Rs.)*
On Application (i.e., along with the Application Form)	Re. 1/-	[●]	[●]

\*To be finalised upon determination of the Issue Price

## GENERAL INFORMATION

### Incorporation

Our Company was originally incorporated as “Ganga Forging Private Limited” under the provisions of the Companies Act, 1956, vide certificate of incorporation issued on December 29, 1988, by the Registrar of Companies, Gujarat. Thereafter, the name of our Company was changed from “Ganga Forging Private Limited” to “Ganga Forging Limited” and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Ahmedabad on October 30, 2017

### Registered Office of the Company:

#### GANGA FORGING LIMITED

Sr. No. 55/1 P6/P1/P1, Near Shree Stamping at: Road Pipaliya Tal:Gondal, Rajkot, Gujarat, India, 360311

Tel: +91-8460000435;

Email: [cs@gangaforging.com](mailto:cs@gangaforging.com)

Website: [www.gangaforging.com](http://www.gangaforging.com)

CIN: L28910GJ1988PLC011694

### REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad

ROC Bhavan,Opp Rupal Park Society,Behind Ankur Bus Stop,

Naranpura,Ahmedabad-380013, Gujarat

Tel: 079-27438531

E-mail: [roc.ahmedabad@mca.gov.in](mailto:roc.ahmedabad@mca.gov.in)

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Drashti Arvindbhai Vaghasiya

Address: Sr. No. 55/1 P6/P1/P1, Near Shree Stamping At: Road Pipaliya Tal: Rajkot, Gondal, Gujarat, India, 360311

Phone: +91 8460000335

E-mail: [cs@gangaforging.com](mailto:cs@gangaforging.com)

### STATUTORY AUDITORS OF OUR COMPANY

M/s. M. N. Manvar & CO.

Address: 504, Star Plaza Near Circuit House , Phulchhab Chowk, Rajkot -360001

Tel: +91 9408988250

E-mail: [ca.mnmanvar@gmail.com](mailto:ca.mnmanvar@gmail.com)

Firm Registration Number: 106047W

Peer Review Certificate Number: 012516

### REGISTRAR TO THE ISSUE

#### MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)

Address: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West, ), Mumbai City, Mumbai, Maharashtra, India, 400083

Tel : +91-022 - 4918 6000

E-mail: [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)

Investor Grievance Email: [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)

Website: <https://in.mpms.mufg.com/>

Contact Person: Shanti Gopalakrishnan

SEBI Registration No.: INR000004058

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights

Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “Terms of the Issue” on page 67.

#### **BANKERS TO THE COMPANY**

**Name:** Axis Bank Limited  
**Address:** Titan, KKV Hall Circle, Kalawad Road, Rajkot 360005, Gujarat, India,  
**Phone:** +918980800871  
**Contact Person:** Mr. Vikas Mamtora  
**E-mail:** [rajkot.branchhead@axisbank.com](mailto:rajkot.branchhead@axisbank.com)  
**Phone No.:** +91 89808 00871

#### **ADVISOR TO THE ISSUE**

**Turnaround Corporate Advisors Private Limited**  
**Address:** 614, Vishwadeep Building, Plot No. 4, District Centre, Janakpuri, New Delhi- 110058  
**Tel:** +91-11-45510390  
**E-mail:** [info@tcagroup.in](mailto:info@tcagroup.in)  
**Investor Grievance Email:** [complaints@tcagroup.in](mailto:complaints@tcagroup.in)  
**Website:** [www.tcagroup.in](http://www.tcagroup.in)  
**Contact Person:** Mr Dhruv Sharma  
**SEBI Registration No.:** MB/INM000012290

#### **BANKER(S) TO THE ISSUE /REFUND BANK**

**Name:** Axis Bank Limited  
**Address:** Titan, KKV Hall Circle, Kalawad Road, Rajkot 360005, Gujarat, India, **Phone:** +918980800871  
**Contact Person:** Mr. Vikas Mamtora  
**E-mail:** [rajkot.branchhead@axisbank.com](mailto:rajkot.branchhead@axisbank.com)  
**Phone No.:** +91 89808 00871

#### **MONITORING AGENCY**

Our Company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency for the Issue, in accordance with Regulation 82 of the SEBI ICDR Regulations, to monitor the utilisation of the Gross Proceeds. The details of the Monitoring Agency are as follows:

**Name:** Brickwork Ratings India Private Limited  
**Address:** 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bangalore-56007  
**Phone:** +91 9611805999  
**E-mail:** [Info@brickworkratings.com](mailto:Info@brickworkratings.com)  
**Contact Person:** Santosh H Shah  
**Website:** [www.Brickworkratings.com](http://www.Brickworkratings.com)  
**SEBI Registration No.:** IN/CRA/005/2008

#### **SELF-CERTIFIED SYNDICATE BANKS**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

#### **CREDIT RATING**

This being an issue of equity shares, no credit rating is required.

#### **DEBENTURE TRUSTEES**

This being an issue of Equity shares, appointment of Trustee is not required.

## **DETAILS OF UNDERWRITING**

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

## **FILING**

A copy of the Draft Letter of Offer was filed with the Stock Exchange as required under the SEBI ICDR Regulations, the SEBI ICDR Master Circular and other circulars issued by SEBI.

## **UNDERWRITING**

This Issue is not underwritten

## **MINIMUM SUBSCRIPTION**

The object of the Issue involves inter alia Capital Expenditure.

Accordingly, pursuant to Regulation 86(1) of the SEBI ICDR Regulations, the requirement for minimum subscription of at least 90% of the Equity Shares offered in the Issue is applicable.

Further, Our Promoters and the member of the Promoter Group have confirmed that they (i) will subscribe to their portion of the Rights Entitlement in the Issue; (ii) reserve the right to renounce their balance Rights Entitlements to the other Promoters, member (s) of the Promoter Group. Accordingly, our Promoter has no intention to renounce their Rights Entitlement in the Issue in favour of any Specific Investor(s).

The acquisition of Rights Equity Shares by our Promoter and other members of our Promoter Group, shall be eligible for exemption from open offer requirements, subject to our Company meeting the pricing criteria and other conditions, if any in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI Takeover Regulations, and the Issue shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Any participation by our Promoters and Promoter Group, over and above their Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

If our Company does not receive the minimum subscription of at least 90% of the Issue, or the subscription level falls below 90%, after the Issue Closing Date, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If, there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws. The above is subject to the terms mentioned under "Issue Information" on page 39.

## **FILING**

This Draft Letter of Offer is being filed with Stock Exchange for their approval. After the in-principle approvals from Stock Exchange are received, the Letter of Offer shall be filed with the Stock Exchange and with the Board for information and dissemination at its head office situated at:

### **Securities and Exchange Board of India**

Corporation Finance Department,  
Division of Issues and Listing,  
Plot No. C4-A, "G" Block,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400 051,  
Maharashtra, India

## CAPITAL STRUCTURE

Share capital of our Company as at the date of filing of this Draft Letter of Offer with NSE is set forth below:

(Rs. in Lakh, except share data)

Share Capital	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>(A) Authorized Share Capital</b> 18,00,00,000 Equity Shares of Re.1 each	1800.00	
<b>(B) Issued, Subscribed and Paid-Up Capital before the Issue</b> 13,48,02,230 Equity Shares of Rs.1 each fully paid up	1348.02	
<b>(C) Present Issue</b> Up to [●] Equity Shares of Rs. 1 each fully paid up	[●]*	[●]
<b>(D) Issued, Subscribed and Paid-Up Share Capital After The Issue</b> [●] Equity Shares of Re. 1 each fully paid up	[●]*	
<b>(E) Securities Premium Account</b>  Before the Issue  After the Issue		1435.48  [●]

\*To be updated upon finalisation of Issue Price.

- a. The Issue has been authorised by our Board pursuant to a resolution dated January 06, 2026. The terms of the Issue including the Record Date and Rights Entitlement ratio have been approved by the Board of Directors pursuant to a resolution dated [●], 2026.
- b. Assuming full subscription and Allotment of Rights Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses.
- c. There are no outstanding convertible securities or warrants or employee stock options as on date of this Draft Letter of Offer.

### Notes to Capital Structure:

1. Our Company does not have any employee stock option scheme or employee stock purchase scheme.
2. Our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares.
3. Shareholding Pattern of our company as per the last filing with the Stock exchange in compliance with the provisions of SEBI LODR Regulation
  - a. The shareholding pattern of our Company as on September 30, 2025, can be accessed on the website of NSE at: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GANGAFORGE&tabIndex=equity>
  - b. The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, if any, as on

September 30, 2025, can be accessed on the website of NSE at : <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GANGAFORGE&tabIndex=equity>

- c. The statement showing holding of Equity Shares of persons belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2025, can be accessed on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=GANGAFORGE&tabIndex=equity>
- d. Except as stated below, no Equity Shares have been acquired by our Promoters or members of our Promoter Group in the one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange.
- 4. Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of this Draft Letter of Offer.
- 5. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is Rs. [●] per Equity Share.
- 6. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares outstanding as on the date of this Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid-up. See “Terms of the Issue” on page 67.

## OBJECTS OF THE ISSUE

The Issue comprises of up to [●] Rights Equity Shares of face value of Re. 1 each for cash at a price of Rs [●] per Rights Equity Share (including a premium of Rs.[●] per Rights Equity Share) aggregating up to Rs. 3300 Lakhs. For further details, see “Summary of this Letter of Offer” and “Issue Information” on pages 14 and 39, respectively.

Our Company intends to utilize the proceeds raised through the Issue, after deducting Issue related expenses (“Net Proceeds”) towards funding the following objects:

1. Repayment of Loan Availed for the Solar Power Project
2. For Capital Expenditure towards the Solar Power Project
3. Repayment of Loan Availed for Railway Clip Manufacturing Activities
4. For Capital Expenditure towards the Forging Business
5. Repayment of Cash Credit Facility availed for the forging business
6. To Meet Working Capital Requirements for the Production of Elastic Rail Clip (“ECR”)
7. General Corporate Purposes

(Collectively, referred to herein as the “Objects”)

The main objects and objects incidental or ancillary to the main objects as stated in the Memorandum of Association enable us to undertake (i) our existing activities; (ii) the activities for which the borrowings were availed and which are proposed to be repaid/prepaid from the Net Proceeds and (iii) activities for which funds earmarked towards general corporate purposes shall be used.

The Issue Size is up to Rs. 3300 Lakhs and the estimated net proceeds are Rs. [●] Lakhs, subject to finalisation of Basis of Allocation and actual Allotment.

### Issue Proceeds and Net Proceeds

The details of the Issue Proceeds are set forth in the table below:

(Rs. In Lakhs)

Particulars	Amount
Gross Proceeds from the Issue*	3,300
Less: Estimated Issue related expenses**	[●]
Net Proceeds	[●]

*\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio. In the event the Issue is not fully subscribed, the Company shall first utilise the Net Proceeds towards the first six objects of the issue up to the estimated amount mentioned above, and use the remaining Net Proceeds, if any, towards general corporate purposes, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.*

*\*\* Estimated and subject to change - See “Objects of the Issue - Estimated Issue Related Expenses” on page 45 below.*

### Utilisation of Proceeds and Schedule of Implementation or Deployment of Net Proceeds

The funding requirements mentioned above are based on the internal management estimates of our Company and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the funding requirements of our Company and deployment schedules are subject to revision in the future at the discretion of the management. If additional funds are required for the purposes as mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Further, in the event of any shortfall of funds for any of the activities proposed to be financed out of the Net Proceeds, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws.

The proposed utilization of the Net Proceeds is set forth in the table below:

(Rs. In Lakhs)



Sr. No.	Particulars	Amount to be funded from the Net Proceeds (up to)	Estimated deployment of the Net Proceeds during Fiscal 2026	Estimated deployment of the Net Proceeds during Fiscal 2027
1	Repayment of Loan Availed for the Solar Power Project	600.00	600.00	
2	For Capital Expenditure towards the Solar Power Project	153.63	153.63	
3	Repayment of Loan Availed for procuring machinery for Elastic Rail Clip and Forging Business	170.00	170.00	
4	For Capital Expenditure towards the Forging Business	227.55	227.55	
5	Repayment of Cash Credit Facility availed for the forging business	700.00	700.00	
6	To Meet Working Capital Requirements for the Production of Elastic Rail Clip ("ECR")	737.00	-	737.00
7	General corporate purposes*	[•]	[•]	[•]
8	Net Proceeds**	[•]	[•]	[•]
	<b>Total</b>	[•]	[•]	[•]

\*Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purpose shall not exceed 25% of the Gross Proceeds

\*\*Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares, provided that the total amount utilised towards general corporate purposes shall not exceed 25% of the Gross Proceeds.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. Repayment of Loan Availed for the Solar Power Project

The Company is in the process of setting up of a 3 MW ground-mounted captive solar power project at Bhadula, Taluka Manavadar, District Junagadh, Gujarat. The said solar power plant has been conceived as a strategic infrastructure initiative to ensure long-term energy security, cost efficiency, and sustainability for the Company's forging and Elastic rail clip manufacturing operations as it will meet the Company's captive power requirements and to achieve long-term cost efficiencies and sustainability objectives.

The above project entailed a project cost of Rs. 1,150 Lakhs which was proposed to be funded as under:

Particular	Amount in Lakhs
Project cost	1,150.00
<b>Means of Finance</b>	
Promoter contribution	287.00
Term loan from Axis Bank	863.00
<b>Total</b>	<b>1,150.00</b>

Out of the above limit of 863 Lakhs the company has already availed an amount of Rs 747 Lakhs out of which it wishes to now repay Rs. 600 lakhs from the proceeds of the present issue.

### *Rationale for Utilization of Rights Issue Proceeds*

The repayment of the solar project loan using Rights Issue proceeds is expected to deliver multiple strategic and financial benefits, including:

- Reduction in finance costs and interest outgo over the remaining tenure of the loan;
- Improved cash flow availability for core operations;
- Enhanced long-term financial stability and credit profile of the Company;
- Alignment of long-gestation infrastructure investment with permanent equity capital;

- De-risking of the balance sheet by lowering leverage associated with capital-intensive renewable energy assets.

### ***Purpose of Repayment of Loan***

We believe that the prepayment and /or repayment of principal and interest amount of such Borrowings from the Net Proceeds shall inter alia benefit our Company in the following manner:

- reducing the outstanding indebtedness of the Company and enable utilization of the internal accruals for further investment in business growth and expansions;
- improve our debt-equity ratio, which will enable us to, which will further enable us to reduce our borrowing costs and increase the availability of non-funded limits from banks/financial institutions, which are essential to secure additional business;
- improve our ability to raise further resources in the future to fund potential business development opportunities; and
- improve the working capital position and liquidity position of the Company.

## **2. For incurring Capital Expenditure towards the Solar Power Project**

The Company is in the process of setting up of a 3 MW ground-mounted captive solar power project at Bhadula, Taluka Manavadar, District Junagadh, Gujarat. The said solar power plant has been conceived as a strategic infrastructure initiative to ensure long-term energy security, cost efficiency, and sustainability for the Company's forging and Elastic rail clip manufacturing operations as it will meet the Company's captive power requirements and to achieve long-term cost efficiencies and sustainability objectives.

The above project entailed a project cost of Rs. 1,150 Lakhs.

Isun Infrastructure, vide their quotation dated 12 July 2024, had agreed to set up the plant at a total cost of 1,149.63 lakhs. The work commenced on October 10, 2025 and till date the Company has already spent an amount of Rs. 996 Lakhs towards the project.

A sum of Rs. 153.63 Lakhs is required for completion of the project which the Company intends to fund from the proceeds of the present issue which will ensure timely settlement of vendor dues and completion of the project's financial obligations.

### ***Project Status and Operational Outlook***

The solar power plant is expected to commence commercial operations from April 2026 onwards, with an installed capacity of 3 MW, generating approximately 3.75 lakh units per month and 45 Lakh units annually. The project is designed as a captive consumption facility, and the energy generated will be primarily utilized for the Company's manufacturing operations, thereby reducing dependency on grid power and insulating the Company from tariff volatility.

## **3. Repayment of Loan Availed for procuring machinery for Elastic Rail Clip and Forging Business**

The company had recently undertaken 2 vital projects:

- Setting up of elastic rail clip production unit
- Expansion of the capacity of the existing forging business

The above 2 projects cumulatively entailed a project cost of Rs. 619 lakhs which was propose to be funded as under:

<b>Particular</b>	<b>Amount in Lakhs</b>
Project cost	619.00
<b>Means of Finance</b>	
Promoter contribution	154.75
Term loan from Axis Bank	464.25
<b>Total</b>	<b>619.00</b>

Out of the above limit of 464.25 Lakhs the company has already availed an amount of Rs 262.72 Lakhs out of which it wishes to now repay Rs. 170 lakhs from the proceeds of the present issue.

#### **Rationale for Repayment of Loan**

- i. The Company has recently undertaken capital-intensive projects for setting up an elastic rail clip production unit and expansion of the existing forging business, which were partly funded through a term loan, making partial repayment a prudent post-capex financial decision.
- ii. Utilisation of the Rights Issue proceeds for repayment of Rs. 170 lakhs of the term loan will help optimise the capital structure by reducing reliance on debt raised for procurement of plant and machinery.
- iii. With major capital expenditure substantially completed, the Company considers it appropriate to deleverage its balance sheet and align long-term assets with a more sustainable funding mix.
- iv. The proposed repayment reflects disciplined financial management and is intended to reduce fixed financial obligations during the stabilization and ramp-up phase of the new manufacturing facilities.

#### **Rationale for Repayment of Loan**

- i. Partial repayment of the term loan will reduce interest outgo and other finance costs, thereby improving profitability, cash flows, and earnings sustainability.
- ii. Reduction in outstanding borrowings will strengthen the Company's balance sheet and improve key financial ratios such as debt-equity ratio and interest coverage ratio.
- iii. Lower debt servicing obligations will enhance liquidity and provide greater financial flexibility to meet operational and working capital requirements of the elastic rail clip and forging businesses.
- iv. The proposed utilisation is expected to enhance confidence among shareholders, lenders, and other stakeholders by demonstrating a prudent and conservative approach to capital allocation.

#### **4. For incurring Capital Expenditure towards the Forging Business**

The Company proposes to utilize an amount of Rs. 227.55 lakh towards the acquisition of new machinery for its forging business. The proposed capital expenditure is intended to enhance the Company's manufacturing capacity, improve operational efficiency, and support its ongoing and future business requirements.

Infinite Forgetech Private Limited, vide their quotation dated December 30, 2025, had agreed to set up the plant at a total cost of 227.55 lakhs. The work is yet to be commenced.

<b>Sr. No.</b>	<b>Name of Product</b>	<b>Description</b>	<b>Scope of Work</b>	<b>Quantity</b>	<b>Cost (In Rs Lakhs)</b>
1	1000 Ton Direct Gear Drive Programmable HMI Screw Press (Model: EP-1000)	High-capacity 1,000-ton screw press with HMI touch-screen control and tonnage monitoring system, proposed to be used for heavy-duty and precision forging operations.	Supply and delivery of one 1,000-ton screw press with HMI control panel and tonnage monitoring system, ready for installation and integration into the Company's forging operations.	1	178.20
2	CIF cost to Mundra Port			1	8.55

3	3-Station Stations 2- Pillar Guided Bolster - 1000 Ton for Round	Multi-station guided bolster system designed for round forging, enabling accurate die alignment, improved productivity, and integration with the 1,000- ton screw press.	Design, manufacture, and supply of guided bolster systems compatible with the 1,000- ton press to enable multi-station round forging operations.	1	19.60
4	3-Station Stations 2- Pillar Guided Bolster - 1000 Ton for Profile	Multi-station guided bolster system designed for round forging, enabling accurate die alignment, improved productivity, and integration with the 1,000- ton screw press.	Design, manufacture, and supply of guided bolster systems compatible with the 1,000- ton press to enable multi-station round forging operations.	1	21.20

#### 5. Repayment of Cash Credit Facility availed for the forging business

The Company proposes to utilize an amount of Rs.700 lakh towards the repayment of the cash credit facility availed from Axis Bank, out of the total sanctioned limit of Rs. 900 lakh. The said cash credit facility has been primarily utilized to meet the working capital requirements of the Company's forging manufacturing operations.

#### 6. To Meet Working Capital Requirements for the Production of Railway Clips

The Company proposes to utilize Rs. 737 Lakhs of the proceeds of the Rights Issue to meet its incremental working capital requirements for the manufacturing and supply of Elastic Rail Clips (ERCs), which are critical fastening components used in elastic rail fastening systems for railway track infrastructure.

The Company is engaged in the manufacture of ERCs in compliance with applicable Research Designs & Standards Organisation ("RDSO") / Indian Railway Standard ("IRS") specifications, involving a multi-stage and quality-intensive manufacturing process comprising procurement of high-carbon spring steel, hot forming, heat treatment, surface treatment, testing, inspection, and dispatch. The manufacturing operations are working-capital intensive due to significant raw material requirements, inventory holding periods, production cycle time, mandatory testing protocols, and credit period extended to customers.

The Company has recently applied for a Government / Railway-related tender, pursuant to which it proposes to actively engage in the production and supply of Elastic Rail Clips to customers including Indian Railways and other approved agencies. In order to execute the said orders in a timely and efficient manner and to scale up its production operations, the Company requires additional working capital.

The working capital requirement is primarily towards:

- Procurement of high-carbon spring steel wire/rod and other consumables
- Funding work-in-process and finished goods inventory
- Meeting manufacturing, labour, power, and furnace operating expenses
- Quality control, inspection, and testing costs
- Managing receivables arising from institutional and Government customers

The Company estimates that an amount of approximately Rs. 737 Lakhs will be required to adequately meet the working capital requirements of the ERC manufacturing operations. The Company proposes to fund this requirement through the proceeds of the Rights Issue, thereby reducing dependence on short-term borrowings and strengthening its liquidity position.

The proceeds earmarked for working capital shall be deployed in the ordinary course of business and shall not be used for any activity unrelated to the Company's core operations. The utilization of funds shall be monitored by the Board of Directors, and the Company shall make appropriate disclosures regarding utilization of issue proceeds in accordance with applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The management believes that the proposed deployment of funds towards working capital will enable the Company to execute the recently secured tender efficiently, ensure uninterrupted production, improve operational flexibility, and support sustainable growth of its railway components business.

(Amount In Lakhs)		
Particulars	FY 26-27 (Estimated)	FY 27-28 (Estimated)
<b>Inventory</b>	<b>223.16</b>	<b>278.95</b>
Days	30	30
<b>Trade Receivable</b>	<b>1,008</b>	<b>1,260</b>
Days	91	90
<b>Other Current Assets</b>	<b>242.18</b>	<b>276.10</b>
<b>Trade Payables</b>	<b>110.05</b>	<b>137.56</b>
Days	15	15
<b>Other Current Liabilities</b>	<b>235.18</b>	<b>256.10</b>
<b>Working Capital</b>	<b>1,128</b>	<b>1,421</b>
<b>INCREMENTAL WORKING CAPITAL</b>		293
<b>Source of Working Capital</b>	<b>1,128.11</b>	<b>1,421.39</b>
Internal Resources	391.11	1,128.11
Issue Proceeds	737.00	

During the FY 2026-27, 2027-28 we intend to maintain an Inventory of 30 days.

We are estimating that we will have a credit period of approx. 90 days to our customers during FY 2026-27, 2027-28 to expand the business. Further, Trade Payables days is expected to be 15 days in FY 2026-27, 2027-28 to negotiate the better pricing from Our Suppliers/Creditors.

## 7. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to Rs. [●] Lakhs towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Issue Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (iii) working capital requirements; (iv) meeting of exigencies which our Company may face in the course of any business; (v) brand building and other marketing expenses; and (vi) any other purpose as permitted by applicable laws.

Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

#### ***Interim use of Proceeds***

Our Company, in accordance with the policies formulated by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily deposit the Net Proceeds in one or more scheduled commercial banks (as included in the second schedule to the Reserve Bank of India Act, 1934), interim investment in liquid and money market funds, or in any such other manner as permitted under the SEBI ICDR Regulations and other applicable laws.

#### ***Monitoring Utilization of Funds from the Issue***

The Company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency in relation to the Issue. Our Board and Monitoring Agency shall monitor the utilization of the Net Proceeds and the Monitoring Agency shall submit a report to our Board as required under Regulation 82 of the SEBI ICDR Regulations. The Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate instances, if any, of unutilized Net Proceeds in the balance sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, the Company shall, on a quarterly basis, disclose to the Audit Committee, the uses and applications of the Net Proceeds. The report submitted by the Monitoring Agency will be placed before the Audit Committee of the Company, so as to enable the Audit Committee to make appropriate recommendations to our Board for further action, if appropriate.

Further, in terms of the SEBI Listing Regulations, the Company shall furnish to the Stock Exchange, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above and details of category wise variations in the utilisation of the Net Proceeds from the objects of the Issue as stated above. This information will also be published on our website and explanation for such variation (if any) will be included in our Director's report, after placing it before the Audit Committee.

The Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors.

#### ***Appraising entity***

None of the objects of the Issue for which the Net Proceeds will be utilised has been appraised.

#### ***Strategic or Financial Partners***

There are no strategic or financial partners to the Objects of the Issue.

#### ***Other Confirmations***

Our Company had already obtained all the material government and regulatory approvals in relation to the objects of the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO GANGA FORGING LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

#### The Board of Directors

#### Ganga Forging Limited

Sr. No. 55/1 P6/P1/P1,

Near Shree Stamping,

To.: Sadak Pipaliya, Tal.: Gondal

Dist. Rajkot (360311)

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Ganga Forging Ltd. and its shareholders prepared in accordance with the requirements under Schedule VI, Part A, Clause 9-"Particulars of the Issue", (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by Ganga Forging Limited ('the Company') states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders' to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The amendments in Finance Act, 2025 have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general-tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the Investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the right issue.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its right issue, which may have a material effect on the discussions herein.

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

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

The enclosed annexure is intended solely for your information and for inclusion in the Draft Prospectus/ Prospectus or any other right issue related material in connection with the proposed right issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For, M. N. Manvar & Co.**

**Chartered Accountants**  
**Firm's Registration No.: 106047W**  
**Peer Review Certificate No.:018527**

**(Mohanlal N. Manvar)**  
**Proprietor**  
**Membership No.: 036292**  
**UDIN: 25036292QGUSUE5145**

**Place:** Rajkot  
**Date:** December 30, 2025

**Enclosed:**

**Annexure I:** Statement of possible special tax benefits available to the Company and to the shareholders of the Company under applicable direct and indirect tax laws



## **ANNEXURE I**

### **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND TO THE SHAREHOLDERS OF THE COMPANY UNDER APPLICABLE DIRECT AND INDIRECT TAX LAWS**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

- Special Tax Benefits available to the Company and its Subsidiaries under the Act:
  - There are no special Tax benefits available to the Company & its subsidiaries under the Act.
- Special Tax Benefits available to the shareholders of the Company under the Act:
  - There are no special Tax Benefits available to the shareholders of the Company.

#### **Notes:**

The above Statement of Possible Special Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

**For, M. N. Manvar & Co.**  
**Chartered Accountants**  
**Firm's Registration No.: 106047W**  
**Peer Review Certificate No.:018527**

**(Mohanlal N. Manvar)**  
**Proprietor**  
**Membership No.: 036292**  
**UDIN: 25036292QGUSUE5145**

**Place:** Rajkot  
**Date:** December 30, 2025

## SECTION IV – OUR MANAGEMENT

### Board of Directors

The composition of the Board is governed and in conformity with the provisions of the Companies Act, 2013, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles of Association, unless otherwise determined by our Company in a general meeting, our Company shall not have less than three Directors and not more than 15 Directors.

As on the date of this Draft Letter of Offer, our Company has 8 (Eight) Directors, comprising of 4 (Four) Executive Directors, and 4 (Four) Independent Directors.

The following table provides details regarding our Board as of the date of filing this Draft Letter of Offer:

Sr. No.	Name, Date of Birth, DIN, Address, Occupation, and Current term	Age (In Years)	Designation
1.	<b>Hiralal Mahidas Tilva</b> Date of Birth: January 19, 1949 DIN: 00022539 Address: Flat-702 B, Hevlok Appartment, Near Gol Residency, Nana Mauva Road, Rajkot - 360004 Occupation: Business Current term: He was appointed for a period of 5 years from April 02, 2023 to April 02, 2028	76	Chairman & Managing Director
2.	<b>Rakesh Chhaganlal Patel</b> Date of Birth: August 05, 1974 DIN: 00510990 Address: Flat Number A-801, Rukshmani Height, Behind Balaji Hall, 150 Foot Ring Road, U Rajkot, Po: Mavdi, Dist: Rajkot, Gujarat - 360004 Occupation: Business Current term: He was appointed for a period of 5 years from February 15, 2023 to February 15, 2028	51	Managing Director
3.	<b>Sheetal Sanjivkumar Chaniara</b> Date of Birth: June 14, 1974 DIN: 07528297 Address: 501 Meghmalhar Apartment, Near Shree Colony, Opp Gandhi Vidhiyalaya, B/H Panchavati Main Road, Rajkot - 360001 Occupation: Business Current term: She was appointed for a period of 5 years from February 15, 2023 to February 15, 2028	51	Whole-time Director

4.	<p><b>Nayankumar Karshanbhai Virparia</b></p> <p>Date of Birth: August 06, 1973</p> <p>DIN: 03297965</p> <p>Address: Nand Village Tower No.7 Flat No 713, Near Patidar Chowk, Sadhuvasvani Road, Behind Vasant Vihar, Rajkot, Gujarat - 360005</p> <p>Occupation: Business</p> <p>Current term: He was appointed for a period of 5 years from March 12, 2022 to March 12, 2027</p>	52	Independent Director
5.	<p><b>Jasubhai Khimjibhai Patel</b></p> <p>Date of Birth: March 15, 1950</p> <p>DIN: 01006449</p> <p>Address: Krushna Mahel, Plot No. 65, 4- Amrut Park Society B/H Pachvati Society Hall, Rajkot, Kolda Sangani Rajkot, Gujarat - 360001</p> <p>Occupation: Business</p> <p>Current term: He was appointed for a period of 5 years from April 21, 2023 to April 21, 2028</p>	75	Independent Director
6.	<p><b>Parulben Rakeshbhai Patel</b></p> <p>Date of Birth: March 20, 1973</p> <p>DIN: 07528313</p> <p>Address: Flat Number, A-801 Rukshmani Heights, Behind Balaji Hall, 150 Feet Ring Road, Rajkot Mavdi , Gujarat - 360004</p> <p>Occupation: Business</p> <p>Current term: She was appointed for a period of 5 years from February 15, 2023 to February 15, 2028</p>	52	Whole-time Director
7.	<p><b>Rameshbhai Gordhanbhai Dhingani</b></p> <p>Date of Birth: August 15, 1964</p> <p>DIN: 07946841</p> <p>Address: Jasmin Tower, G- Building, Flat No. 801, Garden Citsadhuvasvani Road Rajkot ,Gujarat - 360005</p> <p>Occupation: Business</p> <p>Current term: He was appointed for a period of 5 years from April 02, 2023 to 02, 2028</p>	61	Independent Director
8.	<p><b>Sagar Ramniklal Govani</b></p> <p>Date of Birth: July 18, 1975</p>	50	Independent Director

	DIN: 09185913		
	Address: C-504- Kasturi Aviary, Ambikatownship, Nana Mava Road, Rajkot, Gujarat - 360005		
	Occupation: Business		

### Confirmations

Neither any of our Directors are debarred from accessing the capital markets by the SEBI nor any of our Directors are directors of any company that is debarred from accessing the capital markets by the SEBI as on the date of filing of this Draft Letter of Offer.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

Further, none of the directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer.

### Details of Key Managerial Personnel and Senior Management

<i>Key Managerial Personnel</i>		
Sr. No.	Particulars	Designation
Sr. No.	Particulars	Designation
1	Hiralal Mahidas Tilva	Chairman and Managing Director
2	Rakesh Chhaganlal Patel	Managing Director
3	Parulben Rakeshbhai Patel	Whole-time Director
4	Sheetal Sanjivkumar Chaniara	Whole-time Director
5	Drashti Arvindbhai Vaghasiya	Company Secretary & Compliance Officer
6	Avni Nileshkumar Dadhaniya	Chief Financial Officer
Senior Management (excluding Key Managerial Personnel)		
7	Raviraj Chandubhai Raval	HR Manager

## SECTION V – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Sr. No.	Particulars	Website link
1	Audited Financial Results for financial year ended March 31, 2025	<a href="https://www.gangaforging.com/InvestorsRelation/DownloadPDF/30?FileName=FinancialResult">https://www.gangaforging.com/InvestorsRelation/DownloadPDF/30?FileName=FinancialResult</a>
2.	Unaudited Financial Results for the quarter and half year ended on September 30, 2025	<a href="https://www.gangaforging.com/InvestorsRelation/DownloadPDF/28?FileName=FinancialResult">https://www.gangaforging.com/InvestorsRelation/DownloadPDF/28?FileName=FinancialResult</a>

## FINANCIAL INFORMATION

Extract of the Fiscal 2025 Audited Standalone Financial Statements prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchange:

Sr. No.	Particulars	September 30, 2025	FY 2025	FY 2024
1.	Revenue from operations	1601.37	4321.94	3721.24
2.	Other income	2.55	22.92	9.30
3.	Total income	1603.92	4344.87	3730.54
4.	Net profit/loss before tax and extraordinary items	(339.57)	86.55	75.42
5.	Net profit/loss after tax and extraordinary items	(323.05)	61.31	44.34
6.	Equity share capital	1348.02	1348.02	1341.77
7.	Reserves and surplus	1547.86	1870.91	1799.52
8.	Net-worth	2895.88	3218.93	3141.29
9.	Earnings per Share (Basic) (in Rs. )	(0.24)	0.05	0.04
10.	Earnings per Share (Diluted) (in Rs. )	(0.24)	0.05	0.03
11.	Return on Net Worth (%)*	(11.49%)	1.90%	1.41%
12.	Net Asset Value per Share (in Rs. )**	2.15	2.39	2.34

Notes:

\*Return on Equity / Net-worth is calculated as Profit for the year divided by Average Total Equity (Average of total equity at the beginning of the year and total equity at the end of the year)

\*\*Net assets value per equity share (Rs. ): Total Equity at the end of the year/period divided by outstanding number of equity share at the end of the year.

The audited Standalone financial results for the quarter and financial year ended March 31, 2025 and audited standalone financial results for the quarter and financial year ended March 31, 2025 of our Company is uploaded on the website of our Company at

<https://www.gangaforging.com/InvestorsRelation/DownloadPDF/26?FileName=FinancialResult>

The above figures are derived from the Fiscal 2025 Audited Standalone Financial Statements of our Company for purpose of disclosure in this Draft Letter of Offer in accordance with SEBI ICDR Regulations.

The Fiscal 2025 Audited Standalone Financial Statements of our Company have been prepared in accordance with the Indian Accounting Standards as notified by the Ministry of Corporate Affairs and as amended from time to time.

### Rationale for the Issue Price

The Issue Price will be determined by our Company on the basis of various qualitative and quantitative factors as described below:

#### Qualitative factors

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

#### 1. Established Manufacturing Capabilities and Technical Expertise

The Company has developed in-house forging capabilities supported by experienced technical personnel, robust process controls, and quality assurance systems, enabling it to manufacture products meeting stringent industry specifications across automotive, railway, and engineering applications.

## 2. Scalable Operations and Growth Potential

The Company's existing infrastructure, available capacity, and ongoing capital investments position it to scale operations efficiently and capitalize on increasing demand for forged components driven by infrastructure development, railways, and automotive replacement markets.

## 3. Quality Certifications and Compliance with Industry Standards

The Company adheres to prescribed quality, safety, and process standards and maintains relevant certifications, enabling it to qualify as an approved vendor for OEMs and institutional customers and enhancing its credibility in regulated end-use segments.

## 4. Experienced Management Team and Operational Track Record

The Company is led by a management team with significant experience in the forging and manufacturing sector, supported by a demonstrated track record of executing capacity expansions, managing cost efficiencies, and navigating industry cycles effectively.

### Quantitative factors

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### 1. Basic and diluted earnings per Equity Share ("EPS") (face value of each Equity Share is Rs. 2):

Fiscal	Basic EPS (in Rs.)	Diluted EPS (in Rs.)
March 31, 2025	0.05	0.05
March 31, 2024	0.04	0.03

Notes:

Basic EPS: Net Profit for the year attributable to owners of our Company/ weighted average number of Equity Shares outstanding during the year.

Diluted EPS: Net Profit for the year attributable to owners of our Company/weighted average number of Equity Shares outstanding during the year as adjusted for effective of dilutive equity shares.

#### 2. Return on Net Worth ("RoNW")

Fiscal	RoNW (%)
March 31, 2025	1.90
March 31, 2024	1.41

Note: Return on net worth: Net Profit for the year attributable to owners of our Company/Average Net Worth.

#### 3. Net Asset Value ("NAV") per Equity Shares

Fiscal	NAV (in Rs.)
March 31, 2025	2.39
March 31, 2024	2.34

Note: Net Asset value per share: Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the year.

## **SECTION VI: REGULATORY APPROVALS AND STATUTORY DISCLOSURES**

### **GOVERNMENT AND OTHER APPROVALS**

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, refer to the chapter titled “Objects of the Issue” beginning at page 45.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on January 06, 2026, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

This Draft Letter of Offer has been approved by our Board of Directors pursuant to its resolution dated January 06, 2026. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on [●], 2026.

The Board of Directors in its meeting held on [●], 2026, has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at Rs. [●] per Rights Equity Share of face value of Re. 1/- each (including a premium of Rs. [●] per Rights Equity Share) aggregating up to Rs. 3300\* Lakhs and the Rights Entitlement as [●] i.e. [●] Rights Equity Share for every [●] fully paid-up Equity Share of face value of Re. 1/- each, held as on the Record Date. The Issue Price will be decided by our Company which shall be determined in consultation with the Designated Stock Exchange, prior to determination of the Record Date.

*\* Assuming full subscription in the Issue and subject to finalisation of the basis of allotment.*

Our Company has received in-principle approval from NSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letter dated [●]. Our Company will also make application to NSE to obtain their trading approval for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: [●] for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, please see “Terms of the Issue” beginning on page 67.

### Prohibition by SEBI or Other Governmental Authorities

Our Company, our Promoters, the members of our Promoter Group and our Directors have not been and are not prohibited or debarred from accessing or operating in the capital market so restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Further, our Promoter and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our Directors, who have been associated with the securities market. Neither our Individual Promoter nor any of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

### Association with Entities Prohibited By SEBI

Our directors are not associated with any other entity which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

### Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the NSE. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

### **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company will make applications to the Stock Exchange for in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to the Issue.

### **Compliance with Part B of Schedule VI of SEBI ICDR Regulations**

Company has paid the outstanding SOP and ALF dues, however as on date of the filing Letter of offer there is no dues pending and Company is in compliance with the equity listing agreement entered into with the Stock Exchange and the SEBI LODR Regulations.

As on the date of filing of this Draft Letter of Offer, neither any show-cause notices nor proceedings for imposition of penalty, have been issued by SEBI and are pending against our Company, our Promoters or Whole-time Directors.

Further, no show cause notices have been issued by the SEBI or an Adjudicating Officer in a proceeding for imposition of penalty and/or no prosecution proceedings have been initiated by SEBI, against our Company, our Promoters or Whole-time Directors.

Our Equity Shares have not been suspended from trading as a disciplinary measure during the three years immediately preceding the date of filing of this Draft Letter of Offer.

### **Caution**

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer and the Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company, its officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

### **Disclaimer with respect to jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Rajkot, Gujarat only.

### **Disclaimer Clause of the NSE**

As required, a copy of this Draft Letter of Offer has been submitted to NSE. The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange.

[●]

### **No Offer in the United States**

**THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE**

**REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. ACCORDINGLY, THE EQUITY SHARES AND THE RIGHTS ENTITLEMENTS REFERRED TO IN THIS DRAFT LETTER OF OFFER ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” IN RELIANCE ON REGULATION S TO EXISTING SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE EQUITY SHARES AND/ OR RIGHTS ENTITLEMENTS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS AND IN COMPLIANCE WITH THE APPLICABLE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY OR TRANSFER ANY OF THE SAID SECURITIES.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation or purchase of the Equity Shares and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under the Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch, only through email, the Letter of Offer, the Application Form and other applicable Issue materials only to Eligible Equity Shareholders who have provided an Indian address to our Company.

Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Equity Shares and/ or the Rights Entitlements is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and is eligible to subscribe for the Equity Shares and/ or the Rights Entitlements under applicable securities laws, and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where either a registered Indian address is not provided or our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements. Our Company shall not be bound to issue or allot any Equity Shares and/ or the Rights Entitlements in respect of any such Application Form.

### **Selling Restrictions**

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer/ Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal

requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer/Letter of Offer and its accompanying documents being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

### **Filing**

This Draft Letter of Offer has been filed with the Stock Exchange for their in-principle approval. Once the in-principle approval from Stock Exchange are received, the Letter of Offer shall be filed with the Stock Exchange and with the SEBI for information and dissemination at its head office situated at:

*SEBI Bhavan Plot No. C4- A, "G" Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051.*

### **Disclaimer with respect to Redressal of Investor Grievances**

Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer within 15 days from the receipt of the complaint.

### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2020/152 dated August 13, 2020 and shall comply with the SEBI circular bearing reference number SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Investor complaints received by our Company are typically disposed off within 30 days from the receipt of the complaint.

Investors may contact the Registrar to the Issue or our Company Secretary for any pre- Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "Process of making an application through ASBA Process" at page 70 of this Draft Letter of Offer.

The contact details of our Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:

### **Registrar to the Issue**

**Name:** MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)

**Address:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West, ), Mumbai City, Mumbai, Maharashtra, India, 400083

**Tel:** +91-022 - 4918 6000

**E-mail:** [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)

**Investor grievance ID:** [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)  
**Contact person:** Shanti Gopalakrishnan  
**Website:** <https://in.mpms.mufg.com/>  
**SEBI Registration No.:** INR000004058

**Company Secretary and Compliance Officer of the Company**

**Name:** Ms. Drashti Arvindbhai Vaghasiya is the Company Secretary and Compliance Officer of our Company. Her details are as follows:

**Address:** Sr. No. 55/1 P6/P1/P1, Near Shree Stamping At: Road Pipaliya Tal: Rajkot, Gondal, Gujarat, India, 360311

**Phone:** +91 8460000335

**E-mail:** [cs@gangaforging.com](mailto:cs@gangaforging.com)

**Other Confirmations**

Our Company, in accordance with Regulation 79 of the SEBI ICDR Regulations, shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person for making an Application.

## SECTION VII: ISSUE INFORMATION

### TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA or by any other mode which may be notified by SEBI.

For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar of the issue at <https://in.mpms.mufg.com/>

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents/records confirming the legal and beneficial ownership of the Equity Shares with regard to these cases, at least two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder at least on day before the Issue Closing Date. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

#### Overview

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SEBI ICDR Master Circular and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreement entered into by our Company with Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

#### I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/dispatched only to such Eligible Equity Shareholders, who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Draft Letter of Offer, Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity

Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any

filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, please see “Restrictions on Purchases and Resales” beginning on page 94.

The Application Form, the Rights Entitlement Letter and other Issue material will be sent/dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, the Letter of Offer will be sent/dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access this Draft Letter of Offer, Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe to the Rights Equity Shares under applicable laws) on the websites of our Company at <https://www.gangaforging.com/>, the Registrar of the issue at <https://in.mpms.mufg.com/>, the Stock Exchange at <https://www.nseindia.com/>

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar of the Issue or by our Company, Eligible Equity Shareholders should visit <https://in.mpms.mufg.com/>

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. <https://in.mpms.mufg.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at <https://www.gangaforging.com/>.

**Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Draft Letter of Offer, Letter of Offer the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of the Draft Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with Stock Exchange for seeking in- principle approval and the Letter of Offer will also be filed with SEBI and the Stock Exchange. Accordingly, Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal Requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, such Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person’s jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

## **II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

**In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounces to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “- Grounds for Technical Rejection” on page 75. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 71.

### **• Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to in the Issue.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- a. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- b. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- c. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- d. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- e. renounce its Rights Entitlements in full.



- **Making of an Application through the ASBA process**

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application. For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34).

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, employees, affiliates, associates and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

**Do's for Investors applying through ASBA:**

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

**Don'ts for Investors applying through ASBA:**

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not apply if you have not provided an Indian address.
- c. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- d. Do not send your physical Application to the Registrar of the Issue, the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- e. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- f. Do not submit Application Form using third party ASBA account.
- g. Avoid applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- h. Do not submit Multiple Application Forms.

• **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Company, Registrar of the Issue or Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Ganga Forging Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of Rs. [●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales – Eligible Investors” on page 94, and shall include the following:

“I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States (including its territories and possessions thereof, any State of the United States and the District of Columbia) (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any State of the United States. I/we understand the Rights Equity Shares and Rights Entitlements referred to in this application are being offered and sold only outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders and located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in compliance with the applicable laws of such jurisdictions. I/we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/we confirm that I/we (a) am/are not in the United States and am/are eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) am/are complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar to the Issue, nor any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar to the Issue or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/We satisfy, and each account for which I/we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible

to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled “Restrictions on Purchases and Resales” on page 94.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar (i.e. <https://in.mpms.mufg.com/>) and the Stock Exchange (i.e. <https://www.nseindia.com/>)

Our Company and the Registrar of the Issue shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall visit at <https://in.mpms.mufg.com/> to upload their self- attested client master sheet of their demat account and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date; and
- c. The remaining procedure for Application shall be same as set out in the section entitled “- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 71.

- **Application for Additional Rights Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “- Basis of Allotment” on page 87.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.

- **Additional general instructions for Investors in relation to making of an Application**

- a. Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- b. Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section entitled “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 71.

- d. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e. Applications should not be submitted to the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSBs), our Company or the Registrar.
- f. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participant. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h. By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j. Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar of the Issue, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- l. All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID

and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

- m. Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- n. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q. Do not pay the Application Money in cash, by money order, pay order or postal order.
- r. Do not submit Multiple Applications.
- s. An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA Rules, as amended.
- t. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

- **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- a. DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c. Sending an Application to our Company, the Registrar of the Issue, Bankers to the Issue (assuming that such Bankers to the Issue are not SCSBs), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f. Account holder not signing the Application or declaration mentioned therein.
- g. Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.

- m. Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n. order, postal order or outstation demand drafts.
- o. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q. Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r. Application from Investors that are residing in U.S. address as per the depository records [(unless the Application Form is submitted by a person who is both an U.S. QIB and U.S. Qualified Purchaser in the United States)].
- s. Applicants not having the requisite approvals to make Application in the Issue.

- **Multiple Applications**

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors, and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “- Procedure for Applications by Mutual Funds” on page 77.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and are liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoter or members of our Promoter Group to meet the minimum subscription requirements, if applicable, to this Issue as described in the section entitled “Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group” on page 14.

- **Multiple Procedure for Applications by certain categories of Investors**

*Procedure for Applications by FPIs*

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or

otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter-alia, the following conditions:

- a. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

- **Procedure for Applications by AIFs, FVCIs, VCFs and FDI route**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

- **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ("OCI") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

- **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.



No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

- **Application by Specific Investor**

*In case of renunciation of Rights Entitlement to Specific Investor by Our Promoter or members of our Promoter Group- Not Applicable*

*In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor -Not Applicable*

- **Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled "- Basis of Allotment" on page 87.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number,

Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

- **Withdrawal of Application**

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

**No withdrawal of the Application by Specific Investor(s) shall be permitted, if such application is made pursuant to renunciation of Rights Entitlement by Our Promoter or members of our Promoter Group in favour of such Specific Investor.**

- **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Investor within one Working Day from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar of the issue (i.e. <https://in.mpms.mufg.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e. <https://www.gangaforging.com/>).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar of the issue (i.e. <https://in.mpms.mufg.com/>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

**In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.**

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "GANGA FORGING LIMITED RIGHTS ISSUE SUSPENSE ESCROW DEMAT ACCOUNT") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non- institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

#### IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- **Renouncees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

- **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

- **Procedure for Renunciation of Rights Entitlements**

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

*a) On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price

at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

*b) On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

*c) Off Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer and the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

#### **Mode of payment for Non-Resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income- Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.

Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

#### **Payment Schedule of Rights Equity Shares**

<b>Due Date</b>	<b>Amount payable per Rights Equity Shares*</b>
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On the Issue application (i.e. along with the Application Form)	Rs. [●]
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*\*To be finalised upon determination of the Issue Price*

**The Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.**

**Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date. For principal terms of Issue such as face value, Issue Price, Rights Entitlement, please see “*Issue Information*” beginning on page 39.

### **• Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] ([●]) Equity Share for every [●] ([●]) Equity Shares of face value of Re. 1/- (One) each held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares of face value of Re. 1/- (One) each or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlement applied for.

Further, the Eligible Equity Shareholders holding less than [●] ([●]) Equity Shares of face value of Re. 1/- (One) each as on Record Date shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non- negotiable.

### **• Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreement entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank pari-passu with the existing Equity Shares, in all respects including dividends.

### **• Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the NSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on NSE (Symbol: GANGAFORGE) under the ISIN: INE691Z01023. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading

approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within fifteen days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- **Subscription to this Issue by our Promoter and members of our Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of our Promoter Group, please see “*Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group*” on page 14.

- **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

The right to receive dividend, if declared;

- a. The right to receive surplus on liquidation;
- b. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- c. The right to free transferability of Rights Equity Shares;
- d. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- e. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **VII. GENERAL TERMS OF THE ISSUE**

- **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

- **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail.

Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

- **Notices**

Our Company will send through e-mail and speed post, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one regional language newspaper with wide circulation, in Gujarati, as our company Registered Office is situated in the state of Gujarat).

This Draft Letter of Offer, the Letter of Offer, and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

- **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar. It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchange. Further, Application Forms will be made available at Registered and Corporate Office



of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company. The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar of the Issue and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at <https://in.mpms.mufg.com/>

## **ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 87.**

## **VIII. ISSUE SCHEDULE**

<b>LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS</b>	<b>[●]</b>
<b>ISSUE OPENING DATE</b>	<b>[●]</b>
<b>LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*</b>	<b>[●]</b>
<b>DATE OF CLOSURE OF OFF-MARKET TRANSFER OF RIGHTS ENTITLEMENTS</b>	<b>[●]</b>
<b>ISSUE CLOSING DATE**</b>	<b>[●]</b>
<b>FINALISATION OF BASIS OF ALLOTMENT</b>	<b>[●]</b>
<b>DATE OF ALLOTMENT</b>	<b>[●]</b>
<b>DATE OF CREDIT OF RIGHTS EQUITY SHARES</b>	<b>[●]</b>
<b>DATE OF LISTING</b>	<b>[●]</b>

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*\*\*Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such Shareholders will not be allotted any Rights Equity Shares, nor such Rights Equity Shares be kept in demat suspense escrow account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar of the Issue (i.e. <https://in.mpms.mufg.com/>).

Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar of the Issue (i.e. <https://in.mpms.mufg.com/>) by entering their DP ID and Client ID

or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

## **IX. BASIS OF ALLOTMENT**

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a. Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- b. Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c. Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d. Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e. Allotment to Specific Investor, if any, as disclosed by our Company before opening of the Issue, or to any other person, as deemed fit by our Board, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

## **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in demat suspense escrow account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within one Working Day from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at such other rate as specified under applicable law from the expiry of such 15 days’ period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts. Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds/refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **XI. PAYMENT OF REFUND**

### **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

- a. Unblocking amounts blocked using ASBA facility.
- b. NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c. National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine-digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e. RTGS – If the refund amount exceeds Rs. 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.

- f. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 2 working Days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a. Tripartite agreement dated March 19, 2018, amongst our Company, NSDL and the Registrar to the Issue; and
- b. Tripartite agreement dated March 14, 2018, amongst our Company, CDSL and the Registrar to the Issue.

### **INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository

participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/refund intimation will be directly sent to the Investors by the Registrar, on their registered e-mail address or through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

### **XIII. IMPERSONATION**

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

1. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
2. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
3. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least Rs. 10 lakh or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs. 10 lakh or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs. 50 lakh or with both.

### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

All monies received out of this Issue shall be transferred to a separate bank account;

1. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
2. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

### **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 2 Working Days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of refund/unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. No further issue of securities shall be made from the date of filing the Draft Letter of offer with Stock Exchange till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc. other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
7. Adequate arrangements shall be made to collect all ASBA Applications.
8. As on date, our Company does not have any convertible debt instruments.
9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “*Ganga Forging Limited– Rights Issue*” on the envelope and postmarked in India) to the Registrar of the Issue at the following address:

### **Registrar to the Issue**

**Name:** MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)

**Address:** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West, ), Mumbai City, Mumbai, Maharashtra, India, 400083

**Tel:** +91-022 - 4918 6000

**E-mail:** [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)

**Investor grievance ID:** [gangaforging.rights@in.mpms.mufg.com](mailto:gangaforging.rights@in.mpms.mufg.com)

**Contact person:** Shanti Gopalakrishnan

**Website:** <https://in.mpms.mufg.com>

**SEBI Registration No.:** INR000004058

3. In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar of the Issue (<https://in.mpms.mufg.com/>). Further, helpline number provided by the Registrar of the Issue for guidance on the Application process and resolution of difficulties is 011-26812682-83
4. The Investors can visit following links for the below-mentioned purposes:
  - a. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <https://in.mpms.mufg.com/>;
  - b. Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar of the Issue or our Company: <https://in.mpms.mufg.com/>;

- c. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://in.mpms.mufg.com/>;
- d. Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: <https://in.mpms.mufg.com/>.

This Issue will remain open for a minimum 7 (Seven days) . However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date and Issue Closing Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The FDI Policy consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100% which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. Investors are cautioned to consider any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer.



## **RESTRICTIONS ON PURCHASES AND RESALES**

### **Eligibility and Restrictions**

#### ***General***

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Letter of Offer will be filed with the Stock Exchange and SEBI.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

This Letter of Offer and its accompanying documents are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### **No offer in the United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit this Letter of Offer into the United States at any time.

#### **Representations, Warranties and Agreements by Purchasers**

The Rights Entitlements and the Rights Equity Shares offered are being offered in “offshore transactions” as defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of this Letter of Offer with SEBI and the Stock Exchange); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.

9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of this Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our Group and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in this Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on the National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of the National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, has not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Letter of Offer and the Exchange Information (collectively, the "Information"), has been prepared solely by our Company.
14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in this Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India

or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties or agreements set forth above and elsewhere in this Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements

## SECTION VIII –OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection at the registered office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at <https://www.gangaforging.com/> from the date of this Draft Letter of Offer until the Issue Closing Date..

#### I. Material Contracts for the Issue

- i. Registrar Agreement dated January 06, 2026 entered into amongst our Company and the Registrar to the Issue;
- ii. Banker to the Issue Agreement dated January 08, 2026 between our Company, Registrar to the Issue and the Banker to the Issue.
- iii. Monitoring Agency Agreement dated January 06, 2026 between our Company and the Monitoring Agency.

#### II. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Annual Reports of the Company for the past three years i.e FY 2022-23, 2023-24, 2024-25
3. Resolution of the Board of Directors dated January 06, 2026 in relation to the Issue.
4. Resolution of the Committee of the Board of Directors dated [●] in relation to approving the quantum of issue, issue price and ratio of rights entitlement and Record Date.
5. Resolution dated January 06, 2026 passed by the Board of Directors for approval of this Draft Letter of Offer.
6. Resolution of our Board of Directors dated [●], approving the utilization of the Net Proceeds for the Objects, in accordance with the schedule of deployment and implementation.
7. Statement of Tax Benefits dated December 30, 2025 from the Statutory Auditor included in the Draft Letter of Offer/Letter of Offer.
8. Tripartite Agreement dated March 19, 2018 between our Company, NSDL and the Registrar to the Issue.
9. Tripartite Agreement dated March 14, 2018 between our Company, CSDL and the Registrar to the Issue.
10. In-principle listing approval letter no. [●] dated [●] from NSE.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(HIRALAL MAHIDAS TILVA)**  
**Chairman & Managing Director**  
**DIN: 02719429**

**Date: January 06, 2026**

**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(RAKESH CHHAGANLAL PATEL)**  
**Managing Director**  
**DIN: 00510990**

**Date: January 06, 2026**  
**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(SHEETAL SANJIVKUMAR CHANIARA)**  
**Whole-time Director**  
**DIN: 07528297**

**Date: January 06, 2026**  
**Place: Rajkot**



## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(NAYANKUMAR KARSHANBHAI VIRPARIA)**

**Independent Director**

**DIN: 03297965**

**Date: January 06, 2026**

**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(JASUBHAI KHIMJIBHAI PATEL)**  
**Independent Director**  
**DIN: 01006449**

**Date: January 06, 2026**  
**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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(**PARULBEN RAKESHBHAI PATEL**)  
**Whole-time Director**  
**DIN: 07528313**

**Date: January 06, 2026**  
**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(RAMESHBHAI GORDHANBHAI DHINGANI)**  
**Independent Director**  
**DIN: 07946841**

**Date: January 06, 2026**  
**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

Sd/-

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**(SAGAR RAMNIKLAL GOVANI)**  
**Independent Director**  
**DIN: 09185913**

**Date: January 06, 2026**  
**Place: Rajkot**

## **DECLARATION**

I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY**

Sd/-

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**(AVNI NILESHKUMAR DADHANIYA)**  
**Chief Financial Officer**

**Date: January 06, 2026**  
**Place: Rajkot**