



Ruparel & Bavadiya

Chartered Accountants

Level -3, 320 Kanha Capital,
Above HDFC Bank, Near Alkapuri Club,
R.C. Dutt Road, Vadodara - 390007

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Branch: B/502-503, River Palace
Old Civil Court Road, Nanpura,
Surat - 395001

CERTIFICATE ON FINANCIAL INDEBTEDNESS

To,
The Board of Directors
Rajputana Stainless Limited
213, Madhwas, Halol Kalol Road Kalol,
Panchmahal, Gujarat, India, 389330

And

Nirbhay Capital Services Private Limited
201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway,
Bodakdev, Ahmedabad- 380054, Gujarat, India
(Referred as Book Running Lead Manager)

Dear Sirs,

Re: Proposed public offer of equity shares of face value of Rs. 10/- each (the "Equity Shares") of Rajputana Stainless Limited (the "Company") (the "Offer")

Sub: Certificate on Financial Indebtedness of the Company

We, **Ruparel & Bavadiya**, the Statutory Auditors of the Company, have verified the financial statements of the Company as at 30th September, 2025 loan agreements and sanction letters approved by the banks/ financial institutions, confirmations on outstanding loan amount from group companies, bank statements and bank balance confirmations on outstanding loan amount and other relevant records. On the basis of such verification and according to information and explanation given to us, we confirm the following:

The summary of the borrowings sanctioned to the Company with the key terms of borrowings, as of 03rd December 2025 is stated in **Annexure A**.

The principal terms of the loans and assets charged as security by the Company are stated in **Annexure B**.

The Company has not provided any guarantees for the repayment of any loans availed by other entities

We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("ICAI"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time.

This certificate may be relied upon by the Company, BRLM and Legal Counsel appointed in relation to the Offer. This certificate is for information and for inclusion in the Updated Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies, Ahmedabad ("ROC") and the stock exchanges, or any other material (including in any corporate advertisement or investor presentation made by or on behalf of the Company) to be issued in relation to the Offer (together referred as "Offer Documents") prepared in



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connection with the Offer or any other document to be issued or filed in relation to the Offer, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, stock exchanges, any other authority as may be required and / or for the records to be maintained by the BRLM in connection with the Offer, and in accordance with applicable law, and for the purpose of any defense the BRLM may wish to advance in any claim or proceeding in connection with the contents of this certificate.

We confirm that any changes to the above that come to our attention will immediately be intimated to the BRLM and the Legal Counsel to the Offer in writing till the date the Equity Shares of the Company commences trading on the stock exchanges. In the absence of any communication from us, you may assume that there is no change in respect of the matters covered in this certificate.

We hereby indemnify and keep indemnified, saved, defended and harmless the BRLM and Legal Counsel to the proposed Offer of the Company and all persons claiming under them ("Indemnified Persons"), from and against all losses and/or damages arising as a result of the aforementioned representations made by us in order to disclose details of the same in the Offer Documents including the Updated Draft Red Herring Prospectus / Red Herring Prospectus, the Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus, etc., for the Offer or arising as a result of any notices, proceedings, litigations, claims, penalties, demands and costs that may be made and/or raised on the Indemnified Persons by any third parties and/or with regard to any matter arising in connection thereto or otherwise by reason of the matter contemplated herein and/or sustained by the BRLM and/or Legal Counsel to the Offer as a result of any statements, representations, assurances, confirmations hereinunder given being untrue. Provided that our aggregate liability under this indemnity shall in no case exceed the total professional fees charged by us for certification of documents in connection with the Offer. This limitation of liability shall not apply in cases involving fraud or willful misconduct on our part.

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Offer Documents.

Yours sincerely,

**For Ruparel & Bavadiya
Chartered Accountants**

Firm Reg. No. 126260W



CA Devendra Barot

Partner

Membership No. 614766

UDIN: 25614766EQFEMB7984

Place: Vadodara

Date: 30-12-2025

Encl: As above

CC:

Legal Counsel to the Offer

Vidhigya Associates

A-105, Kanara Business Centre, Link Road,

Laxmi Nagar, Ghatkopar (East) Mumbai-400075

Contact Person: Rahul Pandey

Email: rahul@vidhigyaassociates.com

ANNEXURE A

(₹ in Lakhs)

No.	Nature of Borrowing	Sanctioned Amount	Outstanding Amount as on 03 rd December, 2025
I	Secured Loans		
	Term Loan	3,788.00	1,847.31
	Working Capital Loan		
	- Fund Based [#]	7,000.00 [#]	6,955.80
	- Non-Fund Based	6,000.00	4,306.12
	Vehicle Loan	48.00	8.21
	Sub Total - A	16,836.00	13,117.44
II	Unsecured Loans		
	From Bank & Financial Institutions	1,000.00	1,000.00
	Loan From Director	-	18.65
	Sub Total - B	1,000.00	1,018.65
	Total Borrowing - (C=A+B)	17,836.00	14,136.09

[#] Includes additional Interchangeable Non fund based to Fund based sanction amount of ₹500.00 Lakhs above Fund based limit of ₹4,750.00 Lakhs.

Note: In addition to the aforementioned borrowings, the Company also avails need-based supplier bill discounting facilities arrangements for making payments to its suppliers.



ANNEXURE B

Principal terms of the subsisting borrowings availed by the Company:

1. **Purpose:** The Company have availed the borrowing facilities to primarily finance its working capital requirements.
2. **Tenor:** The tenor of the term loans facilities availed by the Company is typically between 25 months to 60 months and the tenor of working capital facilities availed by the Company are repayable on demand subject to review/renewal.
3. **Interest:** In terms of the facilities availed by the Company, the interest rate typically comprises a base rate plus applicable margin of the specified lender. The spread varies between different facilities, ranging from 7.00% per annum to 11.00% per annum.
4. **Security:** In terms of the borrowings by the Company where security needs to be created, security is created by way of, among other things,
 - a) Guarantees by the Promoters, Shri Shankarlal Mehta, Shri Babulal Mehta and Shri Jayesh Pithva.
 - b) Charge by way of Hypothecation on current assets present and future, i.e., stocks of raw materials, SIP, finished goods, consumables, receivables, store, spares etc.
 - c) Charge by way of Mortgage of Factory Land & Buildings.
 - d) Charge by way of Mortgage of Office.
 - e) Exclusive charge by way of hypothecation on vehicles of the Company.
5. **Pre-payment:** Certain loans availed by the Company have pre-payment provisions which allow for pre-payment of the outstanding loan by serving notice to the lender and subject to payment of such pre-payment penalties as may be prescribed. The lenders may charge a penal interest on the outstanding amount or a penal interest at their discretion
6. **Re-payment:** The re-payment period for the borrowing facilities availed by the Company is typically equivalent to the tenure of the facility and can also be on demand.
7. **Restrictive Covenants:** *The borrowing arrangements entered into by us restrict us from carrying out certain actions, including:*
 - a) The Bank shall have the right to securitise the assets charged and in the event of such securitization, the Bank will suitably inform the borrower(s) and guarantor(s).
 - b) Without prior consent of the Bank, the Borrower shall not during the continuance of the credit facility granted:
 - i. Formulate any scheme of amalgamation or reconstruction.
 - ii. undertake any new project/scheme without obtaining the Banks prior consent.
 - iii. Invest by way of share capital in or loan or advance funds to or place deposits with any other concern (including group companies).
 - iv. Enter into borrowing arrangement either secured or unsecured with any other bank financial institution, company or otherwise or accept deposits.
 - v. Undertake any guarantee or letter of comfort in the nature of guarantee on behalf of any other company (including group companies).
 - vi. declare dividend for any year except out of profits relating to that year and after payment of outstanding dues to the lenders.



- vii. Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any other financial institution, bank, company, firm or persons.
 - viii. Sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the Bank.
 - ix. Enter into any contractual obligation of a long-term nature or which, in the reasonable assessment of the Bank, is detrimental to lender's interest.
 - x. Change the practice with regard to remuneration of Directors by means of ordinary, remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions.
 - xi. Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
 - xii. Permit any transfer of the controlling interest or make any drastic change in the management set-up including resignation of promoter directors.
 - xiii. Pay any commission to the guarantor/s for guaranteeing the credit facilities sanctioned by the Bank to the borrowers.
 - xiv. Approach capital market for mobilizing additional resources either in the form of debt or equity.
- c) If the Bank turns down the borrower's request for terms under (i) to (xiv) mentioned above but the later still goes ahead, the Bank shall have the right to call up the facilities sanctioned.

The details provided above are indicative and there may be additional terms, conditions, and requirements under the various outstanding borrowing arrangements of our Company.

8. Events of Default: The terms of our borrowings contain certain standard events of default which may attract penal charges, including:

- a) Fails to promptly pay any amount now or hereafter owing to the Bank as and when the same shall become due and payable
- b) Penal interest to be levied in case of default in vehicle loan from the date of default till payment of realization.
- c) The Bank can sell or dispose of the assets to settle obligations, without being liable for losses or obligated to exercise these powers.
- d) In the event of default, if there's surplus available out of the net proceeds, after settling all obligations, the Bank can use it to reduce the working capital limit.
- e) Any floating charge on the current asset shall be automatically and without any prior notice by the Bank's to the borrower, be converted into a fixed charge upon the occurrence of any event of default.
- f) Upon the occurrence and during the continuation of event of default, the company has undertaken to transfer to banks all related bills, contracts, securities and documents.

9. Consequences of occurrence of events of default: Upon the occurrence of an event of default the lender may levy penal/ interest charges over and above the normal interest applicable in the account.

